September 3, 2015

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

THE BOARD DINNER MEETING SCHEDULED ON WEDNESDAY, SEPTEMBER 9, IS CANCELED.

THURSDAY, SEPTEMBER 10, 2015

8:30 to 8:35 a.m.  142 Gerberding Hall  ACADEMIC AND STUDENT AFFAIRS
                  COMMITTEE:  Regents Jaech (Chair), Kritzer, Rice, Riojas, Simon

@8:35 to 10:25 a.m.  142 Gerberding Hall  FINANCE AND ASSET MANAGEMENT
                    COMMITTEE:  Regents Shanahan (Chair), Blake, Harrell, Smith

10:45 a.m.  Petersen Room  Allen Library  REGULAR MEETING OF BOARD OF
                REGENTS

*or upon conclusion of the previous session.

Unless otherwise indicated, committee meetings of the Board of Regents will run consecutively; starting times
following the first committee are estimates only. If a session ends earlier than expected, the next scheduled session may
convene immediately. Committee meetings may be attended by all members of the Board of Regents and all members
may participate.

To request disability accommodation, contact the Disability Services Office at: 206.543.6450 (voice), 206.543.6452 (TTY),
206.685.7264 (fax), or email at dso@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.

1.1/209-15
9/10/15
UNIVERSITY OF WASHINGTON
BOARD OF REGENTS

Academic and Student Affairs Committee
Regents Jaech (Chair), Kritzer, Rice, Riojas, Simon

September 10, 2015
8:30 to 8:35 a.m.
142 Gerberding Hall

Approval of Minutes of Committee Meeting on July 9, 2015

<p>| COMMITTEE |</p>
<table>
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<tr>
<th>ACTION</th>
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<tbody>
<tr>
<td>1. Academic and Administrative Appointments</td>
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<tr>
<td>Gerald J. Baldasty, Interim Provost and Executive Vice President</td>
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2. Other Business
UNIVERSITY OF WASHINGTON
BOARD OF REGENTS

Finance and Asset Management Committee
Regents Shanahan (Chair), Blake, Harrell, Smith

September 10, 2015
8:35 to 10:25 a.m.
142 Gerberding Hall

Approval of Minutes of Committee Meeting on July 9, 2015

<table>
<thead>
<tr>
<th>COMITTEE ACTION</th>
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<tbody>
<tr>
<td>1. UW One Capital Plan</td>
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<td>Paul Jenny, Senior Vice President, Planning and Management</td>
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<td>2. UW Tacoma Urban Solutions Phase 1</td>
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<td>Harlan Patterson, Vice Chancellor for Finance and Administration, Administrative Services, UW Tacoma</td>
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<td>Steve Tatge, Director, Major Projects, Capital Projects Office</td>
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<td>Pedro Arduino, Associate Dean, Civil and Environmental Engineering</td>
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<td>4. UW Medicine at South Lake Union – Authorization of Phase 3.2</td>
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<td>Chris Malins, Associate Vice President, Treasury</td>
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<td>Mary Fran Joseph, Associate Dean for Administration and Finance, School of Medicine</td>
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<td>5. Transforming Administration Program (TAP) Update</td>
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<td>Ana Mari Cauce, Interim President</td>
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<td>Jerry Baldasty, Interim Provost and Executive Vice President</td>
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<td>6. Business Equity Statement for the University of Washington as Board of Regents Governance, Regent Policy No. 16</td>
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<td>Angela Battle, Director, Business Diversity Program</td>
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<td>7. Establishment of an Internal Investment Management Company with an Advisory Board, as Provided in the Revised Board of Regents Governance, Standing Orders, Chapters 4 and 10</td>
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<td>Keith Ferguson, Chief Investment Officer</td>
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<td>Scott Davies, Chief Operating Officer, Investments</td>
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<td>8. Amendment to the Statements of Investment Objectives and Policy for the Consolidated Endowment Fund, the Invested Funds, and Deferred and Other Gift Assets</td>
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<td>Scott Davies, Chief Operating Officer, Investments</td>
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</table>
9. **Investment Performance Report – Fourth Quarter Fiscal Year 2015, as of June 30, 2015**  
   Keith Ferguson, Chief Investment Officer  
   [INFORMATION F–9]

    Connie Kravas, Vice President, Advancement  
    Walt Dryfoos, Associate Vice President, Advancement Services, University Advancement  
   [INFORMATION F–10]

11. **Alaska Airlines Signature Partnership**  
    Scott Woodward, Director of Athletics, Intercollegiate Athletics  
    Mary Gresch, Chief Marketing and Communications Officer, University Advancement  
   [ACTION F–11]

12. **Audit Advisory Committee Update**  
    Kristi Blake, Audit Advisory Committee Chair, Regent  
   [INFORMATION F–12]

13. **Other Business**
AGENDA

BOARD OF REGENTS
University of Washington

September 10, 2015
10:45 a.m.
Petersen Room, Allen Library

I. CALL TO ORDER

II. ROLL CALL: Assistant Secretary Shelley Tennant

III. CONFIRM AGENDA

IV. PUBLIC COMMENT PERIOD

V. BOARD ITEMS

Intercollegiate Athletics Report on NCAA Compliance (Information only)

Jackie Mynarski, Associate Athletic Director for Compliance

VI. REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Ayer

VII. REPORT OF THE UNIVERSITY PRESIDENT: President Cauce

VIII. CONSENT AGENDA

Approval of Minutes of Meeting of July 9, 2015

UW Tacoma Urban Solutions Phase 1

NanoEngineering and Sciences Building

UW Medicine at South Lake Union – Authorization of Phase 3.2

Business Equity Statement for the University of Washington as Board of Regents Governance, Regent Policy No. 16

Establishment of an Internal Investment Management Company with an Advisory Board, as Provided in the Revised Board of Regents Governance, Standing Orders, Chapters 4 and 10
Amendment to the Statements of Investment Objectives and Policy for the Consolidated Endowment Fund, the Invested Funds, and Deferred and Other Gift Assets  

Alaska Airlines Signature Partnership  

IX. STANDING COMMITTEES

A. Academic and Student Affairs Committee: Regent Jaech – Chair

Academic and Administrative Appointments (Action)  

B. Finance and Asset Management Committee: Regent Shanahan – Chair

UW One Capital Plan (Information only)  
Transforming Administration Program (TAP) Update (Information only)  
Investment Performance Report – Fourth Quarter Fiscal Year 2015, as of June 30, 2015 (Information only)  
UW Advancement Report of Contributions 2015 (Information only)  
Audit Advisory Committee Update (Information only)  

C. Governance Committee: Regent Ayer – Chair

Election of 2015-16 Board Officers, Committees and Other Appointments (Action)  

X. REPORTS TO THE BOARD

Faculty Senate Chair – Professor Norman Beauchamp

Student Leaders:
ASUW President – Mr. Tyler Wu
GPSS President – Mr. Alex Bolton
ASUW Tacoma President – Ms. Sophie Nop
ASUW Bothell President – Mr. Dom Juarez

Alumni Association President – Mr. Jeff Rochon

XI. DATE FOR NEXT REGULAR MEETING: Thursday, October 8, 2015

XII. EXECUTIVE SESSIONS

(to review the performance of public employees.)  
(to discuss with legal counsel litigation or potential litigation as defined in RCW 42.30.110.)  
(to evaluate the qualifications of applicants for public employment.)

XIII. ADJOURN
The Board of Regents held its regular meeting on Thursday, September 10, 2015, beginning at 10:45 a.m. in the Petersen Room of the Allen Library. The notice of the meeting was appropriately provided to the public and the media.

CALL TO ORDER

Regent Ayer called the meeting to order at 11:00 a.m. A delay of meeting notice was posted.

ROLL CALL

Assistant Secretary Tennant called the roll: Present were Regents Ayer (chairing), Blake, Harrell, Kritzer, Rice (by telephone), Riojas, Shanahan, Simon, and Smith; President Cauce, Provost Baldasty, Ms. Goldblatt; ex officio representatives: Professor Beauchamp, Mr. Bolton, Mr. Wu, and Mr. Rochon.

Absent: Regent Jaech

CONFIRM AGENDA

The agenda was confirmed as presented.

PUBLIC COMMENT PERIOD

Regent Ayer announced the Board would receive comments from the public. This segment of the meeting is meant to give Board members a chance to hear directly from the public on any subject pertaining to the University. He noted that while the Board was pleased to have the opportunity to listen to any comments offered and consider them in its future decision-making, the Board was not in a position to directly act on the comments or provide a response. Any Board member who would like additional information would make that request through staff following the meeting. Regent Ayer offered the opportunity to comment to people who signed up in advance.
• Two Registered Nurses from UW Medicine commented on contract negotiations and working conditions at the UW Medical Center.
• A representative from UNITE HERE, the hotel workers union, commented on the Rainier Square project.

Regent Ayer thanked the speakers for attending the meeting and presenting their comments to the Board. He reiterated if members of the Board would like additional information about the issues presented in public comment, they would make the request of staff and it would be provided at a later time.

BOARD ITEMS

Intercollegiate Athletics Report on NCAA Compliance (Agenda No. B–1) (Information only)

Jackie Mynarski, Associate Athletic Director for Compliance, presented the annual report, included in the slide presentation entitled “Who We Are Is Why We Win” Shondell Reed, Senior Associate Athletic Director for Compliance, and Scott Woodward, Athletic Director, were also present. Mr. Woodward said it was a good year for compliance. Ms. Mynarski explained some of the changes in NCAA regulations. Mr. Woodward expressed ICA’s dedication to institutional control in a culture of compliance, and the positive impact this has on UW’s student athletes’ experience. There were no major violations reported in the past year.

Regents asked how donors to Athletics are educated about compliance rules. Ms. Mynarski replied ICA is creating a new website for donors which will address these issues. Also, ICA created a brochure which will be placed in stadium suites during football. She addresses Tyee board members at their meetings and her office provides education to the development team. Mr. Woodward added the Compliance Office has an open door for questions. Regent Blake asked if donor acknowledgements contained compliance information. Ms. Mynarski said ICA does this and that the new website will feature a question box and an anonymous tip box. She added that NCAA deregulation has allowed donors more access to student athletes.

Regents asked about benchmarking UW’s level of compliance with other PAC-12 schools. The Conference provides a violation list from other schools. There is a new NCAA program which offers benchmarking against peer groups. Ms. Mynarski said a priority is placed on academics and entrance standards.

See Attachment B–1.

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

Regent Ayer reported on the progress of the presidential search. At the last meeting, Regents approved a Presidential Leadership Profile. Advertising and candidate
development have taken place over the summer and there is a robust list of prospective candidates for the Search Committee to review. He thanked the Regents serving on the Presidential Search Committee – Kristi Blake, Joanne Harrell, Jeremy Jaech, and Rogelio Riojas – as well as faculty and student leaders Tyler Wu, Alex Bolton, Dominick Juarez, Sophie Nop, and Norm Beauchamp for their continued service on the twenty-eight-member committee. Charged with submitting a list of three to five unranked recommended candidates to the Board of Regents, the Committee plans to identify a group of candidates to interview.

During the summer, Regent Ayer met with Ryan Durkan, the Chair of Washington State University’s Board of Regents. They discovered the two Boards and Universities have much in common, and explored opportunities to collaborate. Tentatively, a joint meeting will be held in the fall. In late August, a few Regents, President Cauce, and others from the UW traveled to Pullman to attend the memorial service for WSU President Elson Floyd. WSU paid a fitting tribute to President Floyd and UW attendance was greatly appreciated.

On behalf of the Regents and the University, Regent Ayer reiterated his thanks to Ana Mari Cauce, for her continued service as University President and invited her to deliver the report of the University President.

REPORT OF THE UNIVERSITY PRESIDENT: President Cauce

President Cauce acknowledged the incredible hospitality offered by WSU as the community opened its home to celebrate President Floyd’s life and legacy and held a moving service commemorating him. All were impressed by the remarks made by students, Regents, and the Governor. She reaffirmed her goal to repair relationships with other schools in the state. Despite periodic moments of tension, she feels the schools share values. Their desire to serve the citizens of the state is the same, as is their desire to provide the best quality education. She said, “We are stronger together.”

President Cauce reported on the University’s behind the scenes activity preparing for the largest freshman class ever across the three campuses. The class included more Washington state residents than ever. A freshman class of 6,800 at UW Seattle will stretch the capacity. There is also a large number of transfer students, with 88% of them transferring from community colleges in Washington.

This is the season of rankings and UW continues to be strong. The Shanghai Jiao Tong University ranking places UW fifteenth in the world, Washington Monthly ranks UW seventh. US News and World Report moved UW from 48 to 52, but their ranking of global universities places UW at number fourteen.

The President was pleased to announce UW students received the 2015 Silver Student Action Award from Purposeful Networks, which awards and honors undergraduates for demonstrated student leadership, momentum, and engagement in activities that positively impact the community and the planet.
President Cauce is also proud of UW’s ranking in Washington Monthly as number four in the nation ranked on social mobility.

President Cauce was pleased to report UW ranked number four in the Times Higher Education’s list of top universities led by women.

CONSENT AGENDA

Regent Ayer noted there were eight items for approval on the consent agenda and requested item F-11, the Alaska Airlines Partnership, be removed from the Consent Agenda, so that he may abstain. He asked if there were other items to be removed from the Consent Agenda and returned to the report of a standing committee for discussion. Regent Ayer then called for a motion to approve the remaining seven items on the Consent Agenda.

MOTION: Upon the recommendation of the Chair of the Board and the motion made by Regent Simon, the Board voted to approve the seven items on the Consent Agenda as shown below:

Minutes for the meeting of July 9, 2015

UW Tacoma Urban Solutions Phase 1 (Agenda no. F–2)

It was the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents:

1. Approve project budget of $28 million.
2. Approve an increase in scope to include interior build-out.
3. Delegate authority to award the GC/CM construction contract.

See Attachment F–2.

NanoEngineering and Sciences Building (Agenda no. F–3)

It was the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents:

Increase the project budget from $53 million to $81.9 million, which includes:

- Increase of the “base scope” project budget from $53 million to $60.1 million to address a $7.1 million variance as a result of unanticipated changes in construction escalation and market conditions.
- Additional increases of $14.9M for the buildout of the remainder of Level G and all of Level 3, and $6.9M for the buildout of Level 4. Levels G and 3 will provide additional research space for the College of Engineering, and Level 4 will provide space for the Institute for Protein Design (IPD). These areas were planned as “shell space” in the original project scope/design.
UW Medicine at South Lake Union – Authorization of Phase 3.2 (Agenda no. F–4)

It was the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents:

1. Adopt the resolution authorizing Washington Biomedical Research Properties (WBRP) 3.2 as the non-profit entity to issue 63-20 bonds on behalf of the University of Washington and agreeing that the University will accept title to the bond-financed property, at no additional cost, when the bonds are retired;
2. Approve execution of a long-term facilities lease for the South Lake Union Phase 3.2 research building in support of a total borrowing of $143 million and a project budget of $127.8 million;
3. Approve the building naming plan; and
4. Delegate to the President of the University or the President’s authorized representative the authority to execute documents necessary to implement the transaction and financing.

See Attachment F–4.

Business Equity Statement for the University of Washington as Board of Regents Governance, Regent Policy No. 16 (Agenda no. F–6)

It was the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents approve the Business Equity Statement for the University of Washington as Board of Regents Governance, Regent Policy No. 16.

See Attachment F–6.

Establishment of an Internal Investment Management Company with an Advisory Board, as Provided in the Revised Board of Regents Governance, Standing Orders, Chapters 4 and 10 (Agenda no. F–7)

It was the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents:

1) Approve the establishment of an internal investment management company (“University of Washington Investment Management Company” or “UWINCO”);
2) Replace the current advisory committee with an internal investment management company advisory board (“University of Washington Investment Management Company Board” or “UWINCO Board”);
3) Adopt changes to the Board of Regents Governance, Standing Orders, Chapter 4, Advisory Committees of the Board of Regents, and new Chapter 10, University of Washington Internal Investment Management Company.

Approval of the recommended action will require changes to the “Delegations” section of the University’s investment policies. The investment policy changes are summarized in a
separate recommended action. Changes will be effective immediately upon approval by the Board of Regents.

See Attachment F–7.

**Amendment to the Statements of Investment Objectives and Policy for the Consolidated Endowment Fund, the Invested Funds, and Deferred and Other Gift Assets** (Agenda no. F–8)

It was the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents adopt changes in the Statements of Investment Objectives and Policy for the Consolidated Endowment Fund, the Invested Funds, and the Deferred and Other Gift Assets.

The recommended changes reflect the following:

1) Establishment of an internal investment management company, known as the University of Washington Investment Management Company (UWINCO);
2) Creation of an internal investment management company advisory board, known as the University of Washington Investment Management Company Board (UWINCO Board);
3) Management of the Chief Investment Officer position by the President of the University (position formerly managed by the Treasurer of the Board of Regents); and
4) Clarification of language as needed in all three policy documents.

The recommended changes to the investment program policies are consistent with changes to the *Board of Regents Governance*, Standing Orders, Chapters 4 and 10. Those changes are summarized in a separate recommended action. Changes will be effective immediately upon approval by the Board of Regents.

See Attachment F–8.

**STANDING COMMITTEES**

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

Regent Ayer invited Provost Baldasty to highlight appointments. Provost Baldasty highlighted the creation of the Toni Rembi Endowed Deanship in the School of Law to be held by Kellye Testy

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

**MOTION**: Upon the recommendation of the administration and the Academic and Student Affairs Committee, Regent Ayer called for a vote, and the Board voted to approve the academic and administrative appointments. Regent Kritzer abstained from the vote.
FINANCE AND ASSET MANAGEMENT COMMITTEE: Regent Shanahan, Chair

Regent Shanahan began his remarks by saying it takes a lot to run the University. Regental Committees strive to make proactive, rather than reactive, decisions. He praised the Regents for demonstrating their commitment to business diversity by approving the new policy, and thanked Regent Harrell for offering to help operationalize the policy in the form of a scorecard.

Alaska Airlines Signature Partnership (Agenda no. F–11) (Action)

Regent Shanahan called for a vote on the Alaska Airlines Signature Partnership, moved from the Consent Agenda to the report of the Finance and Asset Management Committee.

MOTION: Upon the recommendation of the administration and the Finance and Asset Management Committee, the Board voted to approve the Alaska Airlines Signature Partnership. Regent Ayer abstained from the vote.

It was the recommendation of Interim President Cauce and the Finance and Asset Management Committee that the Board:

1. Approve general terms of the Alaska Airline Signature Partnership, with delegated authority provided to the Interim President to sign a final contract subject to a final review by the Chair of the Finance and Asset Management Committee;
2. Per the UW Naming Right Agreement Policy, approve agreement to temporarily name and affix logos to buildings or outdoor spaces included in the Signature Partnership.

See Attachment F–11.

UW One Capital Plan (Agenda no. F–1)

Regent Shanahan said Mr. Jenny and his team have done a super job exploring how the UW positions itself for growth, makes strategic decisions, and deals with deferred maintenance. The Committee made three important decisions to expand capacity including a project at UW Tacoma to support STEM enrollment. It also approved the buildout of the NanoEngineering and Sciences Building to allow UW to lead in the Health Sciences area, and authorized issuing bonds to fund UW Medicine at South Lake Union phase 3.2 building. These, Regent Shanahan said, were prudent decisions that serve the institution long-term.

See Attachment F–1.

Transforming Administration Program (TAP) Update (Agenda no. F–5)

TAP is an effort led by the administration to strengthen the culture of service, improve delivery of services to students and faculty, advance the mission of the University, and
strengthen teamwork and collaboration. There are twenty-three distinct projects underway. Regent Shanahan encouraged the administration to keep moving forward on this. This program sets the tone for type of change Regents would like to see and shows how UW is adapting to the growth of the student population.

See Attachment F–5.

Investment Performance Report – Fourth Quarter Fiscal Year 2015, as of June 30, 2015 (Agenda no. F–9)

Regent Shanahan said he was amazed at the performance of the endowment fund, which returned $160 million to the University annually. The Investment team, led by Keith Ferguson, proposed a recommendation to form an investment company to manage the endowment fund as it grows in the future.

See Attachment F–9.


UW Advancement had its second best year ever, raising over $400 million from over 100,000 donors. Advancement continues to look at new ways to bring more people closer to the University and sustain current relationships.

See Attachment F–10.

Audit Advisory Committee Update (Agenda no. F–12)

Regent Blake and Mr. Cordova reported to the Committee on the recent Audit Advisory Committee (AAC) meeting. The AAC focused on examining how the University is managing risk. UW is positioning itself to create the transparency needed to address issues before they become more serious and making sure the right kinds of controls are in place to be accountable.

See Attachment F–12.

GOVERNANCE COMMITTEE: Regent Ayer, Chair

Regent Ayer reported on a special meeting of the Governance Committee held on October 2.

The Committee discussed the 2016 Meeting Format.

- Meeting Day
  - The Board will continue to meet on the second Thursday of each month and will ask Regents to plan to meet in April, and continue the practice of canceling the August and December meetings, if circumstances permit.
    The Board Secretary will send a list of meeting dates to Board members.
- Meeting Locations/Venues
Continue to meet at UW Bothell and UW Tacoma each year in March and October.

Discussed meeting all day in the Petersen Room, rather than committees in 142 Gerberding and full Board in Petersen Room. Regents expressed concern about the challenge of discussions in this room, around this very large table.

Board staff will seek other venues for meetings such as the Intellectual House, Walker Ames Room in Kane Hall, and the HUB.

Continue to hold the meeting in July at the Bill & Melinda Gates Commons in CSE.

It was suggested the Board meet in Spokane, at the new UW Center. September was identified as a good month to meet there.

Suggested meeting again at UW Medicine South Lake Union in 2017.

- Dinner Meetings
  - The Committee discussed formats for 2016 dinner meetings, including small issue-specific gatherings or large public meetings focused on a general topic of discussion.

- ASUW Bothell and ASUW Tacoma Presidents involvement in Board meetings
  - The Committee discussed, and will continue to evaluate, inviting ASUW Bothell and Tacoma Presidents to sit at the table in committees and/or the full Board. Regent Ayer encouraged continued coordination between the student leaders at UW’s three campuses.

Election of 2015-16 Board Officers, Committees and Other Appointments (Agenda no. G–1) (Action)

The Board held its annual election of officers and other appointments. The Governance Committee recommendations were distributed in Regents’ packets. Stressing the importance of leadership continuity during the presidential search, the Committee recommended all officers, committee assignments, and other appointments remain in place until the search is completed. These are shown in the left-hand column of item G–1.

Following completion of the search, the Governance Committee will return to the Board with the recommendations shown in the right hand column of the attachment.

The Board also elects a Treasurer of the Board. With V’Ella Warren’s recent retirement, this position is currently vacant. The Committee, and President Cauce, recommends nominating the Chair of the Finance and Asset Management Committee to serve as Treasurer of the Board, while the University develops a more permanent profile for this role.
The Governance Committee recommended the following Regents for election to office, appointments to committees, and other appointments for 2015-16.

### Board Officers

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<tr>
<td>Chair</td>
<td>Bill Ayer</td>
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<td>Vice Chair</td>
<td>Pat Shanahan</td>
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### Standing Committees

#### Academic and Student Affairs

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<td>Members</td>
<td>Vanessa Kritzer</td>
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<td>Rogelio Riojas</td>
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<td>Herb Simon</td>
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#### Finance and Asset Management

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<td>Members</td>
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#### Governance

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### Regent Representatives to Advisory Committees and other Boards

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#### UWINCO

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<td>Bill Ayer</td>
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<td>Herb Simon, term 10/1/15-9/30/16 (BoR term end date)</td>
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#### Audit Advisory

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<td>Kristi Blake, Chair</td>
<td>term 9/1/14-8/31/17</td>
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#### Governmental Affairs

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#### UW Medicine Board

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<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kristi Blake</td>
<td>term 5/9/13-5/8/16</td>
</tr>
<tr>
<td>Rogelio Riojas</td>
<td>term 9/11/14-6/30/17</td>
</tr>
</tbody>
</table>

#### Foundation Board

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Chair serves ex officio</td>
<td>Constance Rice will continue to serve as Regent Representative</td>
</tr>
</tbody>
</table>

### Other Officers of the Board elected annually

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasurer of the Board</td>
<td>FAM Chair, currently Pat Shanahan</td>
</tr>
<tr>
<td>Secretary of the Board</td>
<td>Joan Goldblatt</td>
</tr>
<tr>
<td>Assistant Secretary of the Board</td>
<td>Shelley Tennant</td>
</tr>
</tbody>
</table>

### Presidential Search Advisory Committee:

<table>
<thead>
<tr>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kristi Blake, Joanne Harrell, Jeremy Jaech, and Rogelio Riojas</td>
</tr>
</tbody>
</table>
MOTION: Upon the recommendation of the Governance Committee, and the motion made by Regent Smith, seconded by Regent Riojas, the Board voted to approve the slate of officers and other appointments as presented.

See Attachment G–1.

REPORTS TO THE BOARD OF REGENTS

Regent Ayer invited ASUW Tacoma President Sophie Nop and ASUW Bothell Vice President Zynia Chapman to join the Board at the table.

Faculty Senate Chair: Dr. Norman Beauchamp

Professor Beauchamp shared a story about his mother, who was a community social worker and mental health therapist. Every day she asked him:

- How was your day?
- What was your highlight?
- Did you achieve your goal?

He said these questions have influenced him in all he has done in life and all he hopes to do in his role as Chair of the Faculty Senate.

How was your day?
Professor Beauchamp said we live in a world of struggle, and need to ask people how they are doing then care about the answer. He found this to be true in his career as a physician helping people with stroke and in his role as Chair of Radiology, as he strived to create a “Seabiscuit” model, supporting a place where people can run. He hopes to continue to create an environment where people are asked how they are doing by others who care about the answer. He plans to focus this year on diversity, equity, and inclusion as a priority.

What was your highlight?
To take on challenges of tomorrow, we need to celebrate the successes of today to create energy and optimism. There is an opportunity to better celebrate the amazing work done at UW by reaching out to the community to share the successes of faculty and students. He expressed his goal for more effective community outreach and engagement.

Did you achieve your goal?
We must be goal-oriented and approach life less from a “curse the darkness” point of view and more from “light the candle.” He will ask the College Council committees to identify what should be the top three goals for each and align these goals with the students. He is proud of how faculty members have connected with university leadership. When he recently met with the Provost, they discussed the sustainable academic business plan and found alignment between faculty accomplishment and the goals of the administration. A measure of shared governance and partnership was demonstrated by the President’s decision to include the Faculty Senate Chair on the President’s cabinet.
Professor Beauchamp listed five areas of his focus for the Faculty Senate in the coming year:
1) Faculty salary policy;
2) Diversity, equity, and inclusion;
3) Role of the lecturer;
4) Community engagement;
5) Mobilizing the strengths across all three campuses.

The best measure of success is succession and succession planning by engaging the best people to participate. On that note, he introduced Zoe Barsness, the Faculty Senate Vice Chair, and Associate Professor in the Milgard School of Business at UW Tacoma.

**ASUW President**: Mr. Tyler Wu

Mr. Wu reported he attended the Washington Student Association (WSA) retreat, attended by student leaders from the state’s public colleges and universities. He plans to hold a quarterly tri-campus meeting. He attended the PAC-12 leadership summit held at USC, in Los Angeles, and there he met with all the President and Vice President student leaders from PAC-12 schools. They collectively selected mental health as an issue to tackle for the next year. Since taking office, he has met with many students, administrators, legislators, and city councilmembers. He expects this to be a collaborative year.

**GPSS President**: Mr. Alex Bolton

Mr. Bolton encouraged and supported the Board’s plan to hold a meeting in Spokane. He reiterated Graduate students’ desire to be involved in the university community. He reported a good turnout at GPSS social events and looks forward to the second annual Husky Sunrise breakfast for incoming and current graduate students, where they will receive a formal welcome from deans and administrators.

Mr. Bolton introduced the GPSS Vice Presidents, Monica Cortes Viharo, Vice President for Internal Affairs and Brian Taubeneck, Vice President for External Affairs.

**ASUW Tacoma President**: Ms. Sophie Nop

Ms. Sophie Nop reported on student success, campus success, and what ASUW Tacoma looks forward to.

UW Tacoma recently hired a new director of student fellowship and awards, Cindy Schaarschmidt, who helped with the first Fulbright Scholarship awarded to a UW Tacoma. The Tacoma Pierce County Chamber has recognized UW Tacoma with an impact award for the University Y Student Center, and the late Chancellor Debra Friedman for her work in bridging collaboration.

Ms. Nop attended a WSA meeting at Eastern Washington University. UW Tacoma student leaders were appointed to serve on four committees: intellectual property, affordability metrics, budget, and sexual assault prevention.
Student leaders are preparing for the upcoming academic year, with a large entering freshman class. They are working to engage more students on campus. They plan to hold a student leadership training session and a student government board retreat.

She is excited the Board of Regents will meet at UW Tacoma in October. She thanked Regents for considering seating UW Bothell and UW Tacoma Presidents at the Board table.

**ASUW Bothell President:** Mr. Dominick Juarez

Mr. Juarez did not attend. ASUW Bothell Vice President Zynia Chapman provided remarks in his stead. She said all of UW Bothell’s student leaders were in attendance as part of their training. UW Bothell’s Activities and Resources Center (ARC) will officially open on October 7. The project was initiated by students with resources significant to students. A gender neutral bathroom is located on each floor. The lounge area provides an opportunity for student engagement. The building illustrates to students the impact they can make. The current ASUW Bothell officers support the creation of a Diversity Center. To that end, a group of students and faculty are continuing the discussion. Currently, a “reflection room” is used by students for cultural and personal reasons. Chancellor Yeigh has convened a group to look at space utilization.

The Office of Institutional Research at UW Bothell is in the process of hiring a student assessment specialist to help with survey development and focus groups. This will provide a direct way for student leaders and other students to provide feedback to the University, and offer more accurate assessment.

**Alumni Association President:** Mr. Jeff Rochon

Mr. Rochon said he is honored to represent the powerful and passionate alumni of the University. His history with UW began as a young boy listening to college football on the radio and has grown to be much more than that. He attended UW and earned a doctorate in Pharmacy. He had the opportunity to participate in the Young Alumni Club and realized giving back to the University is more than just donating some time. During his time as a UWAA trustee, UW Impact was formed. He co-chaired this effort to give a voice to those alumni who passionately support higher education and the University of Washington.

He recognized the UWAA leaders who served before him: Roy Diaz, Mike Egan, and Patrick Crumb. UWAA’s mission of supporting UW and advancing higher education continues and dates back to the original founding Documents of the UWAA.

During the upcoming year, UWAA plans to focus strategically. Over past 125 years UWAA has been on the forefront of connecting alumni and friends with a focus on broad engagement. Recently legislative advocacy has been a big focus. He listed his three strategic initiatives for the coming year:

1) Expansion of UWAA’s efforts to connect alumni with current students through a Husky experience initiative focusing on membership and career development;
2) Enhance the relationship between UWAA and donors and supporters through engagement, stewardship, and recognition;
3) Expand the programs and services of Alumni Relations with programs in Eastern Washington enhanced by the opening of the UW Spokane Center and expanded activities in Tri-Cities and Yakima.

Mr. Rochon distributed the September issue of Columns Magazine, which was distributed to parents of incoming students. He introduced the brochure listing the fall quarter public lectures brochure. These lectures feature the best and brightest faculty members and offer alumni an opportunity to return to the University and engage in lifelong learning.

DATE FOR NEXT MEETING

The next regular meeting of the Board of Regents will be held on Thursday, October 8, 2015, at UW Tacoma.

EXECUTIVE SESSIONS

Regent Ayer announced the Board would hold three executive sessions. Following the third executive session the meeting would be adjourned and no action would be taken.

Regent Ayer called for the Regents and others to meet in an executive session to review the performance of public employees.

Returning to open session, Regent Ayer called for the Regents and others to meet in an executive session to discuss with legal counsel litigation or potential litigation as defined in RCW 42.30.110.

Returning to open session, Regent Ayer called for the Regents and others to meet in an executive session to evaluate the qualifications of applicants for public employment

ADJOURNMENT

Returning to open session, Regent Ayer adjourned the regular meeting at 2:45 p.m.

______________________________
Joan Goldblatt
Secretary of the Board of Regents

Approved at the meeting of the Board on October 8, 2015.
VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Academic and Administrative Appointments

RECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve the appointments to the University faculty and administration as presented on the attached list.

Attachment
Academic and Administrative Appointments
ADMINISTRATIVE APPOINTMENTS

College of Arts and Sciences
Gates, Sarah Nash
Acting Divisional Dean, Arts and Sciences, effective 8/16/2015
Continuing Appointment:
- Professor Emeritus, Drama
Degrees:
- MFA, 1983, Boston University
- MA, 1974, University of California (Santa Barbara)
- BFA, 1973, Boston University

ENDOWED APPOINTMENTS

College of Built Environments
Department of Architecture
McClintock, Maurya
Barry Onouye Endowed Chair in Architecture, effective 10/15/2015
Continuing Appointment:
- Visiting Associate Professor, Architecture
Degrees:
- Master Of Architecture, 1993, University of California (Berkeley)
- MSENG, 1993, University of California (Berkeley)
- BSAE, 1986, University of Colorado (Boulder)

Department of Construction Management
Lin, Ken-Yu
P.D. Koon Professorship In Construction Mangement, effective 9/16/2015
Continuing Appointment:
- Associate Professor, Construction Management
Degrees:
- PhD, 2005, University of Illinois (Urbana)
- MS, 1999, National Taiwan University
- BS, 1997, National Taiwan University
College of Arts and Sciences
Department of Applied Mathematics
Shea-Brown, Eric Todd
Boeing Endowed Professorship In Applied Mathematics, effective 9/16/2015
Continuing Appointments:
- Associate Professor, Applied Mathematics
- Adjunct Associate Professor, Physiology and Biophysics
Degrees:
- PhD, 2004, Princeton University
- MS, 2001, Princeton University
- BS, 1998, University of California (Berkeley)

Department of Biology
Riffell, Jeffrey A.
Endowed Professorship for Excellence in Biology, effective 9/16/2015
Continuing Appointment:
- Associate Professor, Biology
Degrees:
- PhD, 2004, University of California (Los Angeles)
- BA, 1997, University of California (Santa Cruz)

Department of Comparative Literature, Cinema, and Media
Braester, Yomi
Byron W. And Alice L. Lockwood Professorship In The Humanities, effective 10/16/2015
Continuing Appointments:
- Professor, Comparative Literature, Cinema, and Media
- Adjunct Professor, Asian Languages and Literature
Degrees:
- PhD, 1998, Yale University
- MA, 1992, Yale University
- MA, 1991, Hebrew University (Israel)
- BA, 1985, Hebrew University (Israel)

Department of Economics
Ghironi, Fabio Pietro
Paul F. Glaser Endowed Professorship in Economics, effective 9/1/2015
Continuing Appointment:
- Professor, Economics
Degrees:
- PhD, 1999, University of California (Berkeley)
- MA, 1994, Bocconi University (Italy)
Wen, Quan
Robert R. Richards Endowed Chair in Economics, effective 9/1/2015
Continuing Appointment:
  • Professor, Economics
Degrees:
  • PhD, 1991, University of Western Ontario (Canada)
  • MA, 1988, University of Western Ontario (Canada)
  • BSC, 1985, Jilin University (China)

Department of English
Bierds, Linda Louise
W. Wilson and Grace M. Pollock Endowed Professorship in Creative Writing, effective 10/16/2015
Continuing Appointment:
  • Professor, English
Degrees:
  • MA, 1971, University of Washington
  • BA, 1969, University of Washington

Department of Physics
Xu, Xiaodong
Boeing Distinguished Professorship In Physics, effective 7/1/2015
Continuing Appointments:
  • Assistant Professor, Physics
  • Assistant Professor, Materials Science and Engineering
  • Adjunct Assistant Professor, Electrical Engineering
Degrees:
  • PhD, 2008, University of Michigan
  • BS, 2002, University of Science and Technology of China

Department of Sociology
Crowder, Kyle
Blumstein-Jordan Endowed Professorship in Sociology, effective 9/16/2015
Continuing Appointment:
  • Professor, Sociology
Degrees:
  • PhD, 1997, State University of New York (Albany)
  • BA, 1990, University of Washington
School of Music
Wyers, Giselle E.
Donald E. Petersen Endowed Professorship, effective 7/1/2015
Continuing Appointment:
• Associate Professor, Music
Degrees:
• PhD, 2000, University of Arizona
• MM, 1996, Westminster Choir College
• BA, 1991, University of California (Santa Cruz)

School of Dentistry
Department of Endodontics
Flake, Natasha Marie
Robert J. Oswald and David L. Pitts Endowed Professorship in Endodontics, effective 7/1/2015
Continuing Appointment:
• Associate Professor, Endodontics
Degrees:
• MSD, 2007, University of Washington
• DDS, 2005, University of Maryland
• PhD, 2005, University of Maryland
• BS, 1997, University of Missouri

College of Engineering
Department of Electrical Engineering
Hauck, Scott Alan
Gaetano Borriello Professorship for Educational Excellence, effective 6/30/2015
Continuing Appointments:
• Professor, Electrical Engineering
• Adjunct Professor, Computer Science and Engineering
Degrees:
• PhD, 1995, University of Washington
• MS, 1992, University of Washington
• BS, 1990, University of California (Berkeley)
College of the Environment
School of Environmental and Forest Sciences

Ewing, Kern B.
Rachel A. Woods Professorship In Reforestation, effective 7/1/2015
Continuing Appointments:
• Professor, School of Environmental and Forest Sciences
• Adjunct Professor, Landscape Architecture

Degrees:
• PhD, 1982, University of Washington
• MS, 1978, University of Washington
• MA, 1970, Texas Technological University
• BSCE, 1962, Texas Technological College

Toth, Sandor Ferenc
Donald J. and Robert G. McLachlan/MCM Resources Endowed Professorship In Forest Engineering, effective 7/1/2015
Continuing Appointments:
• Associate Professor, School of Environmental and Forest Sciences
• Adjunct Associate Professor, Industrial and Systems Engineering

Degrees:
• PhD, 2005, Pennsylvania State University
• MS, 2002, Shinshu University (Japan)
• MSC, 1994, University of Forestry and Wood Sciences

School of Law
Testy, Kellye
Toni Rembe Endowed Deanship in the School of Law, effective 9/16/2015
Continuing Appointments:
• Professor, Law
• Adjunct Professor, Gender, Women, and Sexuality Studies
• Dean, Law

Degrees:
• JD, 1991, Indiana University
• BA, 1982, Indiana University
School of Medicine
Department of Bioengineering
Stayton, Patrick Sean
Bioengineering Distinguished Career Term Professorship, effective 7/1/2015
Continuing Appointments:
• Professor, Bioengineering
• Adjunct Professor, Oral Health Sciences
• Director, Engineering
Degrees:
• MS, 1989, University of Illinois
• PhD, 1989, University of Illinois
• BS, 1984, Illinois State University

Department of Pediatrics
Stout, James Walden
Pediatrics Endowed Professorship for Research Sabbaticals, effective 7/1/2015
Continuing Appointments:
• Professor without Tenure, Pediatrics
• Adjunct Professor, Health Services
Degrees:
• MD, 1986, Wake Forest University
• MAT, 1981, Duke University
• BS, 1978, Roanoke College

NEW APPOINTMENTS

College of Built Environments
Department of Architecture
McClintock, Maurya
Visiting Associate Professor, Architecture, effective 9/30/2015
Degrees:
• Master Of Architecture, 1993, University of California (Berkeley)
• MSENG, 1993, University of California (Berkeley)
• BSAE, 1986, University of Colorado (Boulder)
Department of Urban Design and Planning  
Berney, Rachel E.  
Assistant Professor, Urban Design and Planning, effective 7/16/2015  
Degrees:  
- PhD, 2008, University of California (Berkeley)  
- MCP, 2002, University of California (Berkeley)  
- BLARCH, 1995, University of Washington

College of Arts and Sciences  
Department of Anthropology  
Hill, Alexander Kirkland  
Lecturer, Full-time, Anthropology, effective 9/16/2015  
Degrees:  
- PhD, 2014, Pennsylvania State University  
- MA, 2011, Pennsylvania State University  
- BA, 2007, The University of the South (Sewanee)

Department of Astronomy  
Levesque, Emily Moreau  
Assistant Professor, Astronomy, effective 9/16/2015  
Degrees:  
- PhD, 2010, University of Hawaii  
- MS, 2008, University of Hawaii  
- Scientiae Baccalaureus (SB), 2006, Massachusetts Institute of Technology

Werk, Jessica Kay  
Assistant Professor, Astronomy, effective 3/16/2016  
Degrees:  
- PhD, 2010, University of Michigan  
- BA, 2003, Wesleyan University

Department of Communication  
Johnson, Christopher Ronald  
Professor of Practice, Communication, effective 9/16/2015  
Degrees:  
- PhD, 1999, University of California (Berkeley)  
- MA, 1993, University of California (Berkeley)  
- BA, 1987, University of Chicago
Department of Economics
Knox, Melissa Ann
Lecturer, Full-time, Economics, effective 9/16/2015
Prior UW Appointment:
  • Lecturer Full-Time, Economics
Degrees:
  • PhD, 2008, University of California (Berkeley)
  • BA, 2003, University of Nevada (Las Vegas)

Department of French and Italian Studies
Giachetti, Lorenzo Frederick
Lecturer, Full-time, French and Italian Studies, effective 9/1/2015
Degrees:
  • PhD, 2015, Stanford University
  • MA, 2010, Stanford University
  • BA, 2005, Reed College

Department of History
Browning, Christopher Robert
Visiting Professor, History, effective 9/16/2015
Degrees:
  • PhD, 1975, University of Wisconsin (Madison)
  • MA, 1968, University of Wisconsin (Madison)
  • BA, 1967, Oberlin College

Hasegawa, Kazumi
Lecturer, Full-time, History, effective 9/1/2015
Degrees:
  • PhD, 2013, Emory University
  • MA, 2001, Ohio State University
  • BA, 1999, Meiji Gakuin University (Japan)

Department of Philosophy
Nichols, Lauren Hartzell
Lecturer, Full-time, Philosophy, effective 9/16/2015
Prior UW Appointment:
  • Lecturer Part-time, Competitive Recruitment, Philosophy
Degrees:
  • PhD, 2009, Stanford University
  • BA, 2003, Connecticut College
Department of Physics

Rybka, Gray Austin
Assistant Professor, Physics, effective 9/16/2015
Prior UW Appointment:
• Research Assistant Professor, Physics
Degrees:
• PhD, 2007, Massachusetts Institute of Technology
• BS, 2002, California Institute of Technology

Tolich, Kazumi
Lecturer, Full-time, Physics, effective 9/16/2015
Prior UW Appointment:
• Lecturer Part-Time, Physics
Degrees:
• PhD, 2008, Stanford University
• MS, 2006, Stanford University
• BA, 2002, University of California (Berkeley)

Tolich, Nikolai Rubin
Lecturer, Full-time, Physics, effective 9/16/2015
Prior UW Appointment:
• Assistant Professor, Physics
Degrees:
• PhD, 2005, Stanford University
• MSC, 1999, University of Auckland (New Zealand)
• BSC, 1997, University of Auckland (New Zealand)

Department of Speech and Hearing Sciences

Locke, Jill Jacqueline
Research Assistant Professor, Speech and Hearing Sciences, effective 7/1/2015
Degrees:
• PhD, 2010, University of California (Los Angeles)
• BA, 2005, University of California (Los Angeles)

Jackson School of International Studies

Hasegawa, Kazumi
Lecturer, Full-time, International Studies, effective 9/1/2015
Degrees:
• PhD, 2013, Emory University
• MA, 2001, Ohio State University
• BA, 1999, Meiji Gakuin University (Japan)
School of Art, Art History, and Design
Siscoe, Brandon Mark
Lecturer, Full-time, Art, Art History, and Design, effective 9/16/2015
Degrees:
- MFA, 2015, University of Oregon
- BFA, 2012, Illinois State University

School of Dance
Sofia, Steven Edward
Artist In Residence, Dance, effective 9/16/2015

School of Music
Cunningham, Tekla Maria
Artist In Residence, Music, effective 9/16/2015
Degrees:
- MM, 2001, San Francisco State
- BA, 1996, Johns Hopkins University

Ferreira, Ryan
Artist In Residence, Music, effective 9/16/2015
Degree:
- BS, 2002, Eastman School of Music

Fissel, Stephen Arthur
Artist In Residence, Music, effective 9/16/2015
Degree:
- BA, 1975, Indiana University

Harshman, Paul Joseph
Artist In Residence, Music, effective 9/16/2015
Degrees:
- MME, 1987, Northwestern University
- BA, 1984, Central Washington University

Lynch, Mary Elisabeth
Artist In Residence, Music, effective 9/16/2015
Degrees:
- MM, 2012, Juilliard School
- BM, 2010, New England Conservatory of Music
School of Dentistry
Department of Periodontics
Kotsakis, Georgios A.
Assistant Professor, Periodontics, effective 7/1/2015
Degrees:
• MS, 2015, University of Minnesota
• DDS, 2009, University of Athens (Greece)

College of Education
Dietrich, Lynn
Senior Lecturer, Full-time, Education, effective 8/17/2015
Degrees:
• PhD, 2000, University of Maryland
• MED, 1995, University of Maryland
• BA, 1984, Emory University

College of Engineering
Department of Bioengineering
Stevens, Kelly Rose
Assistant Professor, Bioengineering, effective 1/4/2016
Degrees:
• PhD, 2008, University of Washington
• BS, 2002, University of Wisconsin (Madison)

Thickman, Karen Rae
Lecturer, Full-time, Bioengineering, effective 9/16/2015
Degrees:
• PhD, 2006, Johns Hopkins University
• BA, 1999, Dartmouth College

Department of Computer Science and Engineering
Bodik, Rastislav
Professor, Computer Science and Engineering, effective 7/1/2015
Degrees:
• PhD, 1999, University of Pittsburgh
• MSC, 1994, University of Pittsburgh
• Diploma, 1992, Technical University of Kosice

Heimerl, Kurtis
Assistant Professor, Computer Science and Engineering, effective 1/1/2016
Degrees:
• PhD, 2013, University of California (Berkeley)
• MSCE, 2009, University of California (Berkeley)
• BSCE, 2007, University of Washington
Reinecke, Katharina
Assistant Professor, Computer Science and Engineering, effective 8/1/2015
Degrees:
  • PhD, 2010, University of Zurich (Switzerland)
  • MSC, 2006, Universitat Koblenz Landau

Department of Human Centered Design and Engineering

Craft, Brock Robert
Senior Lecturer, Full-time, Human Centered Design and Engineering, effective 9/16/2015
Degrees:
  • PhD, 2007, University College London
  • MS, 2001, De Paul University
  • BA, 1992, Columbia College

Ribes, David
Associate Professor Tenure Track, Human Centered Design and Engineering, effective 8/1/2015
Degrees:
  • PhD, 2006, University of California (San Diego)
  • MA, 2000, Mcgill University (Canada)
  • BA, 1999, York University (Canada)

Department of Industrial and Systems Engineering

Banerjee, Ashis Gopal
Assistant Professor, Industrial and Systems Engineering, effective 9/1/2015
Degrees:
  • PhD, 2009, University of Maryland
  • Master Of Mechanical Engineering, 2006, University of Maryland
  • BTech, 2004, Indian Institute of Technology (India)

Department of Materials Science and Engineering

MacKenzie, John Devin
Associate Professor Tenure Track, Materials Science and Engineering, effective 9/1/2015
Degrees:
  • PhD, 1998, University of Florida
  • MSC, 1997, University of Florida
  • BS, 1994, Massachusetts Institute of Technology
Department of Mechanical Engineering

Banerjee, Ashis Gopal

Assistant Professor, Mechanical Engineering, effective 9/1/2015

Degrees:
- PhD, 2009, University of Maryland
- Master Of Mechanical Engineering, 2006, University of Maryland
- BTech, 2004, Indian Institute of Technology (India)

Fuller, Sawyer Buckminster

Assistant Professor, Mechanical Engineering, effective 9/1/2015

Degrees:
- PhD, 2011, California Institute of Technology
- Master Of Mechanical Engineering, 2004, Massachusetts Institute of Technology
- BSME, 2000, Massachusetts Institute of Technology

MacKenzie, John Devin

Associate Professor Tenure Track, Mechanical Engineering, effective 9/1/2015

Degrees:
- PhD, 1998, University of Florida
- MSC, 1997, University of Florida
- BS, 1994, Massachusetts Institute of Technology

William E. Boeing Department of Aeronautics and Astronautics

Acikmese, Behcet

Associate Professor, William E. Boeing Aeronautics and Astronautics, effective 9/16/2015

Degrees:
- PhD, 2002, Purdue University
- MS, 1996, Purdue University
- BS, 1992, Middle East Technical University (Turkey)

Golingo, Raymond Peter

Research Assistant Professor, William E. Boeing Aeronautics and Astronautics, effective 7/16/2015

Prior UW Appointment:
- Lecturer Part-Time, William E. Boeing Aeronautics and Astronautics

Degrees:
- PhD, 2003, University of Washington
- MS, 1998, University of Washington
- BSAE, 1990, University of Washington
Knowlen, Carl
Research Associate Professor, William E. Boeing Aeronautics and Astronautics, effective 7/1/2015
Prior UW Appointment:
  • Lecturer Part-Time, William E. Boeing Aeronautics and Astronautics
Degrees:
  • PhD, 1991, University of Washington
  • MS, 1985, University of Washington
  • BS, 1983, University of Washington

Salviato, Marco
Assistant Professor, William E. Boeing Aeronautics and Astronautics, effective 9/16/2015
Degrees:
  • PhD, 2012, University of Padova (Italy)
  • MSC, 2009, University of Padova (Italy)
  • BSC, 2007, University of Padova (Italy)

College of the Environment
School of Environmental and Forest Sciences
Dichiara, Anthony Bruno
Assistant Professor, School of Environmental and Forest Sciences, effective 9/16/2015
Degrees:
  • PhD, 2012, École Centrale Paris
  • MEng, 2009, Université de Technologie de Troyes

Gardner, Beth Ann
Assistant Professor, School of Environmental and Forest Sciences, effective 3/1/2016
Degrees:
  • PhD, 2006, Cornell University
  • MS, 2002, Cornell University
  • BS, 1999, Allegheny College

Prugh, Laura Ryanne
Assistant Professor, School of Environmental and Forest Sciences, effective 9/16/2015
Prior UW Appointment:
  • Affiliate Assistant Professor, School of Environmental and Forest Sciences
Degrees:
  • PhD, 2005, University of British Columbia (Canada)
  • BA, 1996, Earlham College
**Information School**

**Doane, Michael**

**Lecturer, Full-time, Information School, effective 8/16/2015**

Prior UW Appointment:
- Lecturer Part-Time, Information School

Degrees:
- Master Of Library And Information Science, 2005, University of Washington
- MA, 1985, San Francisco State
- BA, 1983, San Francisco State

**McGann, Sean Thomas**

**Senior Lecturer, Full-time, Information School, effective 7/1/2015**

Degrees:
- PhD, 2004, Case Western Reserve University
- MBA, 1994, Ohio University
- BS, 1992, Bowling Green State University

**Ross, Joel William**

**Senior Lecturer, Full-time, Information School, effective 7/1/2015**

Degrees:
- PhD, 2013, University of California (Irvine)
- MS, 2009, University of California (Irvine)
- BA, 2006, Colorado College

**Searle, Margaret Ann Sowers**

**Lecturer, Full-time, Information School, effective 8/16/2015**

Prior UW Appointment:
- Affiliate Instructor, Information School

Degrees:
- MA, 1968, University of Iowa
- BA, 1966, University of Iowa

**School of Law**

**Cimini, Christine N.**

**Visiting Professor, Law, effective 9/8/2015**

Degrees:
- JD, 1992, University of Connecticut
- BA, 1989, Clark University
Clynch, John Alfred Jr.  
Lecturer, Full-time, Law, effective 6/16/2015  
Prior UW Appointment:  
  • Lecturer Part-Time, Law  
Degrees:  
  • Master Of Laws, 2008, University of Washington  
  • JD, 1989, University of Washington  
  • BA, 1985, University of Washington  

Cohan, Molly Martin  
Lecturer, Full-time, Law, effective 6/16/2015  
Prior UW Appointment:  
  • Lecturer Full-Time, Law  
Degrees:  
  • JD, 1977, University of Washington  
  • BA, 1972, Scripps College  

Williams, Brenda Elizabeth  
Lecturer, Full-time, Law, effective 6/16/2015  
Prior UW Appointment:  
  • Lecturer Full-Time, Law  
Degrees:  
  • JD, 1997, University of Washington  
  • MPA, 1997, University of Washington  
  • BA, 1994, University of Washington  

School of Medicine  
Department of Anesthesiology and Pain Medicine  
Lee, Sarah Angeline  
Assistant Professor without Tenure, Anesthesiology and Pain Medicine, effective 8/1/2015  
Prior UW Appointment:  
  • Fellow, Anesthesiology and Pain Medicine  
Degrees:  
  • MD, 2009, Yale University  
  • BSC, 2004, Yale University
Van Cleve, William Carlyle  
Assistant Professor without Tenure, Anesthesiology and Pain Medicine, effective 8/1/2015  
Prior UW Appointment:  
  • Clinical Instructor, Salaried, Anesthesiology and Pain Medicine  
Degrees:  
  • MPH, 2011, University of Washington  
  • MD, 2006, University of Chicago  
  • BA, 2000, Columbia University  

Van Gilst, Marc Ryan  
Research Assistant Professor, Anesthesiology and Pain Medicine, effective 7/1/2015  
Prior UW Appointment:  
  • Acting Assistant Professor, temporary, Anesthesiology and Pain Medicine  
Degrees:  
  • PhD, 1997, University of Oregon  
  • BS, 1993, Calvin College  

Department of Biochemistry  
Gu, Liangcai  
Assistant Professor, Biochemistry, effective 8/1/2015  
Degrees:  
  • PhD, 2008, University of Michigan (Ann Arbor)  
  • MS, 2002, Tsinghua University (China)  
  • BS, 1998, Lanzhou University (China)  

Kwon, Young  
Assistant Professor, Biochemistry, effective 9/1/2015  
Degrees:  
  • PhD, 2008, Johns Hopkins University  
  • MA, 1999, Yonsei University (Korea)  
  • BA, 1997, Yonsei University (Korea)  

Department of Bioengineering  
Davis, Jennifer Michelle  
Assistant Professor, Bioengineering, effective 8/16/2015  
Degrees:  
  • PhD, 2007, University of Michigan (Ann Arbor)  
  • MA, 2001, San Diego State University  
  • BA, 1996, University of Michigan (Ann Arbor)
Sellers, Drew Leroy
Research Assistant Professor, Bioengineering, effective 7/1/2015
Prior UW Appointment:
  • Acting Instructor, Neurological Surgery
Degrees:
  • PhD, 2001, Oregon State University
  • BS, 1994, Albertson College of Idaho

Department of Family Medicine
Bennett, Ian Moore
Professor, Family Medicine, effective 9/1/2015
Degrees:
  • MD, 1998, Jefferson Medical College
  • PhD, 1998, Thomas Jefferson University
  • BA, 1985, Pennsylvania State University

Scott, Terry Bruce
Assistant Professor without Tenure, Family Medicine, effective 7/1/2015
Prior UW Appointment:
  • Senior Lecturer, Full-time, Family Medicine
Degrees:
  • MPA, 2011, University of Washington
  • BS, 1993, University of Washington

Serpinas, Sarah L.
Lecturer, Full-time, Family Medicine, effective 4/1/2015
Prior UW Appointment:
  • Lecturer Part-time, Competitive Recruitment, Family Medicine
Degree:
  • BCHS, 2010, University of Washington

Department of Medicine
Afzali, Anita
Assistant Professor without Tenure, Medicine, effective 7/1/2015
Prior UW Appointment:
  • Acting Assistant Professor, temporary, Medicine
Degrees:
  • MPH, 2011, University of Washington
  • MD, 2006, University of Washington
  • BSC, 2001, Washington State University
Altman, Matthew Charles  
**Assistant Professor without Tenure, Medicine, effective 7/1/2015**  
Prior UW Appointment:  
- Acting Instructor, Medicine  
Degrees:  
- MD, 2009, Harvard Medical School  
- MPHIL, 2007, Cambridge University (UK)  
- BS, 2004, Stanford University

Berger, Douglas Bradley  
**Assistant Professor without Tenure, Medicine, effective 7/1/2015**  
Prior UW Appointment:  
- Acting Instructor, Medicine  
Degrees:  
- MD, 2006, Columbia University  
- MLitt, 1999, University of Aberdeen (UK)  
- BA, 1998, Swarthmore College

Freedman, Benjamin Solomon  
**Assistant Professor without Tenure, Medicine, effective 7/1/2015**  
Degrees:  
- PhD, 2009, University of California (Berkeley)  
- BA, 2003, University of Pennsylvania

Hess, Jeremy Johnson  
**Associate Professor without Tenure, Medicine, effective 7/1/2015**  
Degrees:  
- MD, 2003, Emory University  
- MPH, 2002, Emory University  
- BA, 1995, Brown University

Hira, Ravi Subhash  
**Assistant Professor without Tenure, Medicine, effective 9/1/2015**  
Degree:  
- Bachelor of Medicine, Bachelor of Surgery (MB BS), 2007, Maharashtra University of Health Sciences (India)

Kim, Christopher Seoung  
**Associate Professor without Tenure, Medicine, effective 7/1/2015**  
Degrees:  
- MD, 2000, University of Chicago  
- MBA, 1999, University of Chicago  
- BS, 1995, University of Michigan
Kwok, Heemun
Assistant Professor without Tenure, Medicine, effective 7/1/2015
Degrees:
- MS, 2011, University of California (Los Angeles)
- MD, 1999, University of California (San Francisco)
- BS, 1995, University of California (Berkeley)

Milano, Filippo
Assistant Professor without Tenure, Medicine, effective 7/1/2015
Prior UW Appointment:
- Fellow, Medicine
Degrees:
- PhD, 2010, University La Sapienza (Italy)
- MD, 2001, University La Sapienza (Italy)

Pierce, Sarah Blachford
Research Assistant Professor, Medicine, effective 7/1/2015
Prior UW Appointment:
- Acting Assistant Professor, temporary, Medicine
Degrees:
- PhD, 1997, University of Washington
- BA, 1986, University of California (Santa Cruz)

Reddy, Ashok
Assistant Professor without Tenure, Medicine, effective 7/1/2015
Degrees:
- MD, 2007, University of Washington
- BS, 2000, Emory University

Roth, Gregory Andrew
Assistant Professor without Tenure, Medicine, effective 7/1/2015
Prior UW Appointment:
- Acting Assistant Professor, temporary, Medicine
Degrees:
- MPH, 2009, University of Washington
- MD, 2002, Brown University
- BA, 1997, Brown University

Sprenger, Cynthia Coreen Tomasini
Research Assistant Professor, Medicine, effective 7/1/2015
Prior UW Appointment:
- Acting Instructor, Medicine
Degrees:
- PhD, 2007, University of Washington
- BS, 1996, University of Puget Sound
Teno, Joan M.
Professor without Tenure, Medicine, effective 9/1/2015
Degrees:
- MS, 1990, Brown University
- MD, 1982, Hahnemann Medical College
- BS, 1982, Wilkes College

Vande Vusse, Lisa Karen
Assistant Professor without Tenure, Medicine, effective 7/1/2015
Prior UW Appointment:
- Acting Instructor, Medicine
Degrees:
- MD, 2006, Dartmouth Medical School
- BS, 2002, Syracuse University

Department of Neurological Surgery
Chowdhary, Michelle Cecchini
Assistant Professor without Tenure, Neurological Surgery, effective 7/1/2015
Prior UW Appointment:
- Chief Resident, Neurological Surgery
Degrees:
- MD, 2008, Rush Medical College
- BS, 2004, University of Illinois (Urbana)

Levitt, Michael Robert
Assistant Professor without Tenure, Neurological Surgery, effective 7/1/2015
Degrees:
- MD, 2007, Loyola-Stritch School of Medicine
- BA, 2002, Northwestern University

Department of Neurology
Davis, Arielle Patricia
Assistant Professor without Tenure, Neurology, effective 7/1/2015
Prior UW Appointment:
- Acting Assistant Professor, temporary, Neurology
Degrees:
- MD, 2006, Columbia University
- BA, 1999, Dartmouth College

Huffer, Andrew Alt
Assistant Professor without Tenure, Neurology, effective 8/1/2015
Degrees:
- MD, 2010, University of Rochester
- BA, 2005, Carleton College
Department of Ophthalmology
Buhr, Ethan David
Research Assistant Professor, Ophthalmology, effective 7/1/2015
Prior UW Appointment:
• Senior Fellow-Trainee, Ophthalmology
Degrees:
• PhD, 2008, Northwestern University
• BA, 2000, University of St. Thomas

Chambers, Christopher B.
Assistant Professor without Tenure, Ophthalmology, effective 8/1/2015
Degrees:
• MD, 2005, Ohio State University
• BS, 2001, University of Notre Dame

Lee, Aaron Y.
Assistant Professor without Tenure, Ophthalmology, effective 8/9/2015
Degrees:
• MD, 2009, Washington University
• MS, 2009, Washington University
• BA, 2004, Harvard University

Department of Orthopaedics and Sports Medicine
Sagi, Henry Claude
Professor without Tenure, Orthopaedics and Sports Medicine, effective 9/1/2015
Degrees:
• MD, 1994, University of British Columbia (Canada)
• BSC, 1990, University of British Columbia (Canada)

Spina, Nicholas Thomas III
Assistant Professor without Tenure, Orthopaedics and Sports Medicine, effective 9/1/2015
Degrees:
• MD, 2009, University of Pittsburgh
• BS, 2005, Boston College

Department of Otolaryngology / Head and Neck Surgery
Humphreys, Ian Michael
Assistant Professor without Tenure, Otolaryngology / Head and Neck Surgery, effective 9/1/2015
Degrees:
• Doctor of Osteopathic Medicine, 2009, Lake Erie College of Osteopathic Medicine
• BS, 2004, University of Pittsburgh
Department of Pathology

Davis, Jennifer Michelle
Assistant Professor, Pathology, effective 8/16/2015
Degrees:
- PhD, 2007, University of Michigan (Ann Arbor)
- MA, 2001, San Diego State University
- BA, 1996, University of Michigan (Ann Arbor)

Stevens, Kelly Rose
Assistant Professor, Pathology, effective 1/4/2016
Degrees:
- PhD, 2008, University of Washington
- BS, 2002, University of Wisconsin (Madison)

Yeung, Cecilia Ching Sze
Assistant Professor without Tenure, Pathology, effective 8/1/2015
Prior UW Appointment:
- Acting Assistant Professor, temporary, Pathology
Degrees:
- MD, 2005, Pennsylvania State Hershey Medical Center
- BS, 1999, University of California (Davis)

Department of Pediatrics

Annesley, Colleen Elizabeth
Assistant Professor without Tenure, Pediatrics, effective 9/1/2015
Degrees:
- MD, 2006, Temple University
- BS, 2002, Pennsylvania State University

Billimoria, Zeenia Cyrus
Assistant Professor without Tenure, Pediatrics, effective 9/1/2015
Degree:
- Bachelor of Medicine, Bachelor of Surgery (MB BS), 2008, Bharati Vidyapeeth Deemed University

Gray, Megan Mariner
Assistant Professor without Tenure, Pediatrics, effective 8/1/2015
Degrees:
- MD, 2009, University of Washington
- BA, 2005, University of Washington
- BS, 2005, University of Washington
Herzig, Lisa Diane  
Assistant Professor without Tenure, Pediatrics, effective 8/1/2015  
Prior UW Appointment:  
  • Fellow, Pediatrics  
Degrees:  
  • MD, 2009, University of Buffalo  
  • BA, 2005, University of Rochester

Jackson, Shaun William  
Assistant Professor without Tenure, Pediatrics, effective 9/1/2015  
Prior UW Appointment:  
  • Acting Assistant Professor, temporary, Pediatrics  
Degrees:  
  • MD, 2006, University of Capetown (South Africa)  
  • MB ChB, 2001, University of Capetown (South Africa)

Kroshus, Emily Grace  
Research Assistant Professor, Pediatrics, effective 8/1/2015  
Degrees:  
  • Doctor Of Science, 2014, Harvard University  
  • MPH, 2008, Johns Hopkins University  
  • BA, 2004, Princeton University

Smith, Stephen Edward Paucha  
Assistant Professor without Tenure, Pediatrics, effective 8/1/2015  
Degrees:  
  • PhD, 2008, California Institute of Technology  
  • BA, 2002, Occidental College

Wendel, Danielle Ruppert  
Assistant Professor without Tenure, Pediatrics, effective 8/1/2015  
Degrees:  
  • MD, 2009, University of Rochester  
  • BA, 2004, University of Rochester

Department of Psychiatry and Behavioral Sciences  
Bennett, Ian Moore  
Professor, Psychiatry and Behavioral Sciences, effective 9/1/2015  
Degrees:  
  • MD, 1998, Jefferson Medical College  
  • PhD, 1998, Thomas Jefferson University  
  • BA, 1985, Pennsylvania State University
Villatte, Jennifer Lee
Assistant Professor, Psychiatry and Behavioral Sciences, effective 8/16/2015
Prior UW Appointment:
• Senior Fellow-Trainee, Psychiatry and Behavioral Sciences
Degrees:
• PhD, 2013, University of Nevada
• MA, 2010, University of Nevada
• BS, 1999, Lesley College

Department of Radiation Oncology
Kalet, Alan M
Assistant Professor without Tenure, Radiation Oncology, effective 7/1/2015
Degrees:
• PhD, 2015, University of Washington
• MS, 2009, University of California (Riverside)
• BS, 2007, University of Washington

Department of Rehabilitation Medicine
DeWees, Todd Charles
Lecturer, Full-time, Rehabilitation Medicine, effective 9/1/2015
Degrees:
• BS, 2003, University of Washington
• BS, 1993, Eastern Washington University

Department of Surgery
Robinson, Bryce R.H.
Associate Professor without Tenure, Surgery, effective 8/1/2015
Degrees:
• MSC, 2015, University of Cincinnati
• MD, 2001, University of Cincinnati
• BS, 1997, Miami University (Ohio)

Department of Urology
Schade, George Richard
Assistant Professor without Tenure, Urology, effective 7/1/2015
Prior UW Appointment:
• Acting Instructor, Urology
Degrees:
• MD, 2007, University of Chicago
• BA, 2003, University of Chicago
School of Nursing
Department of Psychosocial and Community Health

Ro, Kumhee Allison
Lecturer, Full-time, Psychosocial and Community Health, effective 9/16/2015

Prior UW Appointment:
- Clinical Assistant Professor, Biobehavioral Nursing and Health Systems

Degrees:
- Doctor of Nursing Practice, 2009, University of Washington
- MN, 2000, University of Washington
- BSN, 1994, University of Washington

Daniel J. Evans School of Public Policy and Governance

Magallanes Reyes, Jose Manuel
Visiting Assistant Professor, Evans School of Public Policy and Governance, effective 8/16/2015

Degrees:
- PhD - Expected, 2015, George Mason University
- PhD, 2012, Universidad Nacional Mayor de San Marcos (Peru)
- MA, 2006, Pontificia Universidad Catolica del Peru
- MS, 2000, Universidad Nacional de Ingenieria (Peru)
- BSC, 1998, Universidad Nacional Mayor de San Marcos (Peru)

School of Public Health
Department of Environmental and Occupational Health Sciences

Hess, Jeremy Johnson
Associate Professor without Tenure, Environmental and Occupational Health Sciences, effective 7/1/2015

Degrees:
- MD, 2003, Emory University
- MPH, 2002, Emory University
- BA, 1995, Brown University

Department of Epidemiology

Lindstroem, Sara E.
Assistant Professor without Tenure, Epidemiology, effective 1/16/2016

Degrees:
- PhD, 2007, Umea University (Sweden)
- MSC, 2004, Umea University (Sweden)
Department of Global Health

Campbell, Lee Ann
Professor, Global Health, effective 6/1/2015
Prior UW Appointment:
- Professor, Epidemiology
Degrees:
- PhD, 1982, Pennsylvania State University
- MS, 1979, Pennsylvania State University
- BS, 1977, Pennsylvania State University

Department of Health Services

O'Brien, Kurt C.
Senior Lecturer, Full-time, Health Services, effective 8/1/2015
Prior UW Appointment:
- Clinical Instructor, Health Services
Degrees:
- MA, 1997, University of San Francisco
- BS, 1988, US Coast Guard Academy

Sconyers, Jeffrey Matthew
Senior Lecturer, Full-time, Health Services, effective 8/1/2015
Prior UW Appointment:
- Clinical Instructor, Health Services
Degrees:
- JD, 1982, Yale University
- AB, 1976, College of William and Mary

University of Washington, Bothell
Division of Biological Sciences, School of STEM, UW Bothell

Madzima, Thelma Farai
Assistant Professor, Biological Sciences, School of STEM, Bothell, effective 9/16/2015
Degrees:
- PhD, 2009, University of Florida
- BS, 2004, Fort Valley State College

Wacker, Douglas William
Assistant Professor, Biological Sciences, School of STEM, Bothell, effective 9/16/2015
Prior UW Appointment:
- Lecturer, Full-time, Biological Sciences, School of STEM, Bothell
Degrees:
- PhD, 2007, University of Washington
- BS, 2001, University of Alaska
- BA, 1995, Indiana University
Dupuis, Marc Jonathon  
Assistant Professor, Computing and Software Systems, School of STEM, Bothell, effective 9/16/2015  
Prior UW Appointment:  
• Lecturer, Full-time, Institute of Technology, Tacoma  
Degrees:  
• PhD, 2014, University of Washington  
• MS, 2011, University of Washington  
• MPA, 2007, University of Washington  
• MA, 2001, Western Washington University  
• BA, 1999, Western Washington University  

Parsons, Erika Fuentes  
Senior Lecturer, Full-time, Computing and Software Systems, School of STEM, Bothell, effective 9/16/2015  
Prior UW Appointment:  
• Lecturer Part-Time, Computing and Software Systems, School of STEM, Bothell  
Degrees:  
• PhD, 2007, University of Tennessee  
• MS, 2002, University of Tennessee  
• BS, 1997, Monterrey Institute of Technology  

Peng, Yang  
Assistant Professor, Computing and Software Systems, School of STEM, Bothell, effective 9/16/2015  
Degrees:  
• PhD, 2014, Iowa State University  
• MS, 2008, Washington State University  
• Bachelor Of Engineering, 2006, Beijing University of Posts and Telecom (China)  

Abadi, Shima Hossein  
Assistant Professor, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015  
Degrees:  
• MS, 2013, University of Michigan (Ann Arbor)  
• PhD, 2013, University of Michigan (Ann Arbor)  
• MS, 2010, University of Michigan (Ann Arbor)  
• BS, 2008, University of Tehran
Aintablian, Hrair
Lecturer, Full-time, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015
Degrees:
  • MBA, 2003, Pepperdine University
  • PhD, 1993, Ohio University
  • MS, 1989, Ohio University
  • BS, 1983, Ohio University

Cao, Hung Viet
Assistant Professor, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015
Degrees:
  • PhD, 2012, University of Texas (Arlington)
  • MS, 2007, University of Texas (Arlington)
  • BS, 2003, Hanoi University of Technology (Vietnam)

Dundon, Ariana F.
Lecturer, Full-time, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015
Prior UW Appointment:
  • Lecturer Part-Time, Engineering and Mathematics, School of STEM, Bothell
Degrees:
  • PhD, 2010, University of Washington
  • MS, 2006, University of Washington
  • BA, 2004, Pomona College

Humphries, Thomas Donald
Assistant Professor, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015
Degrees:
  • PhD, 2011, Simon Fraser University (Canada)
  • MS, 2007, Simon Fraser University (Canada)
  • BM, 2005, University of Waterloo (Canada)

Kim, Hyung Jun
Assistant Professor, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015
Degrees:
  • PhD, 2003, University of Kansas
  • MS, 1999, University of Kansas
  • BA, 1995, University of Kansas
Musselman, Alexandria Theakston
Lecturer, Full-time, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015
Degrees:
- PhD - Expected, 2015, Michigan State University
- MS, 2009, Michigan State University
- BS, 2007, Michigan State University

Musselman, Bernard Clark II
Lecturer, Full-time, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015
Degrees:
- PhD, 2012, Michigan State University
- MS, 2005, Oregon State University
- BS, 2003, Clarkson University

Nie, Kaibao
Lecturer, Full-time, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015
Prior UW Appointment:
- Lecturer Full-Time, Otolaryngology / Head and Neck Surgery
Degrees:
- PhD, 1999, Tsinghua University (China)
- MS, 1991, Shandong University (China)
- BS, 1988, Shandong University (China)

Paparella, Pietro
Assistant Professor, Engineering and Mathematics, School of STEM, Bothell, effective 9/16/2015
Degrees:
- PhD, 2013, Washington State University
- MS, 2003, Washington State University
- BS, 2001, Gonzaga University

Division of Physical Sciences, School of STEM, UW Bothell
Galindo, Heather Michelle
Lecturer, Full-time, Physical Sciences, School of STEM, Bothell, effective 9/16/2015
Degrees:
- PhD, 2008, Stanford University
- BA, 2000, University of Washington
- BS, 2000, University of Washington
UW Bothell School of Business
Polinski, Paul William
Senior Lecturer, Full-time, School of Business, Bothell, effective 8/16/2015
Degrees:
- PhD, 2000, University of Alabama
- BBA, 1987, U Wisconsin (Whitewater)

UW Bothell School of Educational Studies
Mudzimiri, Rejoice
Assistant Professor, School of Educational Studies, Bothell, effective 9/16/2015
Degrees:
- PhD, 2012, Montana State University
- MSC, 2006, Bindura University of Science Education
- BSC, 2002, Bindura University of Science Education

UW Bothell School of Interdisciplinary Arts and Sciences
Bragin, Naomi Elizabeth
Assistant Professor, School of Interdisciplinary Arts and Sciences, Bothell, effective 9/16/2015
Degrees:
- PhD, 2015, University of California (Berkeley)
- MA, 2010, University of California (Berkeley)
- BA, 1995, Wesleyan University

Cardenas, Micha Maya
Assistant Professor, School of Interdisciplinary Arts and Sciences, Bothell, effective 8/16/2015
Degrees:
- PhD, 2015, University of Southern California
- MFA, 2009, University of California (San Diego)
- MA, 2008, European Graduate School
- BS, 2001, Florida International University

Cram, Shannon Elizabeth
Assistant Professor, School of Interdisciplinary Arts and Sciences, Bothell, effective 9/16/2015
Degrees:
- PhD, 2015, University of California (Berkeley)
- MA, 2006, University of Oregon
- BA, 2002, Humboldt State University
Fox, Tyler Steven  
Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Bothell, effective 8/16/2015  
Degrees:  
- PhD, 2015, Simon Fraser University (Canada)  
- MFA, 2004, University of Auckland (New Zealand)  
- BA, 1999, University of Washington  

Fuste, Jose Ignacio  
Assistant Professor, School of Interdisciplinary Arts and Sciences, Bothell, effective 9/16/2015  
Degrees:  
- PhD, 2012, University of California (San Diego)  
- MA, 2006, University of California (San Diego)  
- AB, 2001, Brown University  

Power-Sotomayor, Jade Yukana  
Assistant Professor, School of Interdisciplinary Arts and Sciences, Bothell, effective 9/16/2015  
Degrees:  
- PhD, 2012, University of California (San Diego)  
- MA, 2006, University of California (San Diego)  
- BA, 2000, University of California (Santa Cruz)  

Romero, Adam Michael  
Assistant Professor, School of Interdisciplinary Arts and Sciences, Bothell, effective 9/16/2015  
Degrees:  
- PhD, 2015, University of California (Berkeley)  
- MS, 2007, Oxford University (UK)  
- BA, 2005, University of California (Santa Cruz)  

Shinneman, Avery Lynn Cook  
Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Bothell, effective 9/16/2015  
Degrees:  
- PhD, 2008, University of Minnesota  
- BA, 2001, Macalester College
Twinam, Tate A.
Assistant Professor, School of Interdisciplinary Arts and Sciences, Bothell, effective 9/16/2015
Degrees:
- PhD, 2015, University of Pittsburgh
- MA, 2011, University of Pittsburgh
- BA, 2010, New College of Florida

UW Bothell School of Science, Technology, Engineering, and Mathematics
Mudzimiri, Rejoice
Assistant Professor, School of Science, Technology, Engineering, and Mathematics, Bothell, effective 9/16/2015
Degrees:
- PhD, 2012, Montana State University
- MSC, 2006, Bindura University of Science Education
- BSC, 2002, Bindura University of Science Education

University of Washington, Tacoma
Institute of Technology, Tacoma
Bryan, Charles Faulkner III
Lecturer, Full-time, Institute of Technology, Tacoma, effective 9/16/2015
Degrees:
- MS, 2010, University of Washington
- BS, 2000, Virginia Military Institute

Fowler, Alan
Lecturer, Full-time, Institute of Technology, Tacoma, effective 9/16/2015
Prior UW Appointment:
- Lecturer Full-Time, Institute of Technology, Tacoma
Degrees:
- MS, 2008, University of Washington
- BS, 2005, University of Washington

Liu, Xing
Lecturer, Full-time, Institute of Technology, Tacoma, effective 9/16/2015
Degrees:
- PhD, 1993, Cardiff University (Wales)
- MSC, 1985, Hunan University (China)
- BSC, 1981, Hunan University (China)
Saeed, Samah Mohamed Ahmed  
Assistant Professor, Institute of Technology, Tacoma, effective 9/1/2015  
Degrees:  
- PhD, 2015, New York University  
- MS, 2010, Kuwait University  
- BS, 2008, Kuwait University

Sakpal, Raghavi Deepak  
Lecturer, Full-time, Institute of Technology, Tacoma, effective 9/16/2015  
Degrees:  
- PhD - Expected, 2015, University of North Carolina  
- Bachelor Of Engineering, 2008, University of Pune (India)

Milgard School of Business, Tacoma  
Shankus, Evelyn Sue  
Senior Lecturer, Full-time, Milgard School of Business, Tacoma, effective 9/16/2015  
Prior UW Appointment:  
- Lecturer Full-Time, Milgard School of Business, Tacoma  
Degrees:  
- MS, 1992, San Francisco State  
- BA, 1988, East Stroudsburg University

Urban Studies Program, Tacoma  
Yerena, Anaid  
Assistant Professor, Urban Studies, Tacoma, effective 9/16/2015  
Degrees:  
- PhD, 2015, University of California (Irvine)  
- MUP, 2009, University of California (Irvine)  
- BArch, 2004, Universidad de Monterrey (Mexico)

UW Tacoma School of Interdisciplinary Arts and Sciences  
Bleecker, Joan Vea  
Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Tacoma, effective 9/16/2015  
Degrees:  
- PhD - Expected, 2015, University of Washington  
- MS, 2012, University of Washington  
- BS, 2008, University of Washington
Burghart, William Devon  
**Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Tacoma,** effective 9/16/2015  
Degrees:  
- PhD, 2015, University of Maryland  
- MA, 2008, University of Missouri (Columbia)  
- BA, 2005, College of William and Mary

Card, Ryan Kazuo  
**Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Tacoma,** effective 9/16/2015  
Prior UW Appointment:  
- Lecturer Full-Time, School of Interdisciplinary Arts and Sciences, Tacoma  
Degrees:  
- PhD, 2009, University of Washington  
- MS, 2006, University of Washington  
- BS, 2002, University of Washington

Cilli-Turner, Emily Spring  
**Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Tacoma,** effective 9/16/2015  
Degrees:  
- Doctor Of Arts, 2013, University of Illinois (Chicago)  
- MA, 2006, University of Colorado (Boulder)  
- BS, 2004, Colorado State University

Masura, Julie Elizabeth  
**Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Tacoma,** effective 9/16/2015  
Prior UW Appointment:  
- Lecturer Full-Time, School of Interdisciplinary Arts and Sciences, Tacoma  
Degrees:  
- MS, 1998, Washington State University  
- BS, 1994, Washington State University

Tou, Erik Robert  
**Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Tacoma,** effective 9/16/2015  
Prior UW Appointment:  
- Lecturer Part-Time, School of Interdisciplinary Arts and Sciences, Tacoma  
Degrees:  
- PhD, 2007, Dartmouth College  
- MA, 2004, Dartmouth College  
- BA, 2002, Gustavus Adolphus College (Minnesota)
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW One Capital Plan

INFORMATION ITEM

This item is being presented for information only.

This is a standing agenda item.

In addition to the standard One Capital Plan update, one additional item is being added for discussion at the request of the Chair of the Finance and Asset Management Committee.

1. A report on the Capital Planning process at the University of Washington.

This item will be presented for Regent feedback and discussion. More details for this item are included in the attachment.

Attachment
Capital Planning at the University of Washington
Capital Planning at the University of Washington

This document is intended to explain the process by which the University and Board of Regents authorizes the physical development of the university.

Process goals:
- Ensure controls are in place → establish and standardize processes
- Ensure capital plan is in place → establish and update One Capital Plan
- Manage & implement the plan → prioritize projects and identify funding or financing
  → establish project budget and manage to the plan

Board of Regents Capital Projects Review & Approval Process

Types of projects:
Minor capital repairs and program renewal (estimated at $2 million or less)

The UW relies on a combination of local and state appropriated funds for minor capital projects, which are included in the One Capital Plan. Minor capital projects include building repairs and deferred maintenance as well as improvements to support program initiatives and to improve space utilization.
Planning & Management works with Facilities Services, UWIT (Information Technology) and EH&S (Environmental Health and Safety) to identify, prioritize, and coordinate the implementation of these projects to ensure that limited resources are invested effectively to meet the most critical needs of the University.

- Minor projects under $90,000 are carried out by Facilities Services Maintenance & Alterations
- Minor projects greater than $90,000 are carried out by Capital Projects Office

Schools and Colleges rely solely on local funds and Provost allocation (distributed each biennium) for program renewal projects (see list below). This work occurs throughout the biennium.

Examples of minor preservation projects:
- Utilities/grounds/site work (heating, cooling, sewer, irrigation)
- Building improvement (building envelope, roofing, window replacement)
- Interior, security, and conveying systems (elevators, lighting)
- Building systems (electrical, mechanical)
- ADA improvements (handrails, wheelchair access)
- Fire and life safety improvements
- Technology infrastructure improvements
- Classroom improvements

Examples of minor program renewal projects:
- Office remodels and reconfigurations
- Instructional and research lab modernization
- Major equipment acquisition and installation

Major capital projects

A major capital project is a public works project estimated at over $2 million.

Delegated authority by Board of Regents is given to the President or the President's designee to execute capital projects less than $15 million (Board of Regents Governance, Standing Orders, Chapter 1, Delegation of Authority, Section 6.F)

Per policy, major capital projects over $15 million go to the Board of Regents for approval on an individual project basis.

Board of Regents Level Capital Projects Roles and Responsibilities

This process applies to all University of Washington capital projects in excess of $15 million (construction, renovation, or acquisition).

<table>
<thead>
<tr>
<th>Roles and Responsibilities</th>
<th>Board of Regents</th>
<th>Staff</th>
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</thead>
<tbody>
<tr>
<td>1 Establish capital plan (list of projects/costs)</td>
<td>Information</td>
<td>X</td>
</tr>
<tr>
<td>2 Prioritize projects (with decision criteria)</td>
<td>Information</td>
<td>X</td>
</tr>
<tr>
<td>3 Approve priorities/projects with budgets</td>
<td>Action</td>
<td></td>
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<tr>
<td>4 Execute/implement decision</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>5 Manage to the plan (i.e. stay on budget)</td>
<td>Information</td>
<td>X</td>
</tr>
</tbody>
</table>
Institutional Strategy and Project Prioritization

The One Capital Plan (OCP) summarizes major proposed capital needs, aggregated minor capital needs and key planning initiatives over a ten year period for all UW enterprises, including UW Seattle, UW Bothell, UW Tacoma, UW Auxiliary Units (Educational Outreach, Housing and Food Services, Intercollegiate Athletics, and Transportation Services), and UW Medicine.

The OCP is updated annually and shared with the Board each May/June. OCP is designed to be comprehensive, but is flexible to allow for opportunistic real estate purchases or gift funded projects that may not be known when the OCP is presented.

- Projects are identified
  - Individual projects are proposed and prioritized by each school, college and the UW enterprise
  - Planning & Management identifies and initiates institutional planning initiatives, major infrastructure and core facility requirements on behalf of the institution (i.e. HR/Payroll Modernization, the UW Police Department, the SW Central Utility Plant, Landscape Framework, academic facilities plans, geographic area plans, site selections, project feasibility studies)

- Projects are categorized into 3 tiers:
  1. Fundamental Projects
  2. Proposed Projects – Funding Potential
  3. Proposed Projects – Future Funding Opportunities (represents additional capital needs that extend beyond capital funding expectations within the next ten years)

- Projects are prioritized by Planning & Management in consultation with the President and Provost using the following criteria:
  - Alignment with Campus Master Plan and University Strategic Plan
  - Funding
  - Urgency of Need
  - Timing
  - Future areas of growth

- Top priority projects brought forward to Regents as part of the annual Capital Budget in June of each year
  - Materials included:
    - Executive summary (project description, site, estimated budget, source of funds, approach, delivery mechanism)
    - Will this work for the Board? What else is needed?
      - Example/Case study: Nano ES

Board of Regents Information Items & Actions

Stage 1

Information
• Institutional opportunities
  • Growth needs
  • Strategic opportunities
  • Replacement needs
  • Aligns with UW, schools and colleges’ goals
  • Fit within UW mission and vision
  • Student, faculty, innovation, clinical needs
  • Potential partnerships
  • Benchmarks

• Estimated budget and cost analysis
  • Opportunity cost analysis (evaluate alternatives)
  • Target to median cost – cost of similar construction at other universities/type of construction
  • Square foot cost/ local conditions (Stanford)
  • Unique characteristics with unusual cost implications (example: constructability issues of site/area, unusual program requirements, fund source constraints, etc.)
  • Operational budget impact (maintenance and operations total cost of ownership) – how will it be paid for?

• Preliminary business case analysis
  • Lease vs. buy analysis wherever feasible
  • Funding Sources
    • Debt
    • State funds
    • Philanthropy
    • Institutional equity
  • New revenue that may be generated or existing revenue that may be used

• Naming Plan

**Actions Needed**

• Approve preliminary site
• Approve architect
• Approve contractor
• Approve pre-construction budget
  • Pre-design
  • Design
  • Construction
  • Tenant Improvement (T/I) build out
  • Contingency
  • Escalation (with scaled assumptions)
  • Operational impact
    • Maintenance and operations
    • Who pays (state, auxiliary, provost?)

**Stage 2**

**Information**

• Schematic design of the project
• Timeline
o Benchmarks

**Actions Needed**

- Approve final site (after Environmental Impact Statement)
- Approve project budget (if cost is more than 10% of original budget, include rationale)
- Approve funding plan and use of the ILP (if needed)
  - Final sources and uses
  - Institutional debt capacity analysis
  - Credit analysis
    - Base Case 10-Year pro forma projections
    - Stress case and mitigations

February 28, 2015

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VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Tacoma Urban Solutions Phase 1

RECOMMENDED ACTIONS

(Board of Regents Review & Approval - Stage 2)

It is the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents:

1. Approve project budget of $28 million.
2. Approve an increase in scope to include interior build-out.
3. Delegate authority to award the GC/CM construction contract.

<table>
<thead>
<tr>
<th>Project Summary</th>
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<tbody>
<tr>
<td>Prior Regents Actions /Information (BoR Stage 1)</td>
</tr>
<tr>
<td></td>
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<tr>
<td>Future Regents Action / Reporting (BoR Stage 3)</td>
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<tr>
<td></td>
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<tr>
<td>Project Description</td>
</tr>
<tr>
<td>Budget</td>
</tr>
<tr>
<td>Justification</td>
</tr>
</tbody>
</table>
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Tacoma Urban Solutions Center (continued p. 2)

<table>
<thead>
<tr>
<th></th>
<th>four-six years.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key Dates</strong></td>
<td>Building completion - September 2017.</td>
</tr>
</tbody>
</table>

PROJECT BACKGROUND

Originally, the project was planned for completion in two separate phases: (1) a ‘warm shell’ and core renovation, and (2) a full build-out of the interior space. Based on UW Tacoma’s current projections of 4%-6% student growth per year, the UW Tacoma Campus Planning Office anticipates outgrowing their current inventory of classroom space by Academic Year 2018-19. Based on the need to meet anticipated demand, the complete building renovation and build-out will be accelerated and completed in a single phase.

Assumptions:

1. Design for the core and shell remains unchanged.
2. Acceleration will provide some economies with reduced contractor site mobilization.
3. A single-phase project may afford additional opportunities to leverage savings opportunities between core and shell and tenant improvements.

Project Description and Planned Use

The UW Tacoma Urban Solutions Center project is a renovation of the Tacoma Paper & Stationery Building, a 40,000 square foot, four-story historic building located between the existing UWT Science and Dougan Buildings. The scope of work includes both infrastructure improvements and the build out of interior spaces, as follows:

1. Infrastructure improvements include: 1) replacing and improving existing mechanical and electrical systems, 2) code-required upgrades to fire protection, 3) seismic, 4) life-safety, egress and access. Two new egress stairs will be provided, and it is intended that the existing Dougan Building elevator will serve this project.

2. The interior build out will include the following types of spaces: open active learning spaces on the ground and first floor, team spaces (4-6 people), seminar/conference rooms (12-15 people), bio-medical laboratories (24 people), computer/dry laboratories (24 people), general
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Tacoma Urban Solutions Center (continued p. 3)

classroom / studio spaces (24-48 people) and informal spaces for faculty to interact with students and students to gather for study. The focus of the ground floor is campus engagement and may include amenities such as project ‘Maker Space’ and a coffee bar. The focus of the first floor is urban community engagement with the campus and may include space for studio displays and community meetings.

The goal is to create flexible spaces that can be adapted over time to serve multiple purposes. The interior build-out will provide approximately fifteen learning spaces of various sizes to support the following new academic programs:

1. Interdisciplinary Arts and Sciences has proposed a new B.S. degree in Biomedical Sciences, of which the majority of the required laboratory and work space would be located in the USC.

2. The Institute of Technology has proposed degree programs in Manufacturing, Industrial, and Electrical engineering as well as the expansion of the Cybersecurity and Engineering programs that would also be located in USC.

The interior scope will include audio-visual design and equipment, and all utilities necessary for laboratory use. Fixed furniture, casework, and lab benches will be supplied through the construction budget.

The project will continue to use the General Contractor/Construction Manager (GC/CM) alternative public works procurement method. Mortenson Construction of Seattle will execute the project. Miller Hull Partnership LLP, located in Seattle, will continue as the design firm through the remaining design and construction phases.

BUSINESS CASE

UW Tacoma currently projects annual enrollment growth of 4%-6%. Based on these projections, the UW Tacoma Campus Planning Office anticipates exhausting its current inventory of classroom space by the 2018/2019 Academic Year. The Urban Solutions Center will provide academic space to address this anticipated demand. As noted above, the project was originally conceived as two-phases. However, the current enrollment demand forecast necessitates acceleration and completion of the building renovation and space build-out in a single phase.
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Tacoma Urban Solutions Center (continued p. 4)

FINANCIAL SUMMARY

The total project budget is $28,000,000. (See Attachment 2: Summary Project Budget)

Sources of Funds

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-15 Legislative Appropriation (Predesign/design of core &amp; shell)</td>
<td>$ 1,900,000</td>
</tr>
<tr>
<td>2015-17 Legislative Appropriation (Construction of core &amp; shell)</td>
<td>16,000,000</td>
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<tr>
<td>UW Tacoma Reserve Funding (Complete design &amp; construction of interior)</td>
<td>10,100,000</td>
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<tr>
<td><strong>Total, Sources of Funds</strong></td>
<td><strong>$ 28,000,000</strong></td>
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Uses of Funds

<table>
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<tr>
<th>Purpose</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Project Design and Construction</td>
<td>$ 23,258,569</td>
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<tr>
<td>Furnishings, Equipment and Other</td>
<td>1,621,839</td>
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<tr>
<td>Contingency &amp; Escalation</td>
<td>3,119,592</td>
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<tr>
<td><strong>Total, Uses of Funds</strong></td>
<td><strong>$ 28,000,000</strong></td>
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ADMINISTRATIVE REVIEWS AND APPROVALS

The following parties approved the original project agreement, for the design and construction of the warm shell and core and the 13,000 assignable square feet, on September 19, 2014:

- Gerald Baldasty, Interim Provost
- Mark Pagano, Chancellor, UW Tacoma
- Paul Jenny, Senior Vice President
- Harlan Patterson, Vice Chancellor for Finance and Administration, Administrative Services UW Tacoma (Responsible Party)
- Robert Stickney, Associate Vice President (Interim), Capital Projects Office

Attachments

1. Site Plan
2. Summary Project Budget
**UNIVERSITY OF WASHINGTON**  
**CAPITAL PROJECTS OFFICE - SUMMARY PROJECT BUDGET**  
**ALTERNATIVE PROCUREMENT (GC/CM)**

**Project: UW Tacoma Urban Solutions Center**  
Project Number: 204701

**ESTIMATED DATE OF COMPLETION:** September, 2017

<table>
<thead>
<tr>
<th>Project Budget</th>
<th>Total Cost</th>
<th>% of NPC*</th>
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<tbody>
<tr>
<td>Pre-Schematic Design Services</td>
<td>$320,022</td>
<td>1.29%</td>
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<tr>
<td>A/E Basic Design Services</td>
<td>$2,133,983</td>
<td>8.58%</td>
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<tr>
<td>Extra Services</td>
<td>$279,727</td>
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<tr>
<td>Other Services</td>
<td>$168,000</td>
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<tr>
<td><strong>Consultant Services</strong></td>
<td><strong>$2,901,732</strong></td>
<td><strong>11.66%</strong></td>
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<tr>
<td>GC/CM Construction Cost</td>
<td>$18,515,719</td>
<td>74.42%</td>
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<tr>
<td>Other Contracts</td>
<td>$75,000</td>
<td>0.30%</td>
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<tr>
<td>Sales Tax</td>
<td>$1,766,118</td>
<td>7.10%</td>
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<tr>
<td><strong>Construction</strong></td>
<td><strong>$20,356,837</strong></td>
<td><strong>81.82%</strong></td>
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<tr>
<td>Equipment &amp; Furnishings</td>
<td>$0</td>
<td>0.00%</td>
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<tr>
<td>Other Costs</td>
<td>$498,616</td>
<td>2.00%</td>
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<tr>
<td>CPO Project Management</td>
<td>$1,123,223</td>
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<tr>
<td><strong>Other</strong></td>
<td><strong>$1,621,839</strong></td>
<td><strong>6.52%</strong></td>
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<tr>
<td><strong>Net Project Cost before Contingency and Escalation (NPC)</strong>*</td>
<td><strong>$24,880,408</strong></td>
<td><strong>100.00%</strong></td>
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<tr>
<td>Design Services Contingency</td>
<td>$145,087</td>
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<td>Design Services Change Order Allowance</td>
<td>$114,867</td>
<td>0.46%</td>
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<tr>
<td>Construction Contingencies - Change Order Allowance</td>
<td>$1,595,962</td>
<td>6.41%</td>
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<tr>
<td><strong>Total Contingency</strong></td>
<td><strong>$1,855,916</strong></td>
<td><strong>7.46%</strong></td>
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<tr>
<td>Market Conditions Allowance</td>
<td>$0</td>
<td>0.00%</td>
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<tr>
<td>Escalation Allowance</td>
<td>$0</td>
<td>0.00%</td>
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<tr>
<td><strong>NPC Before Escalation</strong></td>
<td><strong>$26,736,324</strong></td>
<td><strong>107.5%</strong></td>
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</tbody>
</table>

**Escalation:**  
Escalation at 4.0% per year through September 2017  
$1,263,676  
5.0%
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

NanoEngineering and Sciences Building

RECOMMENDED ACTIONS

(Board of Regents Review & Approval - Stage 2)

It is the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents:

1. Increase the project budget from $53 million to $81.9 million, which includes:

   o Increase of the “base scope” project budget from $53 million to $60.1 million to address a $7.1 million variance as a result of unanticipated changes in construction escalation and market conditions.
   o Additional increases of $14.9M for the buildout of the remainder of Level G and all of Level 3, and $6.9M for the buildout of Level 4. Levels G and 3 will provide additional research space for the College of Engineering, and Level 4 will provide space for the Institute for Protein Design (IPD). These areas were planned as “shell space” in the original project scope/design.

<table>
<thead>
<tr>
<th>Project Summary</th>
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<tbody>
<tr>
<td>Prior Regents Actions/Information (BoR Stage 1)</td>
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<td>June 2007</td>
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<tr>
<td>Future Regents Action / Reporting (BoR Stage 3)</td>
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<td></td>
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<tr>
<td>Project Description</td>
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<tr>
<td>Budget</td>
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</table>
Justification

• Initial project scope was not attainable within the initial approved budget due to unanticipated variances in construction escalation and market volatility.
• Value engineering options have been thoroughly reviewed and implemented wherever practicable.
• Funding for the additional scope to build-out the remainder of Level G, Level 3, and Level 4 has been obtained. This area was originally designed as “shell space” in the base scope and budget that was previously approved.

Key Dates

Project completion estimated for May of 2017.

PROJECT BACKGROUND

The Molecular Engineering & Sciences Building (MoEs) was built with a project cost of $75.2 million and occupied in October 2012 to accommodate growth anticipated in this emerging field. Programmed for 90,300 gross square feet (gsf), the initial phase provided ground contact and basement levels to suit instrumentation labs with ultra-low vibration and electromagnetic interference requirements, as well as aboveground chemistry, biochemistry, and microbiology laboratories, with an emphasis on interdisciplinary research. Creating technologically rich support spaces that provided a high degree of operational flexibility was a primary goal for the building in order to accommodate rapidly evolving research needs with fast and inexpensive changes.

In anticipation of potential additional funding, construction documents were completed for a cold shell for a Phase 2 of MoEs; that building was approximately 69,000 gross square feet. The project was put on hold when funding was not obtained.

As mitigation for electromagnetic interference (EMI) impacts to research housed in buildings on the Seattle Campus, Sound Transit agreed to compensate the University for the relocation of research and related activities that will no longer be able to be conducted in their current locations. The final compensation agreement of $43,000,000 formed the basis of the budget to construct a new NanoEngineering and Sciences Building (NanoES).

The base project scope included the following elements:
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

NanoEngineering and Sciences Building (continued p. 3)

1. Construction of a warm shell building and the build-out of 13,000 assignable square feet (asf) to accommodate research spaces impacted by the Sound Transit work.

2. Expansion of the basement level by an additional 9,000 gsf to provide required ground-floor contact area.

3. 12,000 gsf of warm shell on the 1st floor for anticipated future completion for academic general purpose use. Funding was provided by the Office of the Provost.

Project Description and Planned Use – Enhanced Scope

Subsequent to previous approvals by the Board of Regents, funding was obtained for the following tenant improvement projects:

1. The Ground Floor and Floor 3 will be fully built out to house research space for the College of Engineering. Level G will accommodate vibration and EMI-sensitive equipment, and associated support spaces. Level 3 will include laboratory space for both wet and dry research and is designed to be shared by multiple faculty members/research groups. Level 3 will also provide office and support space for 6 faculty members along with their associated students/researchers.

2. Full build-out of Floor 4 to house the Institute for Protein Design – The layout and build-out will generally replicate that of Floors 2 and 3.

The project team that is completing the base project scope of work – ZGF Architects and Hoffman Construction (GC/CM) – will provide design and construction services to complete the enhanced scope.

BUSINESS CASE

UW faculty is taking the lead in developing new materials and devices to revolutionize health care and energy fields. Research in the new NanoES building will leverage this current UW strength and focus on developing economically scalable approaches to integrate advanced nano-materials into systems and devices. This will ensure the translation of research efforts into real world systems, e.g., in health and energy. Such efforts include research aimed at basic understanding of optical, electronic, and quantum properties of novel solid-state nanostructures (e.g., work by Xiodong Xu, Arka Majumbdar, Kai-Mei Fu and others).

The efforts in NanoES will also aim to design scalable production of these new nanostructures. This includes the production of novel polymer-based solar cells.
B. Finance and Asset Management Committee

NanoEngineering and Sciences Building (continued p. 4)

and batteries under the Clean Energy Institute (CEI), e.g., Devin McKenzie, new hire in ME and MSE; and developing printing techniques to fabricate flexible large area electronic devices and sensors, e.g., by Ana Arias, who will be joining UW as a full Professor in 2016 from UC Berkeley. These new and recent hires are already here and are in need of this space. More hires are planned for this next academic year. What the CoE envisioned as a future research activity years ago has become a present activity and the space has to grow to accommodate these needs.

In summary, NanoES, in addition to providing space to mitigate the Sound Transit impact ($43M agreement that relocates sensitive teaching and research activities “out of harm's way”), will provide two additional floors of space to: a) accommodate, retain, and attract top research talent, b) enable innovation across UW colleges, and c) provide innovative multi-disciplinary education.

Additionally, the buildout of the fourth floor provides a permanent home for the Institute for Protein Design, a funded research program that continues to expand. The buildout of all of these spaces aligns with UW’s strategic emphasis on innovative research programs.

FINANCIAL SUMMARY

Budget and Financing Plan:
The $53 million budget for the approved project scope has proven to be inadequate and approximately $7.1 million in additional funding is required to complete the project. Causes of the overage include:

1. Volatile market conditions made it difficult for Hoffman to provide consistent estimates, with estimated costs at each milestone rising as the market became more volatile.

2. Errors in early mechanical estimating by Hoffman (GCCM) - Approximately $2M of mechanical scope was missed/not included in Hoffman’s early mechanical estimates. The disparity was discovered and confirmed subsequent to hiring a mechanical contractor and upon receipt of their initial cost estimates in late February, 2015.

3. Market demand for subcontractors is extremely high, resulting in a poor bidding climate and minimal competition on many of the subcontractor packages. Ten of seventeen bid packages have come in over their estimates — many are significantly over — and approximately half of the bid packages have had two or less bidders. For example, the project
curtain wall has been bid three times in an attempt to receive competitive bids; in the first round, no bids were submitted.

4. **Limited means to reduce costs** were available to the team. Common means to address budget problems (e.g. reducing program, shelling space, or lowering floor-to-floor heights) were not available alternatives since the building was designed and permitted, and most of the project is shell space. The project team has worked to modify building components and systems to reduce costs as much as possible wherever practicable.

The following provides a breakdown of current and forecast project costs:

### Current Project Costs – Base Scope

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Site</td>
<td>$6,585,142</td>
</tr>
<tr>
<td>Shell and Warm Core</td>
<td>$42,948,233</td>
</tr>
<tr>
<td>13,000 ASF TI (Sound Transit Mitigation)</td>
<td>$10,546,419</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td><strong>$60,079,794</strong></td>
</tr>
<tr>
<td>May 2014 Adopted Budget</td>
<td>$53,000,000</td>
</tr>
<tr>
<td><strong>Current Deficit</strong></td>
<td><strong>$(7,079,794)</strong></td>
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### Enhanced Scope Costs

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level G (Ground Floor)</td>
<td>$7,907,051</td>
</tr>
<tr>
<td>Level 3</td>
<td>$6,970,553</td>
</tr>
<tr>
<td>Level 4</td>
<td>$6,920,206</td>
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<tr>
<td><strong>Sub Total</strong></td>
<td><strong>$21,797,810</strong></td>
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### Revised Total Project Costs

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total, Sources of Funds</strong></td>
<td><strong>$81,900,000</strong></td>
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B. Finance and Asset Management Committee

NanoEngineering and Sciences Building (continued p. 6)

**Uses of Funds**

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>Project Design and Construction</td>
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<td>Furnishings, Equipment and Other</td>
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<td>Contingency &amp; Escalation</td>
<td>$6,004,429</td>
</tr>
<tr>
<td><strong>Total, Uses of Funds</strong></td>
<td><strong>$81,877,604</strong></td>
</tr>
</tbody>
</table>

The above reflects revisions to the sources of the original funding plan:

1. Central Funding for the project was established at $6M when approved by the Board of Regents in May of 2014. This has been augmented by an additional $14M, as follows:
   a. $6.9M in funding for the buildout of the IPD space as an advance against anticipated philanthropic investments in IPD.
   b. $7.1M to cover the base project shortfall by utilizing 1) $5.1M in funding from the Office of the Provost, that was originally intended for the buildout of classroom spaces on the 1st floor; and 2) $2.0M in funding taken from the Capital Projects Office operating reserves.

2. $14.9M of internal funding from the College of Engineering to complete the buildout of Level G and Level 3.

**ADMINISTRATIVE REVIEWS AND APPROVALS**

The following parties approved the original project agreement, for the design and construction of the warm shell and core and the 13,000 assignable square feet, on September 19, 2014:

- Ana Mari Cauce, Provost and Executive Vice President
- V’Ella Warren, Senior Vice President
- Michael B. Bragg, Dean, College of Engineering
- Richard Chapman, Associate Vice President for Capital Projects
- Charles Kennedy, Associate Vice President, Facilities Services
- Paul Jenny, Vice Provost, Office of Planning and Budgeting
- Rebecca Barnes, University Architect & Assoc. Vice Provost, Capital & Campus, Planning and Budgeting

**Attachments**

1. NanoEngineering and Research Building Site Location
2. Summary Project Budget
NanoEngineering and Research Building Site Location

NanoEngineering and Research Bldg Site Location next to Molecular Eng & Sciences [Mol-ES]

Molecular Eng & Sciences Bldg [Mol-ES]
UNIVERSITY OF WASHINGTON  
CAPITAL PROJECTS OFFICE - SUMMARY PROJECT BUDGET  
GC/CM CONTRACTING

Project: **NanoEngineering & Sciences Building**  
Project Number: 204878

**ESTIMATED DATE OF COMPLETION: MAY 2017**

<table>
<thead>
<tr>
<th>Project Budget</th>
<th>Total Cost</th>
<th>% of NPC*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Schematic Design Services</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td>A/E Basic Design Services</td>
<td>$4,590,042</td>
<td>6.05%</td>
</tr>
<tr>
<td>Extra Services</td>
<td>$672,000</td>
<td>0.89%</td>
</tr>
<tr>
<td>Other Services</td>
<td>$409,960</td>
<td>0.54%</td>
</tr>
<tr>
<td><strong>Consultant Services</strong></td>
<td><strong>$5,672,002</strong></td>
<td><strong>7.48%</strong></td>
</tr>
<tr>
<td>Construction Cost</td>
<td>$50,259,884</td>
<td>66.24%</td>
</tr>
<tr>
<td>Other Contracts</td>
<td>$1,314,007</td>
<td>1.73%</td>
</tr>
<tr>
<td>GC/CM Costs</td>
<td>$11,871,020</td>
<td>15.65%</td>
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<tr>
<td>Sales Tax</td>
<td>$1,628,365</td>
<td>2.15%</td>
</tr>
<tr>
<td><strong>Construction</strong></td>
<td><strong>$65,073,275</strong></td>
<td><strong>85.77%</strong></td>
</tr>
<tr>
<td>Equipment &amp; Furnishings</td>
<td>$878,000</td>
<td>1.16%</td>
</tr>
<tr>
<td>Other Costs</td>
<td>$1,394,738</td>
<td>1.84%</td>
</tr>
<tr>
<td>CPO Project Management</td>
<td>$2,855,160</td>
<td>3.76%</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td><strong>$5,127,898</strong></td>
<td><strong>6.76%</strong></td>
</tr>
<tr>
<td><strong>Net Project Cost before Contingency</strong></td>
<td><strong>$75,873,175</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

**Design Services Contingency**  
$173,180  
0.23%

**Estimating Contingency**  
$1,507,296  
1.99%

**Construction Contingencies - Change Order Allowance**  
$2,912,606  
3.84%

**Sales Tax Contingency**  
$249,250  
0.33%

**Total Contingency**  
$4,842,331  
6.38%

| Total Project Costs                      | $81,877,604  | 107.9%    |
B. Finance and Asset Management Committee

UW Medicine at South Lake Union – Authorization of Phase 3.2

RECOMMENDED ACTIONS

(Board of Regents Review and Approval – BoR Stage 2)

It is the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents:

1. Adopt the resolution (Attachment 1) authorizing Washington Biomedical Research Properties (WBRP) 3.2 as the non-profit entity to issue 63-20 bonds on behalf of the University of Washington and agreeing that the University will accept title to the bond-financed property, at no additional cost, when the bonds are retired;

2. Approve execution of a long-term facilities lease for the South Lake Union Phase 3.2 research building in support of a total borrowing of $143 million and a project budget of $127.8 million;

3. Approve the building naming plan; and

4. Delegate to the President of the University or the President’s authorized representative the authority to execute documents necessary to implement the transaction and financing.

<table>
<thead>
<tr>
<th>Project Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Prior Regents Actions /Information (BoR Stage 1)</strong></td>
</tr>
<tr>
<td><strong>Future Regents Action / Reporting (BoR Stage 3)</strong></td>
</tr>
<tr>
<td><strong>Project Description</strong></td>
</tr>
</tbody>
</table>
B. Finance and Asset Management Committee

UW Medicine at South Lake Union – Authorization of Phase 3.2 (continued p. 2)

| Budget | $143 million; $24.5 million from philanthropy and School of Medicine reserves, and $118.5 million from lease revenue bonds |
| Justification | All of the School of Medicine’s research space is assigned and SLU 3.2 expands the research footprint at SLU for the School, as well as provides the opportunity to integrate clinical care and research in this vibrant area. |
| Key Dates | Bonds issued September 2015, Occupancy March 2018 |

PROJECT BACKGROUND

Phase 3.2 Sources and Uses of funds

Sources of Funds

| Equity (1) | 24,500,000 |
| Debt - Building | 113,900,000 |
| Debt - Equipment | 4,600,000 |
| Total Sources of Funds | 143,000,000 |

Uses of Funds

| Building | 122,300,000 |
| Capitalized Interest (2) | 14,200,000 |
| Cost of Issuance | 1,900,000 |
| Equipment | 4,600,000 |
| Total Uses of Funds | 143,000,000 |

(1) Equity is approximately 20 percent of the building cost. The $24.5 million will be included in the total borrowing, and paid through an up-front lease payment in March of 2018. The amortizing debt will be $118.5 million.

(2) Capitalized Interest is money borrowed to pay bondholders during project construction. Interest is capitalized through March 2018.
Project Description and Planned Use

UW Medicine at South Lake Union is a multi-phase project (Project) that began in 2003 and is expected to be completed by 2022. The complete build-out will be comprised of five biomedical research buildings and one administrative and dry lab office building on two full blocks in the South Lake Union area of Seattle. See the map on Attachment 2 for details. When completed, the five buildings of Phases I, II, and III will provide over 800,000 gross square feet (GSF) of space in support of School of Medicine (SoM) research programs and UW Medicine clinical programs.

The Brotman Building (Phase I) provides 100,000 GSF of research space and was completed in 2004. Phase II was completed in 2008 and consists of an administrative and research office building of 100,000 GSF and a research building of 166,000 GSF with associated parking and loading facilities. The Phase I and II buildings came in on time and on budget and are fully assigned.

Phase III is being developed as three separate research buildings in three sub-phases (Phases 3.1, 3.2, and 3.3). Phase 3.1, with 147,000 of GSF of research space, was completed on time and on budget in the spring of 2013. Its underground parking and infrastructure serve both Phases 3.1 and 3.2.

Phase 3.3 will be approximately 180,000 GSF, with additional below-grade parking and loading constructed and integrated with the parking for Phases 3.1 and 3.2. Phase 3.3 is currently anticipated to be completed in 2022.

Phase 3.2 will be a building of approximately 165,000 GSF of research and clinical space. It is anticipated that Phase 3.2 will be completed by the end of calendar 2017, and occupied by March 2018. Its underground parking and much of its infrastructure were already constructed as part of Phase 3.1. Attachment 3 summarizes the Phase 3.2 project budget.

Upon approval by the Board and proper execution of all documents, final design work for Phase 3.2 will be undertaken in order to allow pre-bidding of large long lead items in fall of 2015. Permanent financing is anticipated to take place in September 2015. Construction will begin in November of 2016. Previous Board of Regents actions regarding South Lake Union are summarized in Attachment 4 and a chronology of future key dates is shown in Attachment 5.
B. Finance and Asset Management Committee

UW Medicine at South Lake Union – Authorization of Phase 3.2 (continued p. 4)

SLU houses the Center for Cardiovascular Biology, Center for Translational Medicine in Women’s Health, Center for Allergy and Inflammation, Bio-Molecular Imaging Center, Center for Lung Biology, Proteomics Resource, Center for Allergy and Inflammation, Institute for Stem Cell and Regenerative Medicine, Diabetes and Obesity Center of Excellence, Mitochondrial and Metabolism Research Center, Northwest Metabolomics Research Center, Centers for Emerging and Re-Emerging Diseases, Rheumatology, Immunology, Kidney Research and Vision Sciences.

All of the current SLU research space is fully assigned and a list of proposed occupants in Phase 3.2 and for backfill space has been developed. New programs and expansion of existing programs include microbiology, global health, kidney research, immunology, biomedical informatics, neurosciences, protein design, dermatology, anesthesiology, gastrointestinal and behavioral assays. Some of these will be anticipated tenants at SLU 3.2 and some will backfill vacated space.

BUSINESS CASE

Institutional Need for Project

The SLU 3.2 project and associated borrowing has been identified in the One Capital Plan. The issuance of the debt reduces overall project capacity, but maintains UW’s financial ratios in line with Aa peers as shared with the Board at the March 2015 meeting.

<table>
<thead>
<tr>
<th>Five Year Project Capacity Projection ($ in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Debt Capacity (2016-2020) (1)</td>
</tr>
<tr>
<td>Plus: remaining CAP (2)</td>
</tr>
<tr>
<td>Total Project Capacity</td>
</tr>
<tr>
<td>Less: Authorized Projects (3)</td>
</tr>
<tr>
<td>Less: SLU 3.2 Bonds</td>
</tr>
<tr>
<td>Remaining Project Capacity</td>
</tr>
</tbody>
</table>

(1) Not inclusive of current outstanding debt. Figures represent how much additional debt the University can issue over the next five years
(2) 10% of the Invested Funds, less previously allocated Capital Assets Pool (CAP) dollars
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Medicine at South Lake Union – Authorization of Phase 3.2 (continued p. 5)

(3) Cash flow needs for authorized projects from Fiscal Year 2016 onwards

Over the past ten years, the School’s grant activity has grown at an average annual rate of 3.0 percent and awards have grown at an average annual rate of 4.6 percent. Because there is little surplus research space on campus, much of the growth in medical research has been possible because of the additional space at South Lake Union.

The overall growth in South Lake Union in the past decade also presents an opportunity to bring clinical care to the area. With many University employees located there, and other major employers such as Amazon expanding rapidly, the location is ideal for a new UW Neighborhood Clinic in SLU 3.2. In addition to the Neighborhood Clinic, there will also be a Diabetes Clinic and an Ophthalmology Clinic focused on retinal diseases providing the opportunity to integrate clinical care and research.

The importance of South Lake Union is reflected in the University’s substantial investment to date in Phase I, Phase II and Phase 3.1. The opportunity to capitalize fully on this investment, including the underground infrastructure and parking built for 3.2 as part of 3.1, will be supported by moving forward with 3.2. This also sets the stage for the future Phase 3.3, and additional research capacity going forward.

The Transaction

The project will be funded by issuing lease revenue bonds. These bonds will be issued by WBRP 3.2, a non-profit entity, using a 63-20 structure as shown in Attachment 6. Under this structure, the residual value of the lease will revert to the UW at no additional cost when the bonds are paid off.

City Investors XII LLC is the underlying owner of the property, and has ground leased the building sites in Phases I, II and III to subsidiaries of the National Development Council (each NDC affiliate is formed under the name WBRP). The University subleases each completed building under a separate facilities lease from WBRP.
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Medicine at South Lake Union – Authorization of Phase 3.2 (continued p. 6)

A ground lease for the site of SLU Phase 3.2 is already in place between City Investors XII LLC and WBRP 3.2, as is a ground sublease of the site from WBRP to the University. A new facilities lease between the University and WBRP 3.2 will replace the ground sublease in connection with the construction of the new research building.

The facilities lease for 3.2 will have a term of 48 years, expiring in 2063 [current ground lease 2058 + 5]. Because of the way that the three sub-phases of Phase III are tied together, moving forward on the facilities lease for 3.2 includes exercising a five-year extension of the lease for 3.1 and the ground lease for 3.3. Approving Phase 3.2 does not obligate the University to take any future action for Phase 3.3. Phase 3.3, if brought forward for future approval, will have undergone a thorough financial due diligence.

As with the leases for Phases I, II and 3.1, the facilities lease for 3.2 provides for the University to be responsible for payment of rent that covers debt service for all construction costs for the project plus payment of all operating costs over time.

FINANCIAL ASSESSMENT

In order to secure the most cost effective bond rates, the facilities lease will obligate the University to make payments from General Revenues, which are a broader revenue pool than the School of Medicine revenues that are directly responsible for those payments.

Furniture, fixtures, equipment and other personal property for use by the University in the buildings will be acquired either directly by the University or by WBRP 3.2 through a tax-exempt financing lease mechanism or as part of the University’s FAST program. The loan term will not exceed 12 years. All lenders will be competitively selected based on lowest overall cost.

Phase 3.1 performance

Phase 3.1 was approved by the Regents in 2010 and research began in the facility in 2013. Since that time, actual performance has been below proforma. The most recent Semi-Annual Borrowers Report on South Lake Union from March 2015 indicates that lower than modeled density and a smaller percentage of federal research in the facilities have led to less indirect cost for administrative purposes. Accordingly, the assumptions for SLU 3.2 are more conservative than in prior phases, with lower year to year growth in direct cost and lower grant density.

F–4/209-15
9/10/15
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Medicine at South Lake Union – Authorization of Phase 3.2 (continued p. 7)

**Phase 3.2 proforma**

The base case proforma is shown in *Attachment 7*. Major assumptions are listed below.

**Base Case Assumptions**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indirect Cost Rate (ICR):</td>
<td>74%, calculated rate is 80.1%</td>
</tr>
<tr>
<td>Modified Direct Cost per square foot (2014):</td>
<td>$219</td>
</tr>
<tr>
<td>Modified Direct Cost Growth Rate:</td>
<td>1% (last 10 years of SoM expenditures at 3%, total awards at 4.6%, and federal awards at 2.5%)</td>
</tr>
<tr>
<td>Operating Costs Growth Rate:</td>
<td>3.0%</td>
</tr>
<tr>
<td>Borrowing Rate:</td>
<td>4.76% for shell and core, 4.28% for tenant improvements, and 4.08% for equipment</td>
</tr>
<tr>
<td>Equity:</td>
<td>$24.5 million funded from gifts and UW Medicine reserves</td>
</tr>
<tr>
<td>Project Completion:</td>
<td>2018, first stabilized grant year is 2022</td>
</tr>
</tbody>
</table>

**Key Risks and Stress Tests**

The overall financial performance of SLU 3.2 is dependent on many factors, including the interest rate on the debt, construction inflation, grant density and the negotiated indirect cost rate. However, the top two risks to SLU 3.2 financial performance are the research density in the facility and the negotiated indirect cost rate.

**Stress Tests**

If grant density, defined as direct cost divided by assignable square feet, were $188 per square foot (rather than $219 in the base case), the Phase 3.2 average annual shortfall would increase by $1.3 million annually over the seven year period, to $2 million from $714 thousand.
If the indirect cost rate were 68% (rather than 74% in the Base Case), the Phase 3.2 average annual shortfall would increase by $1.3 million annually over the seven year period from the first stabilized year in 2022 through 2028, to $2 million from $714 thousand.

If both scenarios were to occur, the Phase 3.2 project deficit would increase by $2.6 million annually over the seven year period to $3.3 million from $700 thousand. These stress tests are shown in Attachment 8.

**Risk Mitigation**

If the negotiated indirect cost rate grant density does not meet proforma, the School of Medicine has identified three mitigation strategies that could be employed:

1. Identify additional funding, including repurposing Administrative Indirect Cost Recovery (ICR) and reserves
2. Delay capital expenditures
3. Repurpose Space
   a. More space for clinical use
   b. Consolidate research from other leased space into the Phase III facilities
   c. Lease space to non-UW research to the extent allowed under tax law and the terms of the master ground lease.

**FACILITY NAMING PLAN**

Naming a new building at the University of Washington in recognition of a substantial contribution offers donors a premier opportunity to substantially benefit a particular unit or school of the University, in this case UW Medicine. The Regents’ Facilities and Spaces Naming Policy (Attachment 9) outlines the parameters that will be applied to naming at SLU 3.2. Final decisions to name buildings, outdoor areas and spaces will be made consistent with the approval process outlined in section 4 of the policy.

**Naming Considerations and Levels**

In developing the following recommended recognition levels for naming gifts for SLU 3.2, four factors have been considered:

- the total cost and square footage of the project;
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Medicine at South Lake Union – Authorization of Phase 3.2 (continued p. 9)

- parity with other naming and recognition opportunities at the University of Washington;
- comparative benchmarking of peer institutions around the country; and
- a donor’s history, relationship and total cumulative philanthropic support to the University.

With these considerations in mind, the following recognition opportunities are recommended.

Proposed naming opportunities:*  
Named Building**  $15,000,000-$30,000,000  
Clinics  $5,000,000-$15,000,000  
Research Centers  $5,000,000-$15,000,000  
Courtyard  $3,000,000-$5,000,000  
Auditorium  $2,500,000-$5,000,000  
Main Lobby  $2,500,000-$5,000,000  
Other Interior Spaces  $250,000-$1,000,000  
  (Conference rooms, lounges, offices)

* Pending final building design and square footage/space assignments
**The minimum figure for naming the building ($15,000,000) is based on the equity needed from philanthropy to proceed with the project.

Special Considerations

- Naming opportunities for buildings, programs and spaces housed at South Lake Union will take into account that the spaces are leased and not owned by the University of Washington. Therefore, the naming opportunities offered to prospective individual donors will be “term” namings that will be offered for a specified period of years that match the term of the lease of the building.

- In addition to any current gift or pledge made to name a building or space, at the time of approval, it is recommended that the Board of Regents gives special consideration to a donor’s relationship, history, impact and cumulative giving to the University, when appropriate.

ADMINISTRATIVE REVIEWS AND APPROVALS

The recommendation to proceed with a long-term Facilities Lease for South Lake Union Phase 3.2 has been approved by the interim President, the CEO of UW
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Medicine at South Lake Union – Authorization of Phase 3.2 (continued p. 10)

Medicine and Dean of the School of Medicine, the interim Provost, the Senior Vice President for Planning and Management, the interim Vice President for Finance and Facilities and the Vice President for Advancement. The structure of the transaction and the viability of the financing plan have been reviewed and recommended for approval by the UW Medicine Board, the School of Medicine, the Real Estate Office, and the Treasury Office. As in Phases I, II and 3.1, the University’s financial advisor, real estate counsel and bond counsel will review and approve all transaction documents prior to their execution.

Attachments

1) WBRP Phase 3.2 Resolution
2) Site Map
3) Phase 3.2 Project Budget
4) Previous Board of Regents Items Timeline
5) Phase III Chronology of Key Dates
6) 63-20 Diagram
7) Base Case Proforma
8) Density Stress
9) Board of Regents Governance, Regent Policy No. 6, Facility and Spaces Naming Policy
WBRP Phase 3.2 Resolution

BOARD OF REGENTS

UNIVERSITY OF WASHINGTON

RESOLUTION

DATED __________, 2015

A RESOLUTION of the Board of Regents of the University of Washington approving the issuance by WBRP 3.2 of bonds for the purpose of financing biomedical research facilities, and agreeing to accept title to the bond-financed property, at no additional cost, when the bonds are retired.

WHEREAS, pursuant to Revenue Procedure 82-26 of the U.S. Treasury (the "Revenue Procedure"), a nonprofit may issue bonds as tax-exempt obligations; and

WHEREAS, WBRP 3.2 has been formed as a nonprofit corporation for the purpose of financing biomedical research facilities for lease to UW Medicine at South Lake Union (the "Project"), as a component of the third phase of a three-phase project which commenced in 2003; and

WHEREAS, the Revenue Procedure requires that, within one year prior to issuance of the bonds, the University approve the nonprofit and the bonds to be issued, and agree to accept title to the Project when the bonds are retired;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF WASHINGTON, as follows:

Section 1. Findings. The Board of Regents hereby finds that the University must provide sufficient space to accommodate the University's educational and research activities. UW Medicine has experienced a particular need for expanded research facilities, which cannot be met on the main Seattle campus. The Board of Regents finds that continued development of the biomedical research center at South Lake Union is the most desirable means to satisfy the need of UW Medicine for additional research facilities. The Board of Regents further finds that the University does not wish to undertake directly the governmental burden of such development, and that the involvement of WBRP 3.2 as described in this resolution provides a more efficient means of accomplishing the needs of the University in this regard.
Section 2. Approval of Financing and Acceptance of Title. The Board of Regents hereby requests that WBRP 3.2 undertake the acquisition, financing and development of the Project, and thereby relieve the University of the governmental burden thereof. The University hereby approves WBRP 3.2 solely for the purposes of approving the issuance by it of bonds to finance the Project under the Revenue Procedure. The University further agrees to accept title to

the property financed by the bonds, including any additions to that property, when the bonds are discharged. At such time, title to the property financed by the bonds will be transferred to the University at no additional cost.

Section 3. General Authorization; Ratification of Prior Acts. All appropriate officers of the University are authorized to take any actions and to execute documents as in their judgment may be necessary or desirable in order to carry out the terms of, and complete the transactions contemplated by, this resolution. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified.

Section 4. Immediate Effect. This resolution shall take effect immediately upon its adoption.

ADOPTED at an open public meeting of the Board of Regents of the University, after notice thereof was duly and regularly given as required by law, this ___ day of ________, 2015.

BOARD OF REGENTS,
UNIVERSITY OF WASHINGTON

By

_______________________

Attest:

By ____________________________

Approved as to form:

_________________________________

Stacey Crawshaw-Lewis
Special Assistant
Attorney General
State of Washington
Site Map

Current Total: 513,000 GSF
Potential Total: +/- 858,000 GSF

Phase III (All Lab)  2013, 2018, 2022
3.1: 147,000 GSF (above ground)
3.2: 165,000 GSF
3.3: 180,000 GSF

Phase I (Brotman) 2004
Lab: 100,000 GSF
Phase II 2008
Lab: 166,000 GSF
Office: 100,000 GSF
## Phase 3.2 Project Budget

### SLU 3.2 Project Budget

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Architectural &amp; Engineering</strong></td>
<td>$9,000,000</td>
</tr>
<tr>
<td><strong>Consultants</strong></td>
<td>$894,000</td>
</tr>
<tr>
<td><strong>Total Consultant Services</strong></td>
<td>$9,894,000</td>
</tr>
<tr>
<td><strong>Construction Costs</strong></td>
<td>$98,246,045</td>
</tr>
<tr>
<td><strong>Furniture Fixtures and Equipment</strong></td>
<td>$4,563,000</td>
</tr>
<tr>
<td><strong>Other Costs</strong></td>
<td>$1,092,135</td>
</tr>
<tr>
<td><strong>Project Administration</strong></td>
<td>$4,529,000</td>
</tr>
<tr>
<td><strong>Total Other Costs</strong></td>
<td>$10,184,135</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$118,324,180</td>
</tr>
<tr>
<td><strong>Project Contingency</strong></td>
<td>$8,568,000</td>
</tr>
<tr>
<td><strong>Capitalized Interest</strong></td>
<td>$14,200,000</td>
</tr>
<tr>
<td><strong>Cost of Issuance</strong></td>
<td>$1,900,000</td>
</tr>
<tr>
<td><strong>Total Design, Construction and Financing Cost</strong></td>
<td>$142,992,180</td>
</tr>
</tbody>
</table>
Attachment 4 – Previous Board of Regents Items Timeline

Study of Off-Campus Sites

Phase I Complete

Phase II Complete

Phase 3.1 Complete

Projected Completion of Phase 3.2

Projected Completion of Phase 3.3


Lease End Dates:
Phase I – 2039
(if 10 yr – 2049*)
Phase II – 2043
(if 10 yr – 2053*)
Phase III – 2058
(if 2-5yr – 2068*)
*if extension option(s) exercised

Regents Approve Phase I

Regents Approve Phase II

Regents Approve SLU III Plan and Phase 3.1

Phase 3.2 Due Diligence; Decisions
Phase III Chronology of Key Dates

Proposed 3.2 Project Schedule

July 2015
  • UW Board of Regent approval

September 2015
  • Permanent financing in place

July 2016
  • Amended MUP (to address clinic space) must be issued by this date
  • Building permit applied for

November 2016
  • Building permit issued
  • Construction begins

February 2018
  • Substantial completion

June 2018
  • Move-In completed

Key External Contract Dates

December 2015
  • Deadline for exercising 1ˢᵗ ground lease extension

October 2016
  • Existing Master Use Permit expires (building permit must be applied by this date to maintain project vesting)

January 2018
  • Last date to begin construction to avoid Ground Lessor (Vulcan) right of re-entry

June 2018
  • Expiration date of high-tech tax deferral certificate

January 2020
  • Last date to begin construction as to 3.3 to avoid Vulcan right of re-entry
## BASE CASE PROFORMA ($219/asf and 74% indirect cost rate)

<table>
<thead>
<tr>
<th></th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>FY2026</th>
<th>FY2027</th>
<th>FY2028</th>
<th>CAGR*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modified Total Direct Cost</td>
<td>23,588</td>
<td>23,824</td>
<td>24,063</td>
<td>24,303</td>
<td>24,546</td>
<td>24,792</td>
<td>25,040</td>
<td>1.0%</td>
</tr>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facilities ICR</td>
<td>9,747</td>
<td>9,845</td>
<td>9,943</td>
<td>10,043</td>
<td>10,143</td>
<td>10,244</td>
<td>10,347</td>
<td>1.0%</td>
</tr>
<tr>
<td>Administrative ICR</td>
<td>5,512</td>
<td>5,567</td>
<td>5,622</td>
<td>5,679</td>
<td>5,735</td>
<td>5,793</td>
<td>5,851</td>
<td>1.0%</td>
</tr>
<tr>
<td>Clinical</td>
<td>870</td>
<td>896</td>
<td>922</td>
<td>950</td>
<td>979</td>
<td>1,008</td>
<td>1,038</td>
<td>3.0%</td>
</tr>
<tr>
<td>Parking</td>
<td>87</td>
<td>90</td>
<td>92</td>
<td>95</td>
<td>98</td>
<td>101</td>
<td>104</td>
<td>3.0%</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>16,215</td>
<td>16,397</td>
<td>16,580</td>
<td>16,766</td>
<td>16,955</td>
<td>17,146</td>
<td>17,340</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>Expense:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations and Maintenance</td>
<td>2,210</td>
<td>2,277</td>
<td>2,345</td>
<td>2,415</td>
<td>2,488</td>
<td>2,563</td>
<td>2,639</td>
<td>3.0%</td>
</tr>
<tr>
<td>Ground Rent</td>
<td>958</td>
<td>958</td>
<td>958</td>
<td>983</td>
<td>1,110</td>
<td>1,110</td>
<td>1,110</td>
<td>2.5%</td>
</tr>
<tr>
<td>Debt Service - Building</td>
<td>5,669</td>
<td>5,668</td>
<td>5,668</td>
<td>5,664</td>
<td>5,667</td>
<td>5,664</td>
<td>5,668</td>
<td>0.0%</td>
</tr>
<tr>
<td>Debt Service - Tenant Impr.</td>
<td>2,013</td>
<td>2,017</td>
<td>2,013</td>
<td>2,017</td>
<td>2,017</td>
<td>2,013</td>
<td>2,017</td>
<td>0.0%</td>
</tr>
<tr>
<td>Debt Service - Equipment</td>
<td>451</td>
<td>451</td>
<td>451</td>
<td>455</td>
<td>453</td>
<td>455</td>
<td>452</td>
<td>0.0%</td>
</tr>
<tr>
<td>Capital Reserve</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td>11,526</td>
<td>11,596</td>
<td>11,660</td>
<td>11,759</td>
<td>11,959</td>
<td>12,030</td>
<td>12,110</td>
<td>0.8%</td>
</tr>
<tr>
<td>Remaining Administrative ICR</td>
<td>4,689</td>
<td>4,801</td>
<td>4,920</td>
<td>5,007</td>
<td>4,996</td>
<td>5,116</td>
<td>5,230</td>
<td></td>
</tr>
</tbody>
</table>

Administrative ICR used: 822/766/702/671/739/677/621

Note: Average Administrative ICR used is 822/766/702/671/739/677/621

*Additional Notes*

1. 2022 is the first stabilized year
2. SLU 3.2 has 122,422 net assignable square feet
3. MTDC/FICR increase by 1% per year
4. Negotiated SLU ICR rate remains the same at 74% (calculated rate is 80.1%)
5. Interest rate on debt: 4.76% Shell & Core; 4.28% Tenant Improvements; 4.08% FF&E (100 basis points over current rates)
### ATTACHMENT 8 – DENSITY STRESS

#### STRESS CASE - DENSITY AT $188/asf

<table>
<thead>
<tr>
<th>$ thousands</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>FY2026</th>
<th>FY2027</th>
<th>FY2028</th>
<th>CAGR*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Modified Total Direct Cost</strong></td>
<td>20,634</td>
<td>20,841</td>
<td>21,049</td>
<td>21,260</td>
<td>21,472</td>
<td>21,687</td>
<td>21,904</td>
<td>1.0%</td>
</tr>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facilities Indirect Cost</td>
<td>8,469</td>
<td>8,553</td>
<td>8,639</td>
<td>8,725</td>
<td>8,812</td>
<td>8,901</td>
<td>8,990</td>
<td>1.0%</td>
</tr>
<tr>
<td>Administrative ICR</td>
<td>4,413</td>
<td>4,457</td>
<td>4,502</td>
<td>4,547</td>
<td>4,592</td>
<td>4,638</td>
<td>4,684</td>
<td>1.0%</td>
</tr>
<tr>
<td>Clinical</td>
<td>870</td>
<td>896</td>
<td>922</td>
<td>950</td>
<td>979</td>
<td>1,008</td>
<td>1,038</td>
<td>3.0%</td>
</tr>
<tr>
<td>Parking</td>
<td>87</td>
<td>90</td>
<td>92</td>
<td>95</td>
<td>98</td>
<td>101</td>
<td>104</td>
<td>3.0%</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>13,838</td>
<td>13,995</td>
<td>14,155</td>
<td>14,317</td>
<td>14,481</td>
<td>14,647</td>
<td>14,816</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>Expense:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations and Maintenance</td>
<td>2,210</td>
<td>2,277</td>
<td>2,345</td>
<td>2,415</td>
<td>2,488</td>
<td>2,563</td>
<td>2,639</td>
<td>3.0%</td>
</tr>
<tr>
<td>Ground Rent</td>
<td>958</td>
<td>958</td>
<td>958</td>
<td>983</td>
<td>1,110</td>
<td>1,110</td>
<td>1,110</td>
<td>2.5%</td>
</tr>
<tr>
<td>Debt Service - Building</td>
<td>5,669</td>
<td>5,668</td>
<td>5,664</td>
<td>5,664</td>
<td>5,667</td>
<td>5,664</td>
<td>5,668</td>
<td>0.0%</td>
</tr>
<tr>
<td>Debt Service - Tenant Improvements</td>
<td>2,013</td>
<td>2,017</td>
<td>2,017</td>
<td>2,017</td>
<td>2,017</td>
<td>2,013</td>
<td>2,017</td>
<td>0.0%</td>
</tr>
<tr>
<td>Debt Service - Equipment</td>
<td>451</td>
<td>451</td>
<td>451</td>
<td>455</td>
<td>453</td>
<td>455</td>
<td>452</td>
<td>0.0%</td>
</tr>
<tr>
<td>Capital Reserve</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td>11,526</td>
<td>11,596</td>
<td>11,660</td>
<td>11,759</td>
<td>11,959</td>
<td>12,030</td>
<td>12,110</td>
<td>0.8%</td>
</tr>
<tr>
<td>Remaining Administrative ICR</td>
<td>2,312</td>
<td>2,400</td>
<td>2,495</td>
<td>2,558</td>
<td>2,522</td>
<td>2,617</td>
<td>2,706</td>
<td>2,510</td>
</tr>
<tr>
<td>Administrative ICR used</td>
<td>2,101</td>
<td>2,057</td>
<td>2,006</td>
<td>1,989</td>
<td>2,070</td>
<td>2,021</td>
<td>1,978</td>
<td></td>
</tr>
</tbody>
</table>

*ICR=Indirect cost recovery

**Notes:**
1) 2022 is the first stabilized year
2) SLU 3.2 has 122,422 net assignable square feet
3) MTDC/FICR increase by 1% per year
4) Negotiated SLU IC rate remains the same at 74% (calculated rate is 80.1%)
5) Interest rate on debt: 4.76% Shell & Core; 4.28% Tenant Improvements; 4.08% FF&E (100 basis points over current rates)
6) Stress test assumes $188 MTDC/ASF (base case is $218), highlighted rows change from base case
7) Highlighted rows are a change from the base case
## ATTACHMENT 8 – RATE STRESS

### STRESS CASE - INDIRECT COST RATE AT 68%

<table>
<thead>
<tr>
<th></th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>FY2026</th>
<th>FY2027</th>
<th>FY2028</th>
<th>CAGR*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Modified Total Direct Cost</strong></td>
<td>23,588</td>
<td>23,824</td>
<td>24,063</td>
<td>24,303</td>
<td>24,546</td>
<td>24,792</td>
<td>25,040</td>
<td>1.0%</td>
</tr>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facilities Indirect Cost</td>
<td>8,538</td>
<td>8,623</td>
<td>8,710</td>
<td>8,797</td>
<td>8,885</td>
<td>8,973</td>
<td>9,063</td>
<td>1.0%</td>
</tr>
<tr>
<td>Administrative ICR</td>
<td>4,413</td>
<td>4,457</td>
<td>4,502</td>
<td>4,547</td>
<td>4,592</td>
<td>4,638</td>
<td>4,684</td>
<td>1.0%</td>
</tr>
<tr>
<td>Clinical</td>
<td>870</td>
<td>896</td>
<td>922</td>
<td>950</td>
<td>979</td>
<td>1,008</td>
<td>1,038</td>
<td>3.0%</td>
</tr>
<tr>
<td>Parking</td>
<td>87</td>
<td>90</td>
<td>92</td>
<td>95</td>
<td>98</td>
<td>101</td>
<td>104</td>
<td>3.0%</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>13,907</td>
<td>14,066</td>
<td>14,226</td>
<td>14,388</td>
<td>14,553</td>
<td>14,720</td>
<td>14,890</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>Expense:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations and Maintenance</td>
<td>2,210</td>
<td>2,277</td>
<td>2,345</td>
<td>2,415</td>
<td>2,488</td>
<td>2,563</td>
<td>2,639</td>
<td>3.0%</td>
</tr>
<tr>
<td>Ground Rent</td>
<td>958</td>
<td>958</td>
<td>958</td>
<td>983</td>
<td>1,110</td>
<td>1,110</td>
<td>1,110</td>
<td>2.5%</td>
</tr>
<tr>
<td>Debt Service - Building</td>
<td>5,669</td>
<td>5,668</td>
<td>5,668</td>
<td>5,664</td>
<td>5,667</td>
<td>5,664</td>
<td>5,668</td>
<td>0.0%</td>
</tr>
<tr>
<td>Debt Service - Tenant Impr.</td>
<td>2,013</td>
<td>2,017</td>
<td>2,013</td>
<td>2,017</td>
<td>2,017</td>
<td>2,013</td>
<td>2,017</td>
<td>0.0%</td>
</tr>
<tr>
<td>Debt Service - Equipment</td>
<td>451</td>
<td>451</td>
<td>451</td>
<td>455</td>
<td>453</td>
<td>455</td>
<td>452</td>
<td>0.0%</td>
</tr>
<tr>
<td>Capital Reserve</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td>11,526</td>
<td>11,596</td>
<td>11,660</td>
<td>11,759</td>
<td>11,959</td>
<td>12,030</td>
<td>12,110</td>
<td>0.8%</td>
</tr>
<tr>
<td><strong>Remaining Administrative ICR</strong></td>
<td>2,382</td>
<td>2,470</td>
<td>2,566</td>
<td>2,629</td>
<td>2,594</td>
<td>2,690</td>
<td>2,780</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

Administrative ICR used 2031 1987 1936 1917 1998 1948 1905

*CAGR=Compound Annual Growth Rate
ICR=Indirect cost recovery

**Notes:**
1) 2022 is the first stabilized year
2) SLU 3.2 has 122,422 net assignable square feet
3) MTDC/FICR increase by 1% per year
4) Negotiated SLU IC rate remains the same at 74% (calculated rate is 80.1%)
5) Interest rate on debt: 4.76% Shell & Core; 4.28% Tenant Improvements; 4.08% FF&E (100 basis points over current rates)
6) Stress test assumes 68% indirect cost rate (base case is 74%)
    MTDC is same as base case, as it does not change when there is a change in indirect cost rate

7) Highlighted rows are a change from the base case
## Stress Case - Combined $188/asf and Indirect Cost Rate at 68%

<table>
<thead>
<tr>
<th></th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>FY2026</th>
<th>FY2027</th>
<th>FY2028</th>
<th>CAGR*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modified Total Direct Cost</td>
<td>20,634</td>
<td>20,841</td>
<td>21,049</td>
<td>21,260</td>
<td>21,472</td>
<td>21,687</td>
<td>21,904</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

### Revenue:

<table>
<thead>
<tr>
<th>Description</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>FY2026</th>
<th>FY2027</th>
<th>FY2028</th>
<th>CAGR*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities ICR</td>
<td>7,419</td>
<td>7,493</td>
<td>7,568</td>
<td>7,644</td>
<td>7,720</td>
<td>7,797</td>
<td>7,875</td>
<td>1.0%</td>
</tr>
<tr>
<td>Administrative ICR</td>
<td>4,413</td>
<td>4,457</td>
<td>4,502</td>
<td>4,547</td>
<td>4,592</td>
<td>4,638</td>
<td>4,684</td>
<td>1.0%</td>
</tr>
<tr>
<td>Clinical</td>
<td>870</td>
<td>896</td>
<td>922</td>
<td>950</td>
<td>979</td>
<td>1,008</td>
<td>1,038</td>
<td>3.0%</td>
</tr>
<tr>
<td>Parking</td>
<td>87</td>
<td>90</td>
<td>92</td>
<td>95</td>
<td>98</td>
<td>101</td>
<td>104</td>
<td>3.0%</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>Total Revenue</td>
<td>12,788</td>
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<td>13,084</td>
<td>13,235</td>
<td>13,389</td>
<td>13,544</td>
<td>13,702</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

### Expense:

<table>
<thead>
<tr>
<th>Description</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>FY2026</th>
<th>FY2027</th>
<th>FY2028</th>
<th>CAGR*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations and Maintenance</td>
<td>2,210</td>
<td>2,277</td>
<td>2,345</td>
<td>2,415</td>
<td>2,488</td>
<td>2,563</td>
<td>2,639</td>
<td>3.0%</td>
</tr>
<tr>
<td>Ground Rent</td>
<td>958</td>
<td>958</td>
<td>958</td>
<td>983</td>
<td>1,110</td>
<td>1,110</td>
<td>1,110</td>
<td>2.5%</td>
</tr>
<tr>
<td>Debt Service - Building</td>
<td>5,669</td>
<td>5,668</td>
<td>5,668</td>
<td>5,664</td>
<td>5,667</td>
<td>5,664</td>
<td>5,668</td>
<td>0.0%</td>
</tr>
<tr>
<td>Debt Service - Tenant Impr.</td>
<td>2,013</td>
<td>2,017</td>
<td>2,013</td>
<td>2,017</td>
<td>2,017</td>
<td>2,013</td>
<td>2,017</td>
<td>0.0%</td>
</tr>
<tr>
<td>Debt Service - Equipment</td>
<td>451</td>
<td>451</td>
<td>451</td>
<td>455</td>
<td>453</td>
<td>455</td>
<td>452</td>
<td>0.0%</td>
</tr>
<tr>
<td>Capital Reserve</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>225</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total Expense</td>
<td>11,526</td>
<td>11,596</td>
<td>11,660</td>
<td>11,759</td>
<td>11,959</td>
<td>12,030</td>
<td>12,110</td>
<td>0.8%</td>
</tr>
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</table>

### Remaining Administrative ICR

<table>
<thead>
<tr>
<th></th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>FY2026</th>
<th>FY2027</th>
<th>FY2028</th>
<th>CAGR*</th>
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<tbody>
<tr>
<td>Remaining Administrative ICR</td>
<td>1,262</td>
<td>1,339</td>
<td>1,424</td>
<td>1,476</td>
<td>1,514</td>
<td>1,592</td>
<td>1,434</td>
<td></td>
</tr>
</tbody>
</table>

*CAGR=Compound Annual Growth Rate
ICR=Indirect cost recovery

### Notes:

1) 2022 is the first stabilized year
2) SLU 3.2 has 122,422 net assignable square feet
3) MTDC/FICR increase by 1% per year
4) Negotiated SLU IC rate remains the same at 74% (calculated rate is 80.1%)
5) Interest rate on debt: 4.76% Shell & Core; 4.28% Tenant Improvements; 4.08% FF&E (100 basis points over current rates)
6) Stress test assumes MTDC $188/asf (base case is $219) and 68% indirect cost rate (base case is 74%)
7) Highlighted rows are a change from the base case
Facilities and Spaces Naming Policy

1. General Guidelines for Naming Opportunities

The University of Washington recognizes the importance of naming opportunities for its buildings, outdoor and interior areas, spaces, features, and objects, and this document sets forth the University's naming guidelines. Naming actions shall not detract from the institution’s values, dignity, integrity, or reputation, nor shall any such actions create a conflict of interest, or the appearance of a conflict of interest, or confer special privileges.

2. Buildings or Outdoor Areas or Spaces Naming Guidelines – Final Approval by the Board of Regents

A. Buildings or outdoor areas or spaces may be named for a person, or family, associated with the University community who has rendered distinguished service to the University or who has made a significant contribution to society, or for a donor to the University whose gifts represent a "substantial contribution" toward the project cost, provided that the individual or family or donor has a prominent relationship with the University and/or the region, with a positive image and demonstrated integrity. In the event of changed circumstances, the University reserves the right, on reasonable grounds, to revise the form of or withdraw recognition.

B. Corporations or organizations are encouraged to be major donors to the University by recognizing with naming opportunities a person or family important to their success. Only in rare, exceptional situations will a building or outdoor area or space be named for a corporation or organization whose gifts represent a "substantial contribution" toward the project cost. The corporation or organization must have a prominent relationship with the University and/or the region, with a positive image and demonstrated integrity. In the event of changed circumstances, the University reserves the right, on reasonable grounds, to revise the form of or withdraw recognition.
C. A "substantial contribution" is the target gift amount for naming that is set for each project as part of the Project Budget approved by the Board of Regents in the early stages of project development.

D. Pledges for naming should be paid in full within five years of the commitment.

E. Buildings named for an individual or family generally will either be termed "______ Hall" (e.g. "William H. Gates Hall") or "______ Building" (e.g. "William H. Foege Building").

F. The name will generally remain on the building or outdoor area or space for the life of the building, area, or space. If at some future time the building or outdoor area or space is replaced (which may include a major reconstruction that substantially changes the function or appearance of a building's interior and/or exterior), the use of the existing or a new name for the replacement facility will be subject to the approval of the Board of Regents pursuant to Section 4 below.

G. In cases where a corporation or organization name is used, the number of years during which the building or outdoor area or space will be named may be limited, normally to a period not to exceed 25 years. The proposed number of years for naming the project will be identified when it is presented to the Board of Regents for approval. The gift agreement will specify the number of years during which the building or outdoor area or space will be named and it will include the clause that any name changes during that period will be at the University’s sole discretion, subject to approval by the Board of Regents.

H. The name will appear on the building, appropriate signage as determined by the University, and University maps and other documents in University approved lettering. No corporate logos will be permitted, except pursuant to Section 5 below.

3. Interior Areas, Features, Objects or Spaces – Final Approval by the President

A. Interior areas, features, objects or spaces may be named for a person or family associated with the University community who has rendered distinguished service to the University or who has made a significant contribution to society, or for a major donor to the University whose gifts represent a substantial contribution toward the project cost or the purchase of the object, provided that the individual or family or benefactor has a prominent relationship with the University and/or the region, and he or she has a positive image and demonstrated integrity. In the event of changed circumstances, the University reserves the right, on reasonable grounds, to revise the form of or withdraw recognition in consultation with the
donor when possible.

B. An interior area, feature, object or space may also be named for a corporation or organization whose gifts represent a "substantial contribution" toward the project cost or the purchase of the object. The corporation/organization must have a prominent relationship with the University and/or the region, with a positive image and demonstrated integrity. In the event of changed circumstances, the University reserves the right, on reasonable grounds, to revise the form of or withdraw recognition.

C. Naming for a person, family, or benefactor of the University whose gift amounts to a "substantial contribution" to the project cost or purchase of an object must meet the following:

• While the desired goal for a naming gift is the cost to provide and equip the area, feature, object or space (which may include an operating endowment), the target gift amount for naming will be set for each project in advance of soliciting donors in coordination with the Vice President for Advancement, who will obtain written authorization from the President on amounts specified. Interior areas, features, objects or spaces that are part of a total building fundraising campaign should be included as part of the Project Budget approved by the Board of Regents in the early stages of project development.

• Pledges for naming should be paid in full within five years of the commitment.

D. Approved names for interior areas, features, objects or spaces will generally not be exhibited on external building walls; the names will be located as close as possible to (and otherwise affiliated with) the funded interior areas, features, objects or spaces.

E. In cases where the name of the corporation/organization is used, the gift agreement will specify the number of years for which the naming applies and will specify that any name changes during that period will be at the University's sole discretion. In cases where the name of an individual or family is used, the name will remain for the life of the area, feature, object or space with appropriate recognition as determined by the President if it is replaced.

4. Approval Process

The President has final approval for naming interior areas, features, objects and spaces. Final decision to name buildings and outdoor areas and spaces rests with the Board of Regents, upon recommendation of the President. In situations in which a building may be named in recognition of a substantial contribution to the total project costs, the
minimum contribution needed for naming and any limits imposed on the number of years it will be named will be specified as a part of the Project Budget approved or amended by the Board of Regents.

Each campus of the University of Washington, UW Bothell, UW Seattle, and UW Tacoma, is responsible for directly submitting to the Vice President for Advancement any request for approval of the naming of facilities, including but not limited to buildings, outdoor and indoor areas, features, objects or spaces, at their respective campuses. The UW Bothell and UW Tacoma will forward their recommendations through their respective chancellors to the Vice President for Advancement, who will forward them to the President. The UW Seattle will forward its recommendations from the Vice President for Advancement to the President.

Proposals for all naming opportunities will follow the approval process described in this Section 4 in order to obtain appropriate approvals before negotiating with a prospective donor for a naming gift and before offering recognition of an individual, family, corporation or organization. Discussions with individual, family, corporate, or other organizational donors who seek naming rights must be conducted with the understanding that the President (in the case of interior areas, features, objects or spaces) or the Board of Regents (in the case of buildings and outdoor areas or spaces) reserve final approval of the naming.

5. Intercollegiate Athletics Facilities and Playing Fields Temporary Naming Rights Agreements

The University may enter into agreements with business entities to temporarily name intercollegiate athletics facilities or playing fields when the business entity makes a substantial contribution to the University's intercollegiate athletics program. A "substantial contribution" in this context means that facts and circumstances, including relevant market conditions, show that the business entity is making a substantial financial contribution to the University's intercollegiate athletics program. Any such agreements must be reviewed by Advancement working with the Department of Intercollegiate Athletics and will normally be for a fixed term of five years and not in excess of ten years. The term should be consistent with the contribution. Any agreement to temporarily name an interior feature, object or space must be approved by the President. An agreement to temporarily name an interior feature, object or space may include the right to place a sign or signs on the exterior of a building or an outdoor area; however, such right shall be approved by the Board of Regents upon the recommendation of the President. Any agreement to temporarily name buildings or outdoor spaces must be approved by the Board of Regents upon the recommendation of the President.

The logo of a business entity may be included on the name temporarily affixed to an interior feature, object, space, building or outdoor area if the logo is part of a unique design created in part for the purpose of acknowledging the relationship between the University and the business entity. Inclusion of a logo in a unique design on the name temporarily affixed to an interior feature, object or space shall be reviewed and
approved by the President. Inclusion of a logo in a unique design on the name
temporarily affixed to a building or outdoor area shall be approved by the Board of
Regents upon the recommendation of the President.

This policy will apply to both new and existing interior areas, features, objects, spaces,
buildings, and outdoor areas or spaces. No agreement shall detract from the institution's
values, dignity, integrity, or reputation, nor shall it create a conflict, or the appearance
of a conflict, of interest or confer special privileges. The business entity shall have a
prominent relationship with the University and/or the region, and have a positive image
and demonstrated integrity. In the event of changed circumstances, the University
reserves the right, on reasonable grounds, to revise the form of or withdraw recognition.
In the event there are any inconsistencies or ambiguities between this policy and other
University Naming Rights policies, this policy shall take precedence.

AI, March 1981; AI, September 14, 2000; BR, July 17, 2003; AI, April 26, 2006; BR,
September 18, 2008; April 14, 2011; February 9, 2012.
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Transforming Administration Program (TAP) Update

For information only.

BACKGROUND

The Transforming Administration Program (TAP) executive sponsor and TAP team developed the attached presentation slides as part of a regular update to the Regents about the program. The presentation is intended to introduce TAP goals, principles, and initiatives and facilitate discussion.

Attachment
Transforming Administration Presentation
TRANSFORMING ADMINISTRATION

Board of Regents
9/10/15

Prepared by Marisa Nickle, Director of Strategy & Academic Initiatives, Office of the Provost, and Ruth Johnston, Associate Vice President and Chief of Staff, Planning & Management

UNIVERSITY of WASHINGTON
The new TAP program...

- Builds on past efforts like Organizational Excellence, LEAN
- Gets stuff done quickly
- Saves money by saving time, consolidating/streamlining
- Aligns with the UW Sustainable Academic Business Plan, “Public as a Philosophy” brand pillar
- Engages campus, seeks input, is responsive, transparent
TAP’S OVERARCHING GOAL

> The key goal of TAP is simple — to enhance the culture of service in UW’s central administrative units.

> Administrative Units are those which report to a Vice President or Vice Provost.
PARTICIPANTS

> **TAP Executive Sponsors:** President and Provost

> **TAP Team:** Mary Lidstrom, Denzil Suite, Judy Howard, Ruth Johnston, Marisa Nickle, Margaret Shepherd, Paul Jenny

> **The Organizational Excellence team:** to support the work – led by Ruth Johnston with staff of now 14 change management staff by redeployment from Office of Research, Finance & Facilities, HR/Payroll

> **TAP Improvement Activities:** sponsored by senior leadership with cross-functional staff engagement
TAP GOALS & EXAMPLES

1. Streamline Administrative Services
   – President/Provost Offices Admin Audit

2. Implement New Systems
   – Childcare

3. Centralize Policies and Procedures
   – Centralize Servers/Virtualize Servers

4. Simplify Processes
   – Common Approach to Calendar Use

5. Assess Progress
   – Surveys
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Business Equity Statement for the University of Washington as Board of Regents Governance, Regent Policy No. 16.

RECOMMENDED ACTION

It is a recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents approve the Business Equity Statement for the University of Washington as Board of Regents Governance, Regent Policy No. 16.

BACKGROUND

The Business Diversity Program’s Steering Committee and the Director of the Business Diversity Program have developed the attached Business Equity Statement for the University of Washington to encourage the maximum practicable, legally allowable contracting and procurement opportunities for a diverse supplier pool that includes local, small, minority- and women-owned businesses; and ensure that inclusiveness and equity of opportunity guide the business practices of the University. This statement of business equity applies to all schools, colleges, administrative units, and medical centers on all campuses.

APPROVALS

This statement has been reviewed by the Attorney General’s Office, and endorsed by the Office of the President, the Office of the Senior Vice President of Planning and Management, the Capital Projects Office, the Office of the Associate Vice President and Controller, and the Associate Vice President & Chief of Staff for Planning and Management.

Attachment

DRAFT Board of Regents Governance, Regent Policy No. 16, Statement of Business Equity for the University of Washington
Statement of Business Equity for the University of Washington

1. Purpose
The purpose of this statement is to encourage the provision of the maximum practicable, legally allowable contracting and procurement opportunities to a diverse supplier pool that includes local, small, minority- and women-owned businesses; and ensure that inclusiveness and equity of opportunity guide the business practices of the University of Washington.

2. Scope
This policy applies to all schools, colleges, administrative units, and medical centers on all campuses and is overseen by the Business Diversity Program within Planning and Management.

3. Policy
It is the policy of the University of Washington to:

- Conduct its contracting and procurement activities in a manner that is fully compliant with all applicable state and federal laws and regulatory requirements;
- Reach out to and engage businesses whose ownership is representative of the richly diverse community we serve;
- Establish and maintain inclusive contracting and procurement practices that support local, small, minority- and women-owned business engagement;
- Reach out to and engage with all local, small, women- and minority-owned businesses, whether or not they are state-certified and regardless of their gross revenues;
- Provide leadership in business equity and inclusion in a way that promotes opportunity, reflects transparency, and supports the economy of the state of Washington;
- Create and provide a welcoming environment and improve relationships with all suppliers and contractors;
- Meet the University’s need for construction, design, and procurement services at the lowest overall total cost or best value, as applicable, while affording the maximum practicable opportunity to those who wish to become suppliers or contractors for the University; and
- Maintain high standards of performance based upon equitable, ethical, and professional business practices.
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Establishment of an Internal Investment Management Company with an Advisory Board, as Provided in the Revised Board of Regents Governance, Standing Orders, Chapters 4 and 10

RECOMMENDED ACTION

It is the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents:

1) Approve the establishment of an internal investment management company (“University of Washington Investment Management Company” or “UWINCO”);

2) Replace the current advisory committee with an internal investment management company advisory board (“University of Washington Investment Management Company Board” or “UWINCO Board”);

3) Adopt changes to the Board of Regents Governance, Standing Orders, Chapter 4, Advisory Committees of the Board of Regents, and new Chapter 10, University of Washington Internal Investment Management Company.

Approval of the recommended action will require changes to the “Delegations” section of the University’s investment policies. The investment policy changes are summarized in a separate recommended action. Changes will be effective immediately upon Board of Regents’ approval.

BACKGROUND

The Consolidated Endowment Fund (CEF) has grown more than tenfold over the past twenty-five years to over $3 billion today. The growth reflects the success of the University’s investment and fund raising efforts. The growth of the University itself is reflected in higher operating fund balances – from $150 million twenty-five years ago to over $1.6 billion today.

Over half of the growth in the CEF occurred over the last decade during which time its asset allocation became increasingly complex. From a fund invested simply in domestic stocks (60%) and domestic bonds (40%) in the early 1990’s, the CEF today is invested in a sophisticated mix of global stocks and bonds, private equity, real assets, and hedge funds.
In the late 1990’s the Board of Regents recognized the need for a higher level of oversight than it could provide. This led to the formation of the University of Washington Investment Committee (UWINCO) in 2001 that drew upon outside investment expertise. This committee is comprised of both Regent and non-Regent members. Non-Regent members are investment professionals whose global investment expertise brings added perspective to the investment process at the University. The President of the University serves as an ex officio member. Creation of a professional staff solely focused on investments began in 2004 with the appointment of the University’s first Chief Investment Officer (CIO). Each of these milestones represented an evolution in the program’s governance structure.

OBJECTIVES

A key objective in moving to an internal investment management company structure is to ensure continuing strong investment performance. Distributions from endowed programs provide an increasingly important source of funding for University programs, a trend that will continue into the future. Enhanced oversight, stability, and access provided by the new governance structure will support this objective.

HIGHLIGHTS OF THE PROPOSED CHANGES

The language to create Chapter 10 is drawn directly from Chapter 4 (formerly UWINCO Statement of Principles) with additional language to cover new responsibilities and/or for clarification and is summarized below.

- **Section 1: Introduction.** Includes links to investment policies and a brief history of the investment program from a governance perspective.
- **Section 2: Powers and Duties.** Includes paragraphs on new advisory responsibilities of the UWINCO Board in the areas of investment staff compensation and investment program administration.
- **Section 3: Accountability.** States the accountability of the UWINCO Board to the Board of Regents.
- **Section 4: Membership and Terms.** Drawn from language previously in Board of Regents Governance, Standing Orders, Chapter 4.
- **Section 5: Meetings of the UWINCO Board.** Notes the exemption of UWINCO Board meetings from the requirements of the open public meetings act.
Establishment of an Internal Investment Management Company with an Advisory Board, as Provided in the Revised Board of Regents Governance, Standing Orders, Chapters 4 and 10 (continued p. 3)

- **Section 6: Committees of the UWINCO Board.** Provides detail on the two new committees of the UWINCO Board.
- **Section 7: Reports to the Board of Regents.** Provides detail on regular communication to the Board of Regents.
- **Section 8: Indemnification and Compensation.** Drawn from language previously in Board of Regents Governance, Standing Orders, Chapter 4.
- **Section 9: Conflict of Interest.** Drawn from language previously in Board of Regents Governance, Standing Orders, Chapter 4.
- **Section 10: Amendments.** Drawn from language previously in Board of Regents Governance, Standing Orders, Chapter 4.

A side-by-side comparison of the changes in bill-draft format from the Board of Regents Governance, Standing Orders, Chapter 4, Section 1 to the new, proposed Board of Regents Governance, Standing Orders, Chapter 10 is provided (see Attachment 1). Also provided is a “clean” version of the Board of Regents Governance, Standing Orders, new Chapter 10 which now addresses the University of Washington Internal Investment Management Company (see Attachment 2). The Board of Regents Governance, Standing Orders, Chapter 4, Advisory Committees of the Board of Regents, is amended to delete the paragraphs which references the University of Washington Investment Committee in Section 1, and to correct consistency issues in Section 2 (see Attachment 3).

**PROCESS AND REVIEW:**

This recommendation has been reviewed by the Attorney General’s Office, and the administration including the President’s Office and the Chief Investment Officer, in consultation with Cambridge Associates, the University’s investment consultant, and the University of Washington Investment Committee.

The proposed changes to the governance structure of the University’s investment program were reviewed by the Board of Regents Finance and Asset Management Committee and Governance Committee in July 2015.
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Establishment of an Internal Investment Management Company with an Advisory Board, as Provided in the Revised *Board of Regents Governance, Standing Orders, Chapters 4 and 10* (continued p. 4)

*Attachments*

1) Side-by-side comparison of changes from *Board of Regents Governance, Standing Orders, Chapter 4, Section 1* to new *Board of Regents Governance, Standing Orders, Chapter 10*
2) *Board of Regents Governance, Standing Orders, Chapter 10, University of Washington Internal Investment Management Company (NEW)*
3) *Board of Regents Governance, Standing Orders, Chapter 4, Advisory Committees (ANNOTATED)*
A. Establishment of the Committee

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the properties of the University, including its investment programs. The Board has established an Advisory Committee called the University of Washington Investment Committee (UWINCO) and adopted the following Statement of Principles.

1. Introduction

The University of Washington Board of Regents is vested by statute with the responsibility for the management of the properties of the University, including its investment programs. The Board has established an Advisory Committee called the University of Washington Investment Committee (UWINCO) and adopted the following Statement of Principles. Statements of Investment Objectives and Policy are approved by the Board of Regents to guide the management of the University's investment programs.

- Statement of Investment Objectives and Policy for the Consolidated Endowment Fund
- Statement of Investment Objectives and Policy for Invested Funds
- Statement of Investment Objectives and Policy for Deferred and Other Gift Assets

The Board of Regents delegates to its Finance and Asset Management Committee (FAM) the responsibility for overseeing the investment program within the general principles enumerated in the above policy statements. In 2001, the Board of Regents established an advisory committee, the University of Washington Investment Committee, consisting of both Board of Regent members and external investment professionals. In 2004, the Board of Regents appointed the University's first Chief Investment Officer to manage the day to day activities of the investment portfolios. In 2015, the Board of Regents approved the establishment of the University of Washington Investment Management Company (“UWINCO”), an internal investment management company.
The former investment management advisory committee was replaced with an investment management advisory board known as the University of Washington Investment Management Company Board ("UWINCO Board").

2. **Powers and Duties**

The UWINCO Board shall:

A. Advise the Board of Regents (and/or its appropriate committee), (and) the President of the University and the Chief Investment Officer on matters relating to the management of the University’s investment programs. This includes but is not limited to the following: overall asset allocation, performance goals, new investment strategies, strategy implementation, manager identification, due diligence, and valuation policy.

B. Advise the President of the University on the selection and compensation of the Chief Investment Officer and other matters related to the administration of the University’s investment programs.

C. Advise the Chief Investment Officer on the compensation of professional investment staff and other matters related to the administration of the University’s investment programs.

3. **Accountability**

The UWINCO Board shall be accountable to the Board of Regents.

**B. Statement of Principles**

1) **Membership and Terms**

UWINCO shall consist of no more than ten members to be appointed by the Board, plus the President of the University who shall serve ex-officio. These appointments

**4. Membership and Terms**

A. **Membership**

The UWINCO Board shall consist of no more than ten members (to be) appointed by the Board of Regents, plus the President of the University who shall
shall be based on recommendations submitted by the Governance Committee of the Board after consultation with the Chair of UWINCO and the President of the University (or his or her designee).

One or two UWINCO members shall be selected from the Board. The remaining UWINCO members shall be experienced investment professionals of varying backgrounds with close ties to the University. Criteria for non-regent membership on UWINCO shall include investment expertise in such areas as private equity, hedge funds, international markets, real estate and institutional investing; access to desirable managers; strategic focus; and commitment to the University of Washington.

Regent and non-regent members will be asked to make a minimum commitment of three consecutive years, renewable by the Board.

Appointments shall be based upon recommendations submitted by the Governance Committee of the Board of Regents and approved by the Board of Regents after consultation with the Chair of the Board of Regents, the Chair of the UWINCO Board and the President of the University (or his or her designee)).

One or two UWINCO Board members shall be selected from the Board of Regents. The remaining UWINCO Board members shall be experienced investment and/or business professionals of varying backgrounds with close ties to the University. Criteria for non-regent membership on the UWINCO Board shall include investment and/or business expertise in such areas as private equity, hedge funds, international markets, real estate, and institutional investing; access to desirable portfolio managers; strategic focus; and commitment to the University of Washington.

B. Chair and Vice Chair

The Chair and Vice Chair of the UWINCO Board shall be recommended by the Governance Committee of the Board of Regents and approved by the Board of Regents. (During the absence of the Chair or while he or she is unable to act, the Vice Chair shall perform the duties and exercise the powers of the Chair.)

The Vice Chair of the UWINCO Board shall have the authority and shall perform the duties of the Chair of the UWINCO Board in the event of the Chair’s absence or incapacity.

C. Term

Both regent and non-regent members shall make a minimum commitment of three consecutive years, renewable by the
### D. Administrative Support

The **Chief Investment Officer** shall ensure that the UWINCO Board has appropriate administrative support services, including secretarial assistance and record keeping.

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<th>2) Functions</th>
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<tr>
<td>UWINCO shall advise the Board (and/or its appropriate committee) and the University President (and/or his or her designee) on matters relating to the management of the University’s investment program. This includes, but is not limited to, the following: overall asset allocation, performance goals, new investment strategies, strategy implementation, manager identification, due diligence, and valuation policy.</td>
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(see Section 2.A above)

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<th>3) Meetings</th>
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<tr>
<td>Regular meetings of UWINCO shall be held quarterly. Special meetings may be called by the Chair of UWINCO, the University President (or his or her designee) at any time.</td>
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<tr>
<th>5. Meetings of the UWINCO Board</th>
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<tbody>
<tr>
<td><strong>A. Meetings</strong></td>
</tr>
<tr>
<td>Regular meetings of the UWINCO Board shall be held quarterly. Special meetings may be called by the Chair of the Board of Regents, the Chair of the UWINCO Board or the President of the University ((or his or her designee)) at any time.</td>
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**B. Notice and Agenda**

- Notice of time and place of the UWINCO Board meetings together with the agenda and all available material, shall be delivered to each member of the UWINCO Board, by regular mail, electronic mail, or otherwise, before any regularly scheduled meeting.

As the UWINCO Board is advisory, its meetings remain exempt from the requirements of the open public meetings act, State of Washington.
6. **Committees of the UWINCO Board**

The standing committees set forth below are established to facilitate the business of the UWINCO Board and the University.

**A. Compensation and Leadership Committee**

1) **Purpose**

The primary purpose of the Committee is to advise the President of the University on the compensation of senior professional investment staff, the leadership effectiveness of the investment program, and the investment program budget.

2) **Composition**

The Committee shall be comprised of at least three members of the UWINCO Board. The Chair of the UWINCO Board (or his/her designee) shall be the Chair of the Committee.

3) **Meetings**

The Committee shall hold regular annual meetings. Special meetings may be called upon the request of the UWINCO Board Chair, the Compensation and Leadership Committee Chair, or the President of the University.

**B. Risk and Compliance Committee**

1) **Purpose**

The primary purpose of the Committee is to monitor investment program risk management and compliance, risk management procedures, compliance with the co-investment guidelines, and the liquidity of the Consolidated

Chapter 42.30 RCW.
Endowment Fund. Issues or concerns shall be communicated as appropriate to the Board of Regents and the President of the University.

2) **Composition**

The Committee shall be comprised of at least three members of the UWINCO Board. The Chair of the UWINCO Board (or his/her designee) shall be the Chair of the Committee.

3) **Meetings**

The Committee shall hold regular annual meetings. Special meetings may be called upon the request of the UWINCO Board Chair, the Risk and Compliance Committee Chair, or the President of the University.

7. **Reports to the Board of Regents**

On behalf of the UWINCO Board, the (Chair of the committee and/or the) Chief Investment Officer shall (provide quarterly reports on the performance of the University’s investment program) report to the Board of Regents (and/or its designated committee) providing:

A. **Quarterly UWINCO Board Discussion Summary**—A verbal briefing on UWINCO Board meetings.

B. **Quarterly Investment Report**—An investment performance report for the Board of Regents.

C. **Annual Investment Program Review**—A review of the investment policies, investment performance, market conditions, strategic portfolio positioning and risk, and an overview of investment management practices among peer institutions.
4) **Indemnification and Compensation**

The University shall indemnify UWINCO members to the fullest extent permitted by law, the Standing Orders, and Regent Policies of the Board. UWINCO members shall not be paid for service as committee members.

8. **Indemnification and Compensation**

The University shall indemnify UWINCO Board members to the fullest extent permitted by law, the Standing Orders of the Board of Regents, and Regent Policies of the Board. UWINCO Board members shall not be paid for service as ((committee)) Board members.

5) **Conflict of Interest**

Regent members of UWINCO are governed by conflict of interest rules applicable to regents. Non-regent members shall comply with the following conflict of interest provisions:

- **a)** When a UWINCO member knows that the University is considering a transaction in which he or she has a beneficial interest, the member shall (1) alert the Senior Vice President for Finance and Facilities (or successor official) of his or her potential beneficial interest, and (2) not participate in the formulation or rendering of advice with respect to the transaction.

- **b)** Committee members shall not participate in the formulation or rendering of UWINCO advice where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their UWINCO obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he or she should consult the Chair of UWINCO and the Senior Vice President for Finance and Facilities who may seek the advice of the Attorney General’s Office as appropriate.

- **c)** Committee members may engage in investment transactions with the University if the Chair of UWINCO and

9. **Conflict of Interest**

Regent members of the UWINCO Board are governed by conflict of interest rules applicable to regents. Non-regent members shall comply with the following conflict of interest provisions:

- **A.** When a UWINCO Board member knows that the University is considering a transaction in which he or she has a beneficial interest, the member shall (1) alert the ((Senior Vice President for Finance and Facilities (or successor official))) Chief Investment Officer of his or her potential beneficial interest, and (2) not participate in the formulation or rendering of advice with respect to the transaction.

- **B.** ((Committee)) UWINCO Board members shall not participate in the formulation or rendering of UWINCO advice where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their UWINCO Board obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he or she should consult the Chair of the UWINCO Board and the ((Senior Vice President for Finance and Facilities)) Chief Investment Officer who may seek the advice of the Attorney General’s Office as appropriate.

- **C.** ((Committee)) UWINCO Board members may engage in investment transactions with the University if the Chair of the
the Senior Vice President for Finance and Facilities (who may consult with the Attorney General’s Office as he or she deems appropriate) determine that the UWINCO member has not participated in the formulation or rendering of UWINCO advice to the University regarding the transaction.

| 6) Chair and Vice Chair; Administrative Support |
|------------------|--------------------------------------------------|
| The Chair and Vice Chair of UWINCO shall be recommended by the Governance Committee and approved by the Board. During the absence of the Chair or while he or she is unable to act, the Vice Chair shall perform the duties and exercise the powers of the Chair. The Senior Vice President for Finance and Facilities shall ensure that UWINCO has appropriate administrative support services, including secretarial assistance and record keeping. |

| 7) Communication |
|------------------|--------------------------------------------------|
| The Chair of the committee and/or the Chief Investment Officer shall provide quarterly reports on the performance of the University’s investment program to the Board (and/or its designated committee). |

| 8) Amendments |
|------------------|--------------------------------------------------|
| This Statement of Principles shall be reviewed annually and updated as needed. Amendments, additions, deletions or replacements, may be recommended by UWINCO. Such changes shall be subject to the approval of the President of the University and the Board. |

| 10. Amendments |
|------------------|--------------------------------------------------|
| This Statement of Principles) The Board of Regents Governance, Standing Orders, Chapter 10, University of Washington Internal Investment Management Company, shall be reviewed annually and updated as needed. Amendments, additions, deletions, or replacements, may be recommended by the UWINCO Board. Such changes shall be subject to the approval of the President of the University and the Board. |
University of Washington Internal Investment Management Company

1. Introduction

The University of Washington Board of Regents is vested with the responsibility for the management of the properties of the University, including its investment programs. Statements of Investment Objectives and Policy are approved by the Board of Regents to guide the management of the University’s investment programs.

- Statement of Investment Objectives and Policy for the Consolidated Endowment Fund
- Statement of Investment Objectives and Policy for Invested Funds
- Statement of Investment Objectives and Policy for Deferred and Other Gift Assets

The Board of Regents delegates to its Finance and Asset Management Committee (FAM) the responsibility for overseeing the investment program within the general principles enumerated in the above policy statements. In 2001, the Board of Regents established an advisory committee, the University of Washington Investment Committee, consisting of both Board of Regent members and external investment professionals. In 2004, the Board of Regents appointed the University’s first Chief Investment Officer to manage the day to day activities of the investment portfolios. In 2015, the Board of Regents approved the establishment of the University of Washington Investment Management Company (“UWINCO”), an internal investment management company. The former investment management advisory committee was replaced with an investment management advisory board known as the University of Washington Investment Management Company Board (“UWINCO Board”).

2. Powers and Duties

The UWINCO Board shall:

A. Advise the Board of Regents (and/or its appropriate committee), the President of the University and the Chief Investment Officer on matters relating to the management of the University’s investment programs. This includes but is not limited to the following: overall asset allocation, performance goals, new investment strategies, strategy implementation, manager identification, due diligence, and valuation policy.

B. Advise the President of the University on the selection and compensation of the Chief Investment Officer and other matters related to the administration of the University’s investment programs.

C. Advise the Chief Investment Officer on the compensation of professional investment staff and other matters related to the administration of the University’s investment programs.
3. Accountability

The UWINCO Board shall be accountable to the Board of Regents.

4. Membership and Terms

A. Membership

The UWINCO Board shall consist of no more than ten members appointed by the Board of Regents, plus the President of the University who shall serve as ex-officio. Appointments shall be based upon recommendations submitted by the Governance Committee of the Board of Regents and approved by the Board of Regents after consultation with the Chair of the Board of Regents, the Chair of the UWINCO Board, and the President of the University.

One or two UWINCO Board members shall be selected from the Board of Regents. The remaining UWINCO Board members shall be experienced investment and/or business professionals of varying backgrounds with close ties to the University. Criteria for non-regent membership on the UWINCO Board shall include investment and/or business expertise in such areas as private equity, hedge funds, international markets, real estate, and institutional investing; access to desirable portfolio managers; strategic focus; and commitment to the University of Washington.

B. Chair and Vice Chair

The Chair and Vice Chair of the UWINCO Board shall be recommended by the Governance Committee of the Board of Regents and approved by the Board of Regents. The Vice Chair of the UWINCO Board shall have the authority and shall perform the duties of the Chair of the UWINCO Board in the event of the Chair’s absence or incapacity.

C. Term

Both regent and non-regent members shall make a minimum commitment of three consecutive years, renewable by the Board of Regents.

D. Administrative Support

The Chief Investment Officer shall ensure that the UWINCO Board has appropriate administrative support services, including secretarial assistance and record keeping.

5. Meetings of the UWINCO Board

A. Meetings

Regular meetings of the UWINCO Board shall be held quarterly. Special meetings may be called by the Chair of the Board of Regents, the Chair of the UWINCO Board or the President of the University at any time.

B. Notice and Agenda

Notice of time and place of the UWINCO Board meetings together with the agenda and all available material, shall be delivered to each member of the UWINCO Board, by regular mail, electronic mail, or otherwise, before any regularly scheduled meeting.
6. Committees of the UWINCO Board

The standing committees set forth below are established to facilitate the business of the UWINCO Board and the University.

A. Compensation and Leadership Committee

1) Purpose

The primary purpose of the Committee is to advise the President of the University on the compensation of senior professional investment staff, the leadership effectiveness of the investment program, and the investment program budget.

2) Composition

The Committee shall be comprised of at least three members of the UWINCO Board. The Chair of the UWINCO Board (or his/her designee) shall be the Chair of the Committee.

3) Meetings

The Committee shall hold regular annual meetings. Special meetings may be called upon the request of the UWINCO Board Chair, the Compensation and Leadership Committee Chair, or the President of the University.

B. Risk and Compliance Committee

1) Purpose

The primary purpose of the Committee is to monitor investment program risk management and compliance, risk management procedures, compliance with the co-investment guidelines, and the liquidity of the Consolidated Endowment Fund. Issues or concerns shall be communicated as appropriate to the Board of Regents and the President of the University.

2) Composition

The Committee shall be comprised of at least three members of the UWINCO Board. The Chair of the UWINCO Board (or his/her designee) shall be the Chair of the Committee.

3) Meetings

The Committee shall hold regular annual meetings. Special meetings may be called upon the request of the UWINCO Board Chair, the Risk and Compliance Committee Chair, or the President of the University.

7. Reports to the Board of Regents

On behalf of the UWINCO Board, the Chief Investment Officer shall report to the Board of Regents (and/or its designated committee) providing:
A. **Quarterly UWINCO Board Discussion Summary**—A verbal briefing on UWINCO Board meetings.

B. **Quarterly Investment Report**—An investment performance report for the Board of Regents.

C. **Annual Investment Program Review**—A review of the investment policies, investment performance, market conditions, strategic portfolio positioning and risk, and an overview of investment management practices among peer institutions.

8. **Indemnification and Compensation**

   The University shall indemnify UWINCO Board members to the fullest extent permitted by law, the Standing Orders of the Board of Regents, and Regent Policies of the Board. UWINCO Board members shall not be paid for service as Board members.

9. **Conflict of Interest**

   Regent members of the UWINCO Board are governed by conflict of interest rules applicable to regents. Non-regent members shall comply with the following conflict of interest provisions:

   A. When a UWINCO Board member knows that the University is considering a transaction in which he or she has a beneficial interest, the member shall (1) alert the Chief Investment Officer of his or her potential beneficial interest, and (2) not participate in the formulation or rendering of advice with respect to the transaction.

   B. UWINCO Board members shall not participate in the formulation or rendering of UWINCO advice where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their UWINCO Board obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he or she should consult the Chair of the UWINCO Board and the Chief Investment Officer who may seek the advice of the Attorney General’s Office as appropriate.

   C. UWINCO Board members may engage in investment transactions with the University if the Chair of the UWINCO Board and the Chief Investment Officer (who may consult with the Attorney General’s Office as he or she deems appropriate) determine that the UWINCO Board member has not participated in the formulation or rendering of UWINCO advice to the University regarding the transaction.

10. **Amendments**

    The *Board of Regents Governance*, Standing Orders, Chapter 10, University of Washington Internal Investment Management Company, shall be reviewed annually and updated as needed. Amendments, additions, deletions, or replacements, may be recommended by the UWINCO Board. Such changes shall be subject to the approval of the Board of Regents.
Advisory Committees of the Board of Regents

Advisory committees may be established by the Board of Regents on the recommendation of the Governance Committee of the Board to provide the University with expert advice on such subjects as the Board may specify, in accordance with Article IV, Section 5 of the Board's Bylaws.

Members of all Board-created advisory committees serve at the pleasure of the Board and include appointments made by the Board for specified periods of time according to the organizational documents approved or authorized by the Board.

1. University of Washington Investment Committee (UWINCO)
   
   A. Establishment of the Committee

   The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the properties of the University, including its investment programs. The Board has established an Advisory Committee called the University of Washington Investment Committee (UWINCO) and adopted the following Statement of Principles.

   B. Statement of Principles

   1) Membership and Terms

   UWINCO shall consist of no more than ten members to be appointed by the Board, plus the President of the University who shall serve ex-officio. These appointments shall be based on recommendations submitted by the Governance Committee of the Board after consultation with the Chair of UWINCO and the President of the University (or his or her designee).

   One or two UWINCO members shall be selected from the Board. The remaining UWINCO members shall be experienced investment professionals of varying backgrounds with close ties to the University. Criteria for non-regent membership on UWINCO shall include investment expertise in such areas as private equity, hedge funds, international markets, real estate and institutional investing; access to desirable managers; strategic focus; and commitment to the University of Washington.

   Regent and non-regent members will be asked to make a minimum commitment of three consecutive years, renewable by the Board.

   2) Functions

   UWINCO shall advise the Board (and/or its appropriate committee) and the University President (and/or his or her designee) on matters relating to the management of the
University's investment program. This includes, but is not limited to, the following:
overall asset allocation, performance goals, new investment strategies, strategy
implementation, manager identification, due diligence, and valuation policy.

3) Meetings

Regular meetings of UWINCO shall be held quarterly. Special meetings may be called
by the Chair of UWINCO, the University President (or his or her designee) at any time.

4) Indemnification and Compensation

The University shall indemnify UWINCO members to the fullest extent permitted by
law, the Standing Orders, and Regent Policies of the Board. UWINCO members shall
not be paid for service as committee members.

5) Conflict of Interest

Regent members of UWINCO are governed by conflict of interest rules applicable to
regents. Non-regent members shall comply with the following conflict of interest
provisions:

a) When a UWINCO member knows that the University is considering a transaction
   in which he or she has a beneficial interest, the member shall (1) alert the
   Senior Vice President for Finance and Facilities (or successor official) of his or
   her potential beneficial interest, and (2) not participate in the formulation or
   rendering of advice with respect to the transaction.

b) Committee members shall not participate in the formulation or rendering of
   UWINCO advice where their participation could be influenced by financial or
   other considerations that would conflict or could reasonably appear to conflict
   with their UWINCO obligations to only consider the best interest of the
   University. Where a member is uncertain about the application of this rule to
   particular circumstances, he or she should consult the Chair of UWINCO and the
   Senior Vice President for Finance and Facilities who may seek the advice of the
   Attorney General's Office as appropriate.

c) Committee members may engage in investment transactions with the
   University if the Chair of UWINCO and the Senior Vice President for Finance and
   Facilities (who may consult with the Attorney General's Office as he or she
   deems appropriate) determine that the UWINCO member has not participated
   in the formulation or rendering of UWINCO advice to the University regarding
   the transaction.

6) Chair and Vice Chair; Administrative Support

The Chair and Vice Chair of UWINCO shall be recommended by the Governance
Committee and approved by the Board. During the absence of the Chair or while he or
she is unable to act, the Vice Chair shall perform the duties and exercise the powers of
the Chair. The Senior Vice President for Finance and Facilities shall ensure that
UWINCO has appropriate administrative support services, including secretarial assistance and record-keeping.

7) Communication

The Chair of the committee and/or the Chief Investment Officer shall provide quarterly reports on the performance of the University's investment program to the Board (and/or its designated committee).

8) Amendments

This Statement of Principles shall be reviewed annually and updated as needed. Amendments, additions, deletions or replacements, may be recommended by UWINCO. Such changes shall be subject to the approval of the President of the University and the Board.

### University of Washington Advisory Committee on Real Estate (ACRE)

A. Establishment of the Committee

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the real properties of the University, including its Metropolitan Tract located in downtown Seattle. The Board has established an Advisory Committee on Real Estate (ACRE) and adopted the following Statement of Principles.

B. Statement of Principles

1) Membership and Terms

ACRE shall consist of no more than eight members to be appointed by the Board, plus the President of the University who shall serve ex officio. These appointments shall be based on recommendations submitted by the Governance Committee of and approved by the Board after consultation with the Chair of ACRE and the President of the University (or his or her designee).

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

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

2) Functions

ACRE shall advise the Board (and/or its appropriate committee) and the University President (and/or his or her designee) on matters relating to the management of the University’s commercial income producing properties and other significant real estate investments.

3) Meetings

ACRE shall establish a regular meeting schedule. Other meetings may be called by the Chair of ACRE at any time. The Chair of ACRE may invite experts who are not members
of ACRE to attend specific meetings to provide additional guidance, advice, and information.

4) **Indemnification and Compensation**

The University shall indemnify members of ACRE to the fullest extent permitted by law, the Standing Orders, and Regent Policies of the Board. ACRE members will not be paid for service on the committee.

5) **Conflict of Interest**

Regental members of ACRE are governed by conflict of interest rules applicable to regents. Non-regent members shall comply with the following conflict of interest provisions:

a) When a member of ACRE knows that the University is considering a transaction in which he or she has or may have a beneficial interest, the member shall (1) alert the Senior Vice President for Planning and Management (or successor official) of the University of his or her potential beneficial interest and (2) not participate in the formulation or rendering of advice with respect to the transaction.

b) Committee members shall not participate in the formulation or rendering of advice by ACRE where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he or she should consult the Chair of ACRE and the Senior Vice President for Planning and Management, who may seek the advice of the Attorney General's Office as appropriate.

c) Committee members may engage in transactions with the University if the Chair of ACRE and the Senior Vice President for Planning and Management (who may consult with the Attorney General's Office as he or she deems appropriate) determine that the member has not participated in the formulation or rendering of advice by ACRE to the University regarding the transaction.

6) **Chair and Vice Chair; Administrative Support**

The Chair and Vice Chair of ACRE shall be recommended by the Governance Committee and approved by the Board. During the absence of the Chair or while he or she is unable to act, the Vice Chair shall perform the duties and exercise the powers of the Chair. The Senior Vice President for Planning and Management shall ensure that ACRE has appropriate administrative support services, including secretarial assistance and record keeping.

7) **Communication**

The Chair of ACRE and/or the Chief Real Estate Officer shall provide quarterly reports to the Board (and/or its designated committee).
8) Amendments

This Statement of Principles shall be reviewed annually and updated as needed. Amendments, additions, deletions or replacements may be recommended by ACRE. Such changes shall be subject to the approval of the President of the University and the Board.

3-2. Audit Advisory Committee

A. Establishment of the Committee

The Board of Regents of the University of Washington is vested by statute with responsibility for the governance of the University. The Board hereby establishes an Audit Advisory Committee, with the following Statement of Principles.

B. Statement of Principles

1) Membership and Terms

The Audit Advisory Committee shall consist of no more than eight members to be appointed by the Board. The Chair, Vice Chair, and members shall be recommended by the Governance Committee and approved by the Board after consultation with the President of the University and his or her designee(s).

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

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

2) Functions

The Audit Advisory Committee shall advise the Board or its appropriate standing committee and the University President, or his or her designee, on matters relating to the University's financial practices and standards of conduct. The committee is responsible for reviewing and advising on any external and internal financial audits, and internal controls. The committee may, through its Chair or a majority vote of its members, ask management to address specific issues within the responsibilities of the committee.

3) Meetings

The Audit Advisory Committee shall establish a regular meeting schedule. Other meetings may be called by the Chair of the Audit Advisory Committee at any time. The Chair of the Audit Advisory Committee may invite experts who are not members of the Audit Advisory Committee to attend specific meetings to provide additional guidance, advice, and information.
4) **Indemnification and Compensation**

The University shall indemnify members of the Audit Advisory Committee to the fullest extent permitted by law, the Standing Orders, and Regent Policies of the Board. Audit Advisory Committee members will not be paid for service on the committee.

5) **Conflict of Interest**

Regental members of the Audit Advisory Committee are governed by conflict of interest rules applicable to regents. Non-regent members shall comply with the following conflict of interest provisions:

a) When a member of the Audit Advisory Committee knows that the University is considering a transaction in which he or she has or may have a beneficial interest, the member shall (1) alert the Chair of the Audit Advisory Committee of his or her potential beneficial interest, and (2) not participate in the formulation or rendering of advice with respect to the transaction.

b) Committee members shall not participate in the formulation or rendering of advice by the Audit Advisory Committee where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he or she should consult the Chair of the Audit Advisory Committee, who may seek the advice of the Attorney General's Office as appropriate.

c) Committee members may engage in transactions with the University if the Chair of the Audit Advisory Committee and the University President (who may consult with the Attorney General's Office as he or she deems appropriate) determine that the member has not participated in the formulation or rendering of advice by the Audit Advisory Committee to the University regarding the transaction.

6) **Chair and Vice Chair; Administrative Support**

The Chair and Vice Chair of the Audit Advisory Committee shall be recommended by the Governance Committee and approved by the Board. During the absence of the Chair or while he or she is unable to act, the Vice Chair shall perform the duties and exercise the powers of the Chair. The Senior Vice President for Finance and Facilities shall ensure that the Audit Advisory Committee has appropriate administrative support services, including secretarial assistance and record keeping.

7) **Communication**

The Chair of the Audit Advisory Committee shall provide quarterly reports to the Board or its designated standing committee.

8) **Amendments**

Amendments to this Statement of Principles shall be subject to the approval of the Board.
4-3. Governmental Affairs Advisory Committee

A. Establishment of the Committee

The Board of Regents of the University of Washington is vested by statute with responsibility for the governance of the University. The Board hereby establishes a Governmental Affairs Advisory Committee, with the following Statement of Principles.

B. Statement of Principles

1) Membership and Terms

The Governmental Affairs Advisory Committee shall consist of no more than eight members to be appointed by the Board. The Chair, Vice Chair, and members shall be recommended by the Governance Committee and approved by the Board after consultation with the President of the University and his or her designee(s).

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

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

2) Functions

The Governmental Affairs Advisory Committee shall advise the Board or its appropriate standing committee and the University President, or his or her designee, on matters relating to the University’s relationship to federal, state, and local governments and agencies.

3) Meetings

The Governmental Affairs Advisory Committee shall establish a regular meeting schedule. Other meetings may be called by the Chair of the Governmental Affairs Advisory Committee at any time. The Chair may invite experts who are not members of the Governmental Affairs Advisory Committee to attend specific meetings to provide additional guidance, advice, and information.

4) Indemnification and Compensation

The University shall indemnify members of the Governmental Affairs Advisory Committee to the fullest extent permitted by law, the Standing Orders, and Regent Policies of the Board. Governmental Affairs Advisory Committee members will not be paid for service on the committee.

5) Conflict of Interest

Regental members of the Governmental Affairs Advisory Committee are governed by conflict of interest rules applicable to regents. Non-regent members shall comply with the following conflict of interest provisions:
a) When a member of the Governmental Affairs Advisory Committee knows that the University is considering a transaction in which he or she has or may have a beneficial interest, the member shall (1) alert the Chair of the Governmental Affairs Advisory Committee of his or her potential beneficial interest, and (2) not participate in the formulation or rendering of advice with respect to the transaction.

b) Committee members shall not participate in the formulation or rendering of advice by the Governmental Affairs Advisory Committee where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he or she should consult the Chair of the Governmental Affairs Advisory Committee, who may seek the advice of the Attorney General's Office as appropriate.

c) Committee members may engage in transactions with the University if the Chair of the Governmental Affairs Advisory Committee and the University President (who may consult with the Attorney General's Office as he or she deems appropriate) determine that the member has not participated in the formulation or rendering of advice by the Governmental Affairs Advisory Committee to the University regarding the transaction.

6) Chair and Vice Chair; Administrative Support

The Chair and Vice Chair of the Governmental Affairs Advisory Committee shall be recommended by the Governance Committee and approved by the Board. During the absence of the Chair or while he or she is unable to act, the Vice Chair shall perform the duties and exercise the powers of the Chair. The Vice President for External Affairs shall ensure that the Governmental Affairs Advisory Committee has appropriate administrative support services, including secretarial assistance and record keeping.

7) Communication

The Chair of the Governmental Affairs Advisory Committee shall provide quarterly reports to the Board or its designated standing committee.

8) Amendments

Amendments to this Statement of Principles shall be subject to the approval of the Board.

VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Amendment to the Statements of Investment Objectives and Policy for the Consolidated Endowment Fund, the Invested Funds, and Deferred and Other Gift Assets

RECOMMENDED ACTION

It is the recommendation of the administration and the Finance and Asset Management Committee that the Board of Regents adopt changes in the Statements of Investment Objectives and Policy for the Consolidated Endowment Fund, the Invested Funds, and the Deferred and Other Gift Assets.

The recommended changes reflect the following:

1) Establishment of an internal investment management company, known as the University of Washington Investment Management Company (UWINCO);

2) Creation of an internal investment management company advisory board, known as the University of Washington Investment Management Company Board (UWINCO Board);

3) Management of the Chief Investment Officer position by the President of the University (position formerly managed by the Treasurer of the Board of Regents); and

4) Clarification of language as needed in all three policy documents.

The recommended changes to the investment program policies are consistent with changes to the Board of Regents Governance, Standing Orders, Chapters 4 and 10. Those changes are summarized in a separate recommended action. Changes will be effective immediately upon Board of Regents’ approval.

BACKGROUND

In 1988, the Board of Regents adopted investment policies for the Consolidated Endowment Fund and the Invested Funds of the University of Washington. These were followed in 1992 with the investment policy for Deferred and Other Gift Assets. Investment policies are reviewed on a continuing basis with periodic revisions reflecting the changing nature of the investment programs of the University.
Amendment to the Statements of Investment Objectives and Policy for the Consolidated Endowment Fund, the Invested Funds, and Deferred and Other Gift Assets (continued p. 2)

The recommended action results in amended language in the University’s investment policies to reflect a change in the governance structure of the University’s investment program.

HIGHLIGHTS OF PROPOSED CHANGES

1. Statement of Investment Objectives and Policy for the Consolidated Endowment Fund (CEF)

There are material changes in Section N, “Delegations,” which reflect the change in the governance structure of the investment program. With the establishment of an internal investment management company (UWINCO), the former UWINCO advisory committee is replaced by an advisory UWINCO Board whose primary focus remains the rendering of advice on the University’s investment portfolios. In addition, the UWINCO Board will now advise the President of the University on the compensation of senior professional investment staff. The Chief Investment Officer is accountable to the UWINCO Board and to the Board of Regents for the success of the investment program and reports to the President of the University.

The role of the Board of Regents in setting investment policy, appointing key investment officers and advisors and providing broad fiduciary oversight of the University’s investment programs remains unchanged. The Board of Regents will approve the appointment of both Regent and non-Regent members to the UWINCO Board.

2. Statement of Investment Objectives and Policy for the Invested Funds (IF)

Proposed changes to IF investment policy, Section H, “Delegations,” are consistent with those for the CEF investment policy described above. In addition, some delegations previously held by the Senior Vice President for Finance and Facilities are moved to the Treasurer of the Board of Regents. A new Section D, “Ethical Considerations,” is added in alignment with the CEF investment policy.

3. Statement of Investment Objectives and Policy for Deferred and Other Gift Assets

As UWINCO does not play a role in the management of the Deferred and Other Gift Assets program, the governance changes to the overall investment program
B. Finance and Asset Management Committee

Amendment to the Statements of Investment Objectives and Policy for the Consolidated Endowment Fund, the Invested Funds, and Deferred and Other Gift Assets (continued p. 3)

are not reflected in the Deferred and Other Gift Assets policy statement. A number of “housekeeping” changes are proposed which clarify language and better reflect current process and procedures.

PROCESS AND REVIEW

This recommendation has been reviewed by the Attorney General’s Office, and the administration including the President’s Office and the Chief Investment Officer, in consultation with Cambridge Associates, the University’s investment consultant, and the University of Washington Investment Committee.

The proposed changes to the governance structure of the University’s investment program were reviewed by the Board of Regents Finance and Asset Management Committee and Governance Committee in July 2015.

Attachments
1) Statement of Investment Objectives and Policy for Consolidated Endowment Fund (ANNOTATED)
2) Statement of Investment Objectives and Policy for Invested Funds (ANNOTATED)
3) Statement of Investment Objectives and Policy for Deferred Gifts and Other Assets (ANNOTATED)
UNIVERSITY OF WASHINGTON

STATEMENT OF INVESTMENT OBJECTIVES AND POLICY
FOR THE CONSOLIDATED ENDOWMENT FUND

Approved by Board of Regents April 15, 1988


INTRODUCTION

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the properties of the University, including the Consolidated Endowment Fund and other University funds. This statement of investment objectives and policies governs the investment management of the Consolidated Endowment Fund (CEF). This statement is effective until modified by the Board of Regents.

The Board has delegated to its Finance and Asset Management Committee (FAM) the responsibility for overseeing the investment program within the general principles enumerated herein. In May 2001, the Board approved the establishment of an advisory committee, the University of Washington Investment Committee (UWINCO), consisting of both Board of Regents’ members and external investment professionals. In 2004, the Board approved the appointment of the University’s first Chief Investment Officer (CIO) to manage the day to day activities of the investment portfolios. In 2015, the Board of Regents approved the establishment of the University of Washington Investment Management Company (“UWINCO”), an internal investment management company. The former investment management advisory committee was replaced with an investment management advisory board, known as the University of Washington Investment Management Company Board (“UWINCO Board”).

A. FINANCIAL OBJECTIVES

1. To provide permanent funding for endowed programs. This objective addresses the need to ensure intergenerational equity by providing the same level of program support in the future as it provides today.

2. To maintain the purchasing power of the CEF after spending and inflation. The objective of preserving purchasing power emphasizes the need to take a long-term perspective in formulating spending and investment policies.

3. To provide a predictable and stable source of income for endowed programs. This objective is achieved through the spending policy.

4. To provide a maximum level of return consistent with prudent risk levels. This objective assumes
the construction of a global, equity-oriented, diversified portfolio coupled with active risk management.

**B. SPENDING POLICY**

1. **Program Distributions:** Distributions to endowed programs will be 4% of the average market value of the CEF for the previous five years. In this way, the CEF’s distributed income is expected to keep up with inflation and its capital value will be preserved over time.

2. **Administrative Fee:** Spending includes an additional 1% administrative fee bringing the long term spending requirement to 5% per annum.

**C. INVESTMENT OBJECTIVES**

1. **Spending Requirement:** Based upon the long-term spending policy, the CEF must attain an average annual real total return of 5.0% over the long term. The 5.0% target provides for a 4.0% distribution to endowed programs and a 1.0% administrative fee. Real total return is adjusted for inflation by the Consumer Price Index. Using the historical average inflation rate of 3.0% implies a nominal total return hurdle of 8.0% in order to meet the spending requirement.

2. **Policy Benchmark:** The investment performance of the CEF will also be evaluated, on a risk-adjusted basis, against an investable blend of market indices. Over the long term the CEF’s diversification is expected to generate risk-adjusted returns that meet or exceed those of blended market indices. This comparison is useful in evaluating how successfully the underlying strategies have been implemented and the effectiveness of tactical departures from the strategic asset allocation.

3. The investment performance of the CEF will also be evaluated against a secondary policy benchmark consisting of a 70% equity and 30% bond blend of market indices. This comparison is useful in evaluating the effectiveness of an active management program versus a passive management approach.

4. **Peer Comparison:** Over the long term the CEF is expected to achieve returns which are at least comparable to the median return of the largest 50 colleges and universities in the Cambridge Associates Universe.

5. It is recognized that the investment objectives stated above may be difficult to attain over every five-year period, but should be attainable over a series of five and ten year periods.

**D. ETHICAL CONSIDERATIONS**

1. While fiscal goals are of central importance, due consideration shall be given to the degree of corporate responsibility exercised by the companies in which investments are made.

2. Direct investment in companies doing business in Sudan whose business activities support the Sudanese government in its continuing sponsorship of genocidal actions and human rights violations in Darfur is prohibited.
3. Direct investment in tobacco companies is prohibited.

4. Direct investment in coal companies whose principal business is the mining of coal for energy is prohibited.

E. INVESTMENT PHILOSOPHY

The investment of the CEF is based on a set of beliefs and practices:

1. Invest for the long term
   a. Preserve capital for use by future generations
   b. Focus on asset allocation as the primary determinant of return
   c. Avoid short-term speculative activity
   d. Accept illiquidity if justified by higher alpha

2. Build a well-diversified portfolio
   a. Limit risk by combining uncorrelated strategies
   b. Maintain meaningful exposure to major capital markets
   c. Build concentrated positions where conviction is high
   d. Tilt towards value strategies
   e. Employ fundamental research-driven and bottom-up strategies

3. Take advantage of global market inefficiencies
   a. Invest primarily with active managers
   b. Use indexed and enhanced indexed strategies where appropriate
   c. Incorporate investment ideas sourced through internal proprietary research
   d. Focus resources on inefficient markets (e.g., venture capital, hedge funds, emerging markets)
   e. Manage portfolio exposures actively in response to changing market conditions

F. INVESTMENT MANAGEMENT STRUCTURE

1. The CEF is invested primarily by external investment managers. External investment management firms are selected on the basis of factors including, but not limited to the following:
   a. Experience of key personnel and succession plan where appropriate
   b. Consistency in investment approach
   c. Effectiveness of decision making process
   d. Assets under management and plans for managing future capacity
e. Organizational structure including administration, back office support, risk management and reporting
f. Performance record
g. Fees
h. Firm’s ethical and financial viability
i. Structural fit within the CEF

2. The CEF may also be invested internally in public equities and bonds through cash market securities or derivative instruments.

3. Equities, (including public and private global equity) real assets, absolute return and bonds will primarily be managed separately. In the interest of diversification, the equity portion of the portfolio will be placed with managers who have distinct and different investment philosophies. The investment managers have the discretion to manage the assets in their individual portfolios to best achieve the investment objectives and requirements set forth in this policy statement and in their individual investment guidelines.

G. PORTFOLIO COMPOSITION AND ASSET ALLOCATION

1. To achieve its investment objective, the CEF will be divided into two distinct Funds: a “Capital Appreciation Fund” and a “Capital Preservation Fund.” Sub-categories of these Funds each with its own target are also specified. The purpose of dividing the Portfolio in this manner is to ensure that the overall asset allocation among and within the two Funds remains under the regular scrutiny of the Finance and Asset Management Committee and the UWINCO Board. Over the long run, the allocation between and within the Funds may be the single most important determinant of the CEF’s investment performance.

2. **Role - Capital Appreciation Fund:** The purpose of the Capital Appreciation Fund is to provide the capital growth that will enable the CEF to meet its spending requirements, while at the same time preserving the purchasing power of the CEF for future generations. The Fund itself is an integrated blend of global developed and emerging markets equity, real assets and opportunistic investments such as credit. It is recognized that the Capital Appreciation Fund entails the assumption of greater market variability and risk.

3. **Role - Capital Preservation Fund:** The purpose of the Capital Preservation Fund is to provide liquidity in support of spending and capital commitments; a deflation hedge; and to reduce the overall volatility of the CEF. Two broad strategies are employed in the Capital Preservation Fund – absolute return and fixed income investments.

4. The policy portfolio is structured using long-term targets and ranges. The target asset allocation reflects the long-term risk and return objective of the CEF and establishes a normative allocation against which shorter-term asset allocation decisions can be gauged. Ranges allow for tactical shifts among asset classes in response to the changing dynamics in capital markets. Wider ranges facilitate rebalancing and the active management of risk at the total portfolio level.
### STRATEGIC ASSET ALLOCATION

<table>
<thead>
<tr>
<th>Investment Strategy</th>
<th>Long-term Target</th>
<th>Policy Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public and Private</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emerging Markets Equity</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>Developed Markets Equity</td>
<td>28%</td>
<td></td>
</tr>
<tr>
<td>Private Equity</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Real Assets</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Opportunistic</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td><strong>CAPITAL APPRECIATION FUND</strong></td>
<td>70%</td>
<td>55% - 85%</td>
</tr>
<tr>
<td>Absolute Return</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>Fixed Income</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td><strong>CAPITAL PRESERVATION FUND</strong></td>
<td>30%</td>
<td>15% - 45%</td>
</tr>
</tbody>
</table>

### H. RISK MANAGEMENT

1. Risk is managed primarily through diversification. The CEF will be diversified both by asset class (e.g., developed and emerging markets equities, real assets, opportunistic investments, absolute return, bonds and cash equivalents) and within asset classes (e.g., within equities by country, economic sector, industry, quality, and size). The purpose of diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the CEF.

2. Derivatives may be used to adjust exposures within or across the portfolio in order to improve the risk / return profile of the CEF.

3. Aggregate portfolio risk is managed to minimize uncompensated, unanticipated and inappropriate risks. Both quantitative measures and qualitative judgment will be used in assessing and
managing risk.

I. RISK GUIDELINES

1. The CEF will be monitored quarterly for adherence to the following risk guidelines. A breach in a guideline triggers a written notification from the Chief Investment Officer to the Chair of the UWINCO Board. It is recognized that market conditions and/or illiquidity of the underlying securities may preclude an immediate rebalancing of the portfolio. Risk control exception reporting will be provided to the Board of Regents as part of its quarterly investment performance report which specifies the actions, if any, needed to bring the CEF into compliance.

2. Concentration: Maximum portfolio weights:
   a. 15% in single manager (excluding fixed income)
   b. 25% in individual countries outside the U.S.
   c. 30% in one market sector

3. Liquidity:
   a. One quarter (25%) of the CEF convertible to cash in one month or less
   b. Unfunded capital commitments plus current exposure to private investments limited to one half (50%) of the CEF

J. GUIDELINES FOR THE CAPITAL APPRECIATION FUND

1. The Capital Appreciation Fund includes the growth-oriented strategies within the portfolio which are managed in an integrated manner in order to meet the long-term spending objectives of the CEF and sustain the portfolio in perpetuity.

2. The objective for the Capital Appreciation Fund is to outperform, net of commissions and fees, a representative risk-adjusted blend of market indices which reflect the strategic asset allocation of the Capital Appreciation Fund. In addition, performance on each sub-category of the Capital Appreciation Fund will be monitored against the average return of a universe of active managers and/or fund of funds. Performance will be monitored on a regular basis and evaluated over running five and ten year periods.

3. In recognition of the increasing correlation among asset classes, the Capital Appreciation Fund represents a market oriented mix of global developed and emerging markets equity, real estate, commodities, venture capital, private equity and opportunistic investments such as credit securities.

4. The Capital Appreciation Fund will be broadly diversified by country, economic sector, industry, number of holdings, number of managers, and other investment characteristics. To achieve its investment objective, the Capital Appreciation Fund may contain a mix of actively and passively managed strategies. Direct and derivative investments, commingled funds, private limited partnerships and fund of funds may be used.
5. The real estate portion of the Capital Appreciation Fund will be diversified by property type and geography. The University will invest in public and private real estate vehicles both domestically and internationally. Emphasis will be placed on investments in private real estate partnerships employing value-added and opportunistic strategies. Implementation may also include direct investment in real estate. Investments in publicly traded Real Estate Investment Trusts (REITS) will be made primarily to achieve exposure to core real estate.

6. Decisions as to individual country and security selection, security size and quality, number of industries and holdings, current income levels, turnover and the other tools employed by active managers are left to broad manager discretion. The usual standards of fiduciary prudence set forth in this policy statement and in individual investment management agreements and guidelines apply.

7. If allowed under their individual investment guidelines, managers may at their discretion hold investment reserves of either cash equivalents or bonds. Derivatives may be used to manage certain exposures such as currency or market risk if so specified under individual investment manager guidelines.

K. GUIDELINES FOR THE CAPITAL PRESERVATION FUND

1. The Capital Preservation Fund includes portfolio strategies which provide liquidity to meet current spending needs and stability to protect capital in down markets.

2. The objective for the Capital Preservation Fund is to outperform, net of commissions and fees, a blend of market indices which reflect the strategic asset allocation of the Fund. Performance will be monitored on a regular basis and evaluated over running five and ten-year periods.

3. The absolute return strategy will favor investments with a low correlation to broad equity markets. Implementation will be made through direct investments, limited partnerships, or fund-of-funds.

4. The fixed income strategy may contain money market instruments, domestic and foreign government bonds and other high quality investment vehicles with risk / return characteristics consistent with the investment objectives of the Capital Preservation Fund. Derivatives may be used to manage certain exposures if so specified under individual investment manager guidelines.

5. Fixed income managers are expected to employ active management techniques, including maturity, sector and quality considerations. Implementation may also be achieved through passive indices, commingled funds, limited partnerships and fund-of-funds.

L. GUIDELINES FOR TRANSACTIONS

As a general guideline that should apply to all assets managed, transactions should be entered into on the basis of best execution, which is interpreted normally to mean best realized price. Commissions may be designated for payment of services rendered to the University in connection with investment management.
M. MONITORING OF OBJECTIVES AND RESULTS

1. All objectives and policies are in effect until modified. The Finance and Asset Management Committee with advice from the Treasurer of the Board of Regents, Chief Investment Officer and the UWINCO Board will review these periodically for their continued appropriateness. It is anticipated that changes to the asset allocation targets and ranges will be made infrequently.

2. The CEF portfolios will be monitored on a continual basis for consistency in investment philosophy; return relative to objectives; and investment risk as measured by asset concentrations; exposure to extreme economic conditions; and market volatility. Performance will be reviewed at least annually by the Finance and Asset Management Committee and with the UWINCO Board on a quarterly basis. Results will be evaluated over longer time frames including the inception period, running five- and ten-year periods, and complete market cycles.

3. The Chief Investment Officer will review individual managers as needed in order to confirm that performance expectations remain in place. In addition, portfolio activity will be reported on a regular basis to the UWINCO Board and the Chair of the Finance and Asset Management Committee.

4. A statement of investment objectives and guidelines will be maintained for each public investment manager where the University’s assets are managed in a separate account.

N. DELEGATIONS

Delegations related to the management of the University’s investment portfolios are as follows:

<table>
<thead>
<tr>
<th>Board of Regents:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Approve investment policies which guide the management of the University’s investment portfolios. This includes but is not limited to the strategic asset allocation, performance goals, spending and delegations.</td>
</tr>
<tr>
<td>b. Approve appointment and reappointment of Regent and non-Regent UWINCO members.</td>
</tr>
<tr>
<td>c. Approve the Board of Regents Governance, Standing Orders, Chapter 10 which addresses the advisory and administrative functioning of the UWINCO Committee Board.</td>
</tr>
<tr>
<td>d. Approve appointment of the Chief Investment Officer.</td>
</tr>
<tr>
<td>e. Approve appointment of the Treasurer of the Board of Regents.</td>
</tr>
<tr>
<td>f. Liquidate quasi-endowments. These funds represent assets donated to the University which have been accepted by the</td>
</tr>
</tbody>
</table>

There are no material changes to the authority exercised by the Board of Regents as regards the University’s investment portfolios.

The advisory and administrative aspects of the UWINCO Board are detailed in the Board of Regents Governance, Standing Orders, Chapter 10.
Board of Regents or its administrative designee as “quasi-endowments.” The decision to place the assets in a quasi-endowment is based on administrative recommendation and can therefore be reversed. Full or partial liquidation of quasi-endowments valued at $1 million or higher requires action by the full Board of Regents. Full or partial liquidation of quasi-endowments valued at less than $1 million is delegated to the Finance and Asset Management Committee of the Board of Regents. Endowments governed by an agreement that allows withdrawals under specific terms and conditions are exempt from this requirement.

2. Chair of the Board of Regents:
   
   a. Recommend members of the UWINCO Board for formal approval by the Board of Regents. Recommendations will be made in consultation with the Chair of the UWINCO Board and the President of the University (and/or his designee).

   b. Designate the Chair of the UWINCO Board.

   c. Approve investment manager appointments and direct investments in situations when the Chief Investment Officer and the UWINCO Chair is unavailable or unable to do so.

3. Finance and Asset Management Committee of the Board of Regents:
   
   a. Oversee the University’s investment programs within the broad guidelines established by the investment policies.

   b. Appoint the University’s investment consultant(s).

   c. Recommend endowment spending policy changes to the Board of Regents for approval. It is anticipated that such changes will be infrequent.

   d. Review the asset allocation and strategy recommendations of the Chief Investment Officer and the UWINCO Board. Recommend policy changes as appropriate to the Board of Regents.

4. Investment Committee University of Washington Investment

Responsibilities of the Board of Regents Chair altered to reflect the role of the new UWINCO Board.
### Management Company (UWINCO) Board, an internal advisory board:

- Advise the Finance and Asset Management Committee, the Senior Vice President for Finance and Facilities and the Chief Investment Officer on matters relating to the management of the University’s investment portfolios. This includes, but is not limited to, advice on overall asset allocation, performance goals, portfolio risk, new investment strategies, strategy implementation, manager identification, due diligence.

- Advise the President of the University on the compensation of senior professional investment staff and other administrative matters.

- Adhere to the **Board of Regents Governance, Standing Orders, Chapter 10 pertaining to the UWINCO Board.**

### Senior Vice President for Finance and Facilities

**President of the University:**

- Provide broad administrative oversight of the investment program with advice provided by the UWINCO Board and the University’s investment consultant. This includes but is not limited to the following:
  
  i. Approve the compensation of senior professional investment staff.

  ii. Administer internal fees for management and administrative activities related to the endowment.

  iii. Approve use of professional staff bonus pool.

- Assume supervisory responsibility for the Chief Investment Officer position. **Appoint interim Chief Investment Officer when the position is vacant.**

### Treasurer of the Board of Regents:

- Approve investment custodian appointment(s).

- Assume the responsibilities of the CIO when the position is vacant. The exceptions to this delegation are the appointment of investment managers and the approval of direct investments which are extended to the Chair of the

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**internal investment management company. The advisory UWINCO Board replaces the former advisory investment committee.**

The UWINCO Board’s range of oversight responsibility extends to the administrative functioning of the investment program itself.
<table>
<thead>
<tr>
<th>Board of Regents</th>
</tr>
</thead>
<tbody>
<tr>
<td>c. Execute securities transactions in conjunction with the day-to-day management of the investment program.</td>
</tr>
<tr>
<td>d. Execute investment management agreements, limited partnership agreements, custody agreements and other investment related documents upon satisfactory completion of reviews as appropriate by the state Attorney General, outside legal counsel and the University’s investment consultant.</td>
</tr>
</tbody>
</table>

7. Chief Investment Officer:

   a. Manage the day-to-day activities of the University’s investment portfolios within the broad guidelines established by the investment policies.

   b. Approve tactical moves relative to long-term policy targets when warranted by market conditions or risk considerations. The deliberate decision to overweight or underweight a strategy relative to its policy target is made in consultation with the UWINCO Board and the University’s investment consultant(s) and the Senior Vice President for Finance and Facilities.

   c. Seek the advice of the University’s investment consultant(s) and members of the UWINCO Board on issues related to the management of the investment portfolios. Incorporate such advice in the implementation of the investment program.

   d. Appoint new investment managers, follow-on investments with existing managers and approve direct investments. Approved investments shall fall within the policy guidelines adopted by the Board of Regents.

   e. Approve the dollar value of assets allocated to new and existing investment managers and reallocate assets among managers in accordance with long-term strategic targets.

   f. Approve individual investment manager guidelines.

   g. Monitor individual investment managers on a regular basis to ensure that performance and compliance expectation are met.

   h. Monitor aggregate portfolio risk regularly to insure that the
long-term purchasing power of the CEF is preserved.

i. Approve use of derivatives to manage the aggregate portfolio risk/return profile. This includes the use of swaps, options, futures and other derivative products to adjust exposures, to equitize cash, or to rebalance across asset classes.

j. Approve appropriate usage and timing of leveraged strategies within the CEF.

k. Terminate investment managers, including the authority to liquidate limited partnership interests or to reduce strategy exposures through other means. This authority is typically exercised due to performance concerns, organizational changes, or structural considerations within the UW investment portfolio.

l. Take action as appropriate in support of shareholder resolutions related to human rights violations in Burma.

m. Engage in shareholder activism as appropriate on issues related to global climate change.
UNIVERSITY OF WASHINGTON
STATEMENT OF INVESTMENT OBJECTIVES AND POLICY
FOR INVESTED FUNDS

Approved by Board of Regents May 20, 1988


INTRODUCTION

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the properties of the University. This statement of investment objectives and policies governs the investment management of the Invested Funds (IF). This statement is effective until modified by the Board of Regents.

The Board has delegated to its Finance and Asset Management Committee (FAM) the responsibility for overseeing the investment program within the general principles enumerated herein. In May 2001, the Board approved the establishment of an advisory committee, the University of Washington Investment Committee (UWINCO), consisting of both Board of Regents' members and external investment professionals. In 2004, the Board approved the appointment of the University’s first Chief Investment Officer (CIO) to manage the day to day activities of the investment portfolios. In 2015, the Board of Regents approved the establishment of the University of Washington Investment Management Company (“UWINCO”), an internal investment management company. The former investment management advisory committee was replaced with an investment management advisory board, known as the University of Washington Investment Management Company Board (“UWINCO Board”).

A. FINANCIAL AND INVESTMENT OBJECTIVES

1. The overall financial objective of the IF is to enable the University to meet its financial obligations as they come due. A secondary objective is to achieve investment returns above those of money market instruments.

2. The investment performance of the IF will be evaluated, on a risk-adjusted basis, relative to a blend of market indices that reflect the overall asset allocation of the fund.

B. INVESTMENT MANAGEMENT STRUCTURE

1. The IF will be invested primarily by external investment management firms. External investment management firms will be selected on the basis of factors including but not limited to the following: the experience of key personnel; investment philosophy; assets under management; organizational structure; performance record; investment management fees; and the firm’s ethical and financial viability.

2. Funds may also be invested in bank short-term investment funds and in approved instruments managed internally by University financial personnel.
3. Funds may be invested in capital projects through the University’s Internal Lending Program, a program managed by University financial personnel.

C. PORTFOLIO COMPOSITION AND POOL ALLOCATION

1. The IF shall be divided into four pools:

   Pool Allocation

<table>
<thead>
<tr>
<th>Policy</th>
<th>Target</th>
<th>Range</th>
<th>Global Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Pool</td>
<td>15%</td>
<td>10-40%</td>
<td>0-40 %</td>
</tr>
<tr>
<td>Liquidity Pool</td>
<td>40%</td>
<td>25-60%</td>
<td>0-25%</td>
</tr>
<tr>
<td>Diversified Investment Pool (DIP)</td>
<td>35%</td>
<td>15-45%</td>
<td></td>
</tr>
<tr>
<td>Capital Assets Pool (CAP)</td>
<td>10%</td>
<td>0-15%</td>
<td></td>
</tr>
</tbody>
</table>

2. The Cash Pool will be invested in a portfolio of high quality short- to intermediate-term fixed-income securities. The maximum average duration of the portfolio will be three years. The Cash Pool will have an average quality rating of “AA.”

3. The Liquidity Pool will be invested in a portfolio of high quality intermediate-term fixed-income securities. The maximum average duration of the Portfolio will be five years. The Liquidity Pool will have at least twenty-five percent of its funds invested in obligations of the U.S. Government and its agencies. The Liquidity Pool will have an average quality rating of at least “A.”

4. Global strategies may be employed in the Cash Pool and the Liquidity Pool if so specified under individual investment manager guidelines. Non-U.S. fixed-income securities will be subject to the equivalent quality and duration guidelines as domestic fixed-income securities.

5. Direct and derivative investments in fixed-income substitutes may be used in the Cash Pool and the Liquidity Pool to improve the aggregate risk / return profile of the IF.

6. Direct investments in tobacco companies are prohibited.

7. Direct investment in coal companies whose principal business is the mining of coal for energy generation is prohibited.

Ethical prohibitions moved to new Section D below in alignment with the CEF investment policy.

8. The Diversified Investment Pool (DIP) will invest directly in the Consolidated Endowment Fund (CEF) through the periodic purchase and sale of CEF units. The DIP may also contain direct or indirect investments in targeted strategies designed to improve the risk profile and / or enhance the performance of the IF. Provisions applicable to the investment in CEF units are contained in the “Statement of Investment Objectives and Policy for the Consolidated Endowment Fund.”

9. The Capital Assets Pool may be invested in University capital projects with maturities of up to
thirty years. The Capital Assets Pool is capped at 10% of the IF while the range of 0 – 15% allows for market fluctuations.

<table>
<thead>
<tr>
<th>D. ETHICAL CONSIDERATIONS</th>
<th>New Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. While fiscal goals are of central importance, due consideration shall be given to the degree of corporate responsibility exercised by the companies in which investments are made.</td>
<td>Mirrors the language and format of the CEF investment policy.</td>
</tr>
<tr>
<td>2. Direct investment in companies doing business in Sudan whose business activities support the Sudanese government in its continuing sponsorship of genocidal actions and human rights violations in Darfur is prohibited.</td>
<td></td>
</tr>
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<td>3. Direct investment in tobacco companies is prohibited.</td>
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<tr>
<td>4. Direct investment in coal companies whose principal business is the mining of coal for energy is prohibited.</td>
<td></td>
</tr>
</tbody>
</table>

E. GUIDELINES FOR THE INVESTMENT POOLS

1. The objective of the Cash Pool is to meet the day-to-day obligations of the University.

2. The objective of the Liquidity Pool is to provide a liquid source of funds in the event the Cash Pool is insufficient to meet the University’s cash needs.

3. The objective of the Diversified Investment Pool is to provide a flow of financial support to University programs that will grow at least as fast as the rate of inflation (as measured by the Consumer Price Index). In addition, the DIP shall provide a source of funds in the very unlikely event the Cash Pool and Liquidity Pool are insufficient to meet the University’s day-to-day obligations.

4. The objective of the Capital Assets Pool is to provide a source of funds for University capital projects.

F. GUIDELINES FOR TRANSACTIONS

As a general guideline that should apply to all assets managed, transactions should be entered into on the basis of best execution, which is interpreted normally to mean best-realized price. Commissions may be designated for payment of services rendered to the University in connection with investment management.

G. MONITORING OF OBJECTIVES AND RESULTS

1. All objectives and policies are in effect until modified. The Finance and Asset Management Committee with advice from the Treasurer of the Board of Regents, the Senior Vice President for
Finance and Facilities, the Chief Investment Officer and the UWINCO Board will review these periodically for their continued appropriateness.

2. The IF will be monitored on a continual basis for consistency in investment philosophy; return relative to objectives; investment risk as measured by asset concentrations; exposure to extreme economic conditions; and market volatility. Performance will be reviewed at least annually by the Finance and Asset Management Committee. Results will be evaluated over longer time frames including the inception period, running three- to five-year periods, and complete market cycles.

3. The Chief Investment Officer will review the individual managers as needed in order to confirm that performance expectations remain in place. In addition, portfolio activity will be reported on a regular basis to the UWINCO Board and the Chair of the Finance and Asset Management Committee.

4. A statement of investment objectives and guidelines will be maintained for each public investment manager where the University’s assets are managed in a separate account.

H. DELEGATIONS

Delegations related to the management of the University’s investment portfolios are as follows:

<table>
<thead>
<tr>
<th>1. Board of Regents:</th>
<th>2. Chair of the Board of Regents:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Approve investment policies which guide the management of the University’s investment portfolios. This includes but is not limited to the portfolio composition and pool allocation, investment objectives, pool guidelines, performance goals and delegations.</td>
<td>a. Recommend members of the UWINCO Board for formal approval by the Board of Regents. Recommendations will</td>
</tr>
<tr>
<td>b. Approve all interfund loans to the CEF.</td>
<td></td>
</tr>
<tr>
<td>c. Approve appointment and reappointment of Regent and non-Regent UWINCO members.</td>
<td></td>
</tr>
<tr>
<td>d. Approve the Board of Regents Governance, Standing Orders, Chapter 10 which addresses the advisory and administrative functioning of the UWINCO Committee Board.</td>
<td></td>
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<tr>
<td>e. Approve appointment of the Chief Investment Officer.</td>
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</tr>
<tr>
<td>f. Approve appointment of the Treasurer of the Board of Regents.</td>
<td></td>
</tr>
</tbody>
</table>

There are no material changes to the authority exercised by the Board of Regents as regards the University’s investment portfolios.

The advisory and administrative aspects of the UWINCO Board are detailed in the Board of Regents Governance, Standing Orders, Chapter 10.

Responsibilities of the Board of Regents Chair altered to reflect the role of the new UWINCO Board.
be made in consultation with the Chair of the UWINCO Board and the President of the University (and/or his designee).

b. Designate the Chair of the UWINCO Board.

c. Approve investment manager appointments and direct investments in situations when the Chief Investment Officer and the UWINCO Chair is unavailable or unable to do so.

3. Finance and Asset Management Committee of the Board of Regents:

   a. Oversee the University’s investment programs within the broad guidelines established by the investment policies.

   b. Appoint the University’s investment consultant(s).

   c. Review the asset allocation and strategy recommendations of the Chief Investment Officer and the UWINCO Board. Recommend policy changes as appropriate to the Board of Regents.

4. Investment Committee University of Washington Investment Management Company Board (UWINCO), an internal advisory board:

   a. Advise the Finance and Asset Management Committee the Senior Vice President for Finance and Facilities and the Chief Investment Officer on matters relating to the management of the University’s investment portfolios. This includes, but is not limited to, advice on overall asset allocation, performance goals, portfolio risk, new investment strategies, strategy implementation, manager identification, due diligence.

   b. Advise the President of the University on the compensation of senior professional investment staff and other administrative matters.

   c. Adhere to the Board of Regents Governance, Standing Orders, Chapter 10 pertaining to the UWINCO Board.

UWINCO now defined as an internal investment management company. The advisory UWINCO Board replaces the former advisory investment committee.

The UWINCO Board’s range of oversight responsibility extends to the administrative functioning of the investment program itself.

5. Senior Vice President for Finance and Facilities President of the University:

   a. Oversee Capital Assets Pool usage within the broad

   Under the new governance structure, the CIO reports to the President of the
b. Provide broad administrative oversight of the investment program with advice provided by the UWINCO Board and the University’s investment consultant. This includes but is not limited to:

   i. Approve the compensation of senior professional investment staff.

   ii. Administer internal fees for management and administrative activities related to the Invested Funds.

   iii. Approve use of professional staff bonus pool.

c. Assume supervisory responsibility for the Chief Investment Officer position. **Appoint interim Chief Investment Officer when the position is vacant.**

6. Treasurer of the Board of Regents:

   a. Oversee Capital Assets Pool usage within the broad parameters established under this policy statement.

   b. Approve investment custodian appointment (s).

   e. Assume the responsibilities of the CIO when the position is vacant. The exceptions to this delegation are the appointment of investment managers and the approval of direct investments which are extended to the Chair of the Board of Regents.

   d. Execute securities transactions in conjunction with the day-to-day management of the investment program.

   e. Approve the compensation of senior professional treasury staff.

   f. Administer internal fees for management and administrative activities related to the Invested Funds.

   g. Execute investment management agreements, limited partnership agreements, custody agreements and other investment related documents upon satisfactory completion of reviews as appropriate by the state Attorney General, outside legal counsel and the University’s investment consultant.
7. Chief Investment Officer:

   a. Manage the day-to-day activities of the University’s investment portfolios within the broad guidelines established by the investment policies.

   b. Seek the advice of the University’s investment consultant(s) and members of the UWINCO Board on issues related to the management of the investment portfolios. Incorporate such advice in the implementation of the investment program.

   c. Appoint new investment managers, follow-on investments with existing managers, and approve direct investments. Approved investments shall fall within the policy guidelines adopted by the Board of Regents.

   d. Approve the dollar value of assets allocated to new and existing investment managers and reallocate assets among managers in accordance with long-term strategic targets.

   e. Approve individual investment manager guidelines.

   f. Monitor individual investment managers on a regular basis to ensure that performance and compliance expectation are met.

   g. Monitor aggregate portfolio risk.

   h. Approve use of derivatives to manage the aggregate portfolio risk/return profile. This includes the use of swaps, options, futures and other derivative products to adjust exposures, to equitize cash, or to rebalance across asset classes.

   i. Approve appropriate usage and timing of leveraged strategies within the IF.

   j. Terminate investment managers, including the authority to liquidate limited partnership interests or to reduce strategy exposures through other means. This authority is typically exercised due to performance concerns, organizational changes, or structural considerations within the UW investment portfolio.

   k. Take action as appropriate in support of shareholder resolutions related to human rights violations in Burma.

   l. Engage in shareholder activism as appropriate on issues related to global climate change.
UNIVERSITY OF WASHINGTON

STATEMENT OF INVESTMENT OBJECTIVES AND POLICY
FOR DEFERRED AND OTHER GIFT ASSETS

Approved by Board of Regents January 17, 1992

Amended September 19, 1997; May 18, 2001; November 21, 2003; May 19, 2005; and May 9, 2013 and September 10, 2015.

Comment on Revised Policy Document:

UWINCO does not play a role in the management of deferred gift assets. Hence the governance changes that impact the endowment and operating funds’ investment policies do not appear in this policy statement. Some housekeeping changes were needed to ensure that the deferred gift policy reflect current practice or to clarify language. These changes are highlighted below.

INTRODUCTION

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the properties of the University. The Board also acts as trustee for deferred gifts, including annuities and trusts. This statement of objectives and policies governs the investment management of deferred gift assets (including trusts and annuities) and other non-consolidated gift assets (including real estate, debt instruments secured by real estate, closely held stock, and partnership interests). This statement is effective until modified by the Board of Regents.

The Board has delegated to its Finance and Asset Management Committee (FAM) the responsibility for overseeing its deferred gift investment program within the general principals enumerated herein. The Committee has the authority to further delegate responsibility for management/monitoring of these investments.

A. TYPES OF GIFTS

Deferred gift assets are available for investment when a donor transfers cash or assets to the University of Washington and obtains, in exchange, a life income based on the value of donated assets. The forms in which gifts may currently be established include: charitable gift annuity (no trust), charitable remainder unitrust, charitable remainder annuity trust, pooled income fund (pooled trust), and charitable lead trust. Each deferred gift plan has a signed standard agreement which specifies the type of plan, amount of the income payments, purpose and use of the deferred gift.
B. INVESTMENT FINANCIAL OBJECTIVES

1. **Deferred Gift Assets**: The primary financial objective for the investment management of deferred gift assets is to meet the payout requirements of the gift instrument. Secondarily, the objective is to maximize the expected real value of the residual trust to the University of Washington with an appropriate level of risk given the first (and primary) objective.

2. **Real Estate and Real Estate Contracts**: Generally, the University of Washington will not agree to hold individual real estate gifts for investment purposes. The objective in accepting, retaining, and liquidating gift real estate is to obtain a fair return from the property in a timely manner relative to the expenses and effort required to hold, maintain and manage the property until disposition. The University of Washington may choose to finance the sale of real estate gifts if it is judged to provide the best return at an appropriate risk.

3. **Other Non-Consolidated Gift Assets**: Generally, the University of Washington will not agree to hold gifts of tangible personal property (such as art or coin collections) for investment purposes. The University of Washington may hold securities in start-up, closely held companies or limited partnership interests for investment purposes, if the assets cannot be sold. Such positions will only be taken if there is an acceptable degree of risk relative to expected return to the University of Washington from holding such an asset.

C. INVESTMENT MANAGEMENT STRUCTURE

Deferred gift assets will be invested primarily by an external investment manager. External investment management firms will be selected on the basis of factors including but not limited to the following: the experience of key personnel; investment philosophy; assets under management; organizational structure; ability to provide or work closely with external deferred gift administrative services provider; performance record; investment management fees; and the firm's ethical and financial viability.

D. PORTFOLIO COMPOSITION AND ASSET ALLOCATION

1. Deferred gift assets will be broadly diversified using various commingled funds including stocks, bonds, and alternative assets such as venture capital or equity real estate. In certain cases, individual investment securities may be purchased and sold by the trusts, depending upon circumstances. These commingled funds (and, when applicable, securities) will be held in various deferred gifts in different ratios, depending on the income/total return characteristics that are desired for any individual gift.

2. When selecting a stock/bond mix, it is not necessary in all cases to make a selection that will produce an income level equal to the payout requirement. This will vary by gift vehicle and the express desires of the donor with respect to income production. Because higher stock/bond rations are expected to produce higher rates of total return (but lower levels of income), higher ratios will be generally preferred when they are consistent with the guidelines and objectives of the individual gift plans.
3. Typically, stock/bond ratios will be selected with particular attention to the risk of asset erosion due to a severe decline in the stock market and the need to make an ongoing payout. The risk of the investment strategy selected will not exceed that of a 70/30 stock/bond portfolio except as approved by the Treasurer of the Board of Regents on a trust by trust basis.

4. In individual cases, as appropriate, the University of Washington may retain assets transferred by the donor (such as real estate, marketable securities or closely held stock), without diversification, provided the gift instrument permits such discretion and relieves the University of Washington of a duty to diversify the gift portfolio.

E. GUIDELINES FOR TRANSACTIONS

As a general guideline that should apply to all assets managed, transactions should be entered into on the basis of best execution, which is interpreted normally to mean best realized price.

F. MONITORING OF OBJECTIVES AND RESULTS

Performance measurement reports for deferred gift assets will be prepared by the Office of the Treasurer. Benchmarks/universes will be consistent with the approach used for the Consolidated Endowment Fund and the Invested Funds of the University of Washington. Summary reports will be shared with the Finance and Asset Management Committee or its delegate.

G. DELEGATIONS

Delegations related to the management and administration of the University's deferred gift investment portfolios are as follows:

1. Board of Regents:
   a. Approve investment policies which guide the management of the University’s investment portfolios. This includes but is not limited to the strategic asset allocation, performance goals and delegations.

2. Finance and Asset Management Committee:
   b. Oversee the University’s investment programs within the broad guidelines established by the investment policies.
   c. Appoint the University’s investment consultant(s).
   d. Review the asset allocation and strategy recommendations of the Treasurer of the Board of Regents. Recommend policy changes as appropriate to the Board of Regents.

3. Treasurer of the Board of Regents:
   a. Execute securities transactions in conjunction with the day-to-day management of the investment program.
   b. Execute legal documents related to the deferred gift assets program including but not limited to investment management agreements, limited partnership agreements, custody...
agreements and other investment related documents upon satisfactory completion of reviews as appropriate by the State Attorney General, outside legal counsel and the University’s investment consultant.

c. Appoint deferred gifts investment manager and custodian.

d. Appoint deferred gifts external administrator.

e. Seek the advice of the University’s investment consultant(s) and / or the Chief Investment Officer and members of the University of Washington Investment Committee (UWINCO) as appropriate on issues related to the management of the deferred giving investment program.

f. Approve deferred gift investment manager guidelines.

h. Consult where appropriate consult with the Vice President for University Advancement and/or the Chief Real Estate Officer and their related personnel regarding deferred gift policy/guideline issues.

i. Monitor the deferred gifts' investment manager in order to confirm that the long term performance meets expectations. remain in place.

4. Chief Real Estate Officer:

a. Make decisions regarding the liquidation of gift real estate in consultation with the Treasurer, the Vice President for University Advancement and related personnel from both offices as appropriate.

5. Vice President for University Advancement:

a. With the concurrence of the Treasurer of the Board of Regents, or designee, recommend acceptance of:

(1) Current gifts of non-traditional investment assets, charitable lead trusts where the University is to act as trustee, bargain sale gifts of property, and partial interest gifts.

(2) Deferred gifts, if the University is to act as trustee or custodian of the deferred gift.

[See also Board of Regents Governance, Standing Orders, Chapter 1, Section 8, Gift Evaluation and Acceptance]
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Investment Performance Report – Fourth Quarter Fiscal Year, as of June 30, 2015

For information only.

Attachment
Investment Performance Report – Fourth Quarter Fiscal Year 2015, as of June 30, 2015
UNIVERSITY OF WASHINGTON

Investment Performance Report
Fourth Quarter Fiscal Year 2015

AS OF JUNE 30, 2015

Treasurer Board of Regents
Treasury Office

Published September 2015
Treasury Assets ................................................................. 1
CEF Asset Allocation .......................................................... 2
CEF Performance Summary ...................................................... 3
CEF Performance Update .......................................................... 4
CEF Activity and Campus Support from Investments ..................... 5
CEF Exposures ........................................................................ 6
Invested Funds ....................................................................... 7
TREASURY ASSETS\(^1\) AS OF JUNE 30, 2015

$5,053 (\$ = Millions)

---

1. Assets whose management falls under the auspices of the Finance & Asset management Committee of the Board of Regents, excluding Metro Tract and Forest Trust Lands.

2. The Invested Funds Diversified Investment Pool holds Consolidated Endowment Fund units valued at $806 million. To avoid double counting, the dollars are included only in the Consolidated Endowment Fund (CEF) total.

3. Proceeds from sale of land grants and subsequent investment returns on deposit with the state of Washington.


5. Bond Retirement Fund and Building Fund.

6. Debt service reserve funds and construction project funds which have not yet been disbursed.
CONSOLIDATED ENDOWMENT FUND (CEF) ASSET ALLOCATION
FOR THE QUARTER ENDING JUNE 30, 2015

Current Allocation ($ = Millions)

<table>
<thead>
<tr>
<th>Category</th>
<th>Allocation</th>
<th>Target</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emerging Markets Equity</td>
<td>$541</td>
<td>18%</td>
<td>17%</td>
</tr>
<tr>
<td>Developed Markets Equity</td>
<td>$1,156</td>
<td>38%</td>
<td>28%</td>
</tr>
<tr>
<td>Private Equity</td>
<td>$325</td>
<td>11%</td>
<td>15%</td>
</tr>
<tr>
<td>Real Assets</td>
<td>$191</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Opportunistic</td>
<td>$44</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>Capital Appreciation</td>
<td>$2,256</td>
<td>73%</td>
<td>70%</td>
</tr>
<tr>
<td>Absolute Return</td>
<td>$510</td>
<td>17%</td>
<td>19%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>$310</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Capital Preservation</td>
<td>$820</td>
<td>27%</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Total CEF</strong></td>
<td><strong>$3,076</strong></td>
<td><strong>100%</strong></td>
<td><strong>30%</strong></td>
</tr>
</tbody>
</table>

¹ Uncalled capital commitments: 11%

Note: Percentages may not sum due to rounding
CEF Performance Summary for the Quarter Ending June 30, 2015

**Rolling Year Returns**

<table>
<thead>
<tr>
<th></th>
<th>4th Qtr</th>
<th>1-Year</th>
<th>3-Year</th>
<th>5-Year</th>
<th>10-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total CEF Return</td>
<td>1.5</td>
<td>6.8</td>
<td>11.9</td>
<td>10.0</td>
<td>7.5</td>
</tr>
<tr>
<td>70% MSCI ACWI/30% BC Govt Bond</td>
<td>-0.1</td>
<td>1.6</td>
<td>9.8</td>
<td>9.7</td>
<td>6.4</td>
</tr>
<tr>
<td>Capital Appreciation</td>
<td>2.0</td>
<td>8.1</td>
<td>14.5</td>
<td>12.4</td>
<td>8.4</td>
</tr>
<tr>
<td>MSCI ACWI</td>
<td>0.5</td>
<td>1.2</td>
<td>13.6</td>
<td>12.5</td>
<td>7.0</td>
</tr>
<tr>
<td>Capital Preservation</td>
<td>0.0</td>
<td>2.7</td>
<td>5.5</td>
<td>4.2</td>
<td>4.3</td>
</tr>
<tr>
<td>BC Government Bond</td>
<td>-1.5</td>
<td>2.3</td>
<td>0.9</td>
<td>2.6</td>
<td>4.0</td>
</tr>
</tbody>
</table>

**Fiscal Year Returns**

<table>
<thead>
<tr>
<th></th>
<th>FY '15</th>
<th>FY '14</th>
<th>FY '13</th>
<th>FY '12</th>
<th>FY '11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total CEF Return</td>
<td>6.8</td>
<td>15.8</td>
<td>13.5</td>
<td>-0.9</td>
<td>16.0</td>
</tr>
<tr>
<td>70% MSCI ACWI/30% BC Govt Bond</td>
<td>1.6</td>
<td>16.8</td>
<td>11.3</td>
<td>-1.3</td>
<td>21.8</td>
</tr>
<tr>
<td>Capital Appreciation</td>
<td>8.1</td>
<td>18.8</td>
<td>17.0</td>
<td>-1.9</td>
<td>21.5</td>
</tr>
<tr>
<td>MSCI ACWI</td>
<td>1.2</td>
<td>23.6</td>
<td>17.2</td>
<td>-6.0</td>
<td>30.8</td>
</tr>
<tr>
<td>Capital Preservation</td>
<td>2.7</td>
<td>8.0</td>
<td>5.9</td>
<td>1.2</td>
<td>3.6</td>
</tr>
<tr>
<td>BC Government Bond</td>
<td>2.3</td>
<td>2.1</td>
<td>-1.5</td>
<td>8.3</td>
<td>2.3</td>
</tr>
</tbody>
</table>

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

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NACUBO/Commonfund Endowment Study

Information will not be available until January 2016.

---

Growth of $10,000: CEF vs. Passive Alternatives

As of June 30

$22 $20
$18 $16
$14 $12
$10 $8
$6 $4
$2 $0

$18,970 $20,608

70% ACWI & 30% BC Gov

As of June 30

F-9.1/209-15
9/10/15
# CEF Performance Update

Total Return\(^1\) As of June 30, 2015

<table>
<thead>
<tr>
<th></th>
<th>4(^{th}) Qtr FY '15</th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated Endowment Fund</strong></td>
<td>1.5</td>
<td>6.8</td>
<td>11.9</td>
<td>10.0</td>
<td>7.5</td>
</tr>
<tr>
<td>70% MSCI ACWI &amp; 30% BC Gov’t Bond</td>
<td>-0.1</td>
<td>1.6</td>
<td>9.8</td>
<td>9.7</td>
<td>6.4</td>
</tr>
<tr>
<td><strong>Capital Appreciation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MSCI ACWI</td>
<td>0.5</td>
<td>1.2</td>
<td>13.6</td>
<td>12.5</td>
<td>7.0</td>
</tr>
<tr>
<td>Emerging Markets Equity</td>
<td>4.5</td>
<td>11.0</td>
<td>12.4</td>
<td>10.0</td>
<td>13.1</td>
</tr>
<tr>
<td>Developed Markets Equity</td>
<td>0.5</td>
<td>5.2</td>
<td>16.6</td>
<td>14.3</td>
<td>7.2</td>
</tr>
<tr>
<td>Opportunistic (started 7/1/2010)</td>
<td>4.3</td>
<td>8.8</td>
<td>17.7</td>
<td>13.1</td>
<td>--</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>1.9</strong></td>
<td><strong>7.2</strong></td>
<td><strong>15.3</strong></td>
<td><strong>12.6</strong></td>
<td>--</td>
</tr>
<tr>
<td>MSCI ACWI</td>
<td>0.5</td>
<td>1.2</td>
<td>13.6</td>
<td>12.5</td>
<td>7.0</td>
</tr>
<tr>
<td>Private Equity(^2)</td>
<td>3.3</td>
<td>14.8</td>
<td>14.7</td>
<td>13.5</td>
<td>11.6</td>
</tr>
<tr>
<td>PE Benchmark(^2,3)</td>
<td>3.0</td>
<td>13.9</td>
<td>14.9</td>
<td>15.3</td>
<td>11.9</td>
</tr>
<tr>
<td>Real Assets(^2)</td>
<td>0.4</td>
<td>4.4</td>
<td>10.0</td>
<td>9.6</td>
<td>4.3</td>
</tr>
<tr>
<td>RA Benchmark(^2,3)</td>
<td>0.4</td>
<td>3.1</td>
<td>6.5</td>
<td>10.3</td>
<td>7.6</td>
</tr>
<tr>
<td><strong>Capital Preservation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC Government Bond</td>
<td>-1.5</td>
<td>2.3</td>
<td>0.9</td>
<td>2.6</td>
<td>4.0</td>
</tr>
<tr>
<td>Absolute Return</td>
<td>0.0</td>
<td>3.3</td>
<td>7.8</td>
<td>6.4</td>
<td>6.8</td>
</tr>
<tr>
<td>Policy Benchmark(^3)</td>
<td>0.2</td>
<td>2.6</td>
<td>5.5</td>
<td>3.6</td>
<td>4.3</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>0.1</td>
<td>1.6</td>
<td>1.8</td>
<td>1.6</td>
<td>2.5</td>
</tr>
<tr>
<td>BC Government Bond</td>
<td>-1.5</td>
<td>2.3</td>
<td>0.9</td>
<td>2.6</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Market Indices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S&amp;P</td>
<td>0.3</td>
<td>7.4</td>
<td>17.3</td>
<td>17.3</td>
<td>7.9</td>
</tr>
<tr>
<td>Russell 2000</td>
<td>0.4</td>
<td>6.5</td>
<td>17.8</td>
<td>17.1</td>
<td>8.4</td>
</tr>
<tr>
<td>MSCI EAFE</td>
<td>0.8</td>
<td>-3.8</td>
<td>12.5</td>
<td>10.0</td>
<td>5.6</td>
</tr>
<tr>
<td>MSCI EMF</td>
<td>0.8</td>
<td>-4.8</td>
<td>4.1</td>
<td>4.0</td>
<td>8.5</td>
</tr>
<tr>
<td>BC High Yield</td>
<td>0.0</td>
<td>-0.4</td>
<td>6.8</td>
<td>8.6</td>
<td>7.9</td>
</tr>
</tbody>
</table>

\(^1\) Total Return: Average Annual Compound Return (dividend or interest plus capital appreciation or depreciation)  
\(^2\) Reported on a quarter lag  
\(^3\) Preliminary
# CEF Activity and Campus Support from Investments as of June 30, 2015

$ = Millions

<table>
<thead>
<tr>
<th>CEF Activity</th>
<th>FYTD 2015</th>
<th>FY 2014</th>
<th>FY 2013</th>
<th>5 Years</th>
<th>10 Years</th>
<th>15 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td>$2,833</td>
<td>$2,347</td>
<td>$2,111</td>
<td>$1,830</td>
<td>$1,359</td>
<td>$1,129</td>
</tr>
<tr>
<td><strong>Gifts</strong></td>
<td>52</td>
<td>71</td>
<td>48</td>
<td>310</td>
<td>716</td>
<td>934</td>
</tr>
<tr>
<td><strong>Transfers</strong></td>
<td>8</td>
<td>7</td>
<td>6</td>
<td>33</td>
<td>87</td>
<td>117</td>
</tr>
<tr>
<td><strong>Operating Funds Purchases</strong></td>
<td>121</td>
<td>146</td>
<td>11</td>
<td>331</td>
<td>401</td>
<td>487</td>
</tr>
<tr>
<td><strong>Total Additions</strong></td>
<td>$181</td>
<td>$224</td>
<td>$66</td>
<td>$674</td>
<td>$1,204</td>
<td>$1,539</td>
</tr>
<tr>
<td><strong>Net Investment Return</strong></td>
<td>194</td>
<td>379</td>
<td>279</td>
<td>1,133</td>
<td>1,542</td>
<td>1,759</td>
</tr>
<tr>
<td><strong>Distributions</strong></td>
<td>(105)</td>
<td>(94)</td>
<td>(87)</td>
<td>(447)</td>
<td>(827)</td>
<td>(1,102)</td>
</tr>
<tr>
<td><strong>Advancement Support</strong></td>
<td>(21)</td>
<td>(19)</td>
<td>(17)</td>
<td>(90)</td>
<td>(162)</td>
<td>(198)</td>
</tr>
<tr>
<td><strong>Administrative Fees</strong></td>
<td>(5)</td>
<td>(5)</td>
<td>(4)</td>
<td>(23)</td>
<td>(41)</td>
<td>(51)</td>
</tr>
<tr>
<td><strong>Ending Balance</strong></td>
<td>$3,076</td>
<td>$2,833</td>
<td>$2,347</td>
<td>$3,076</td>
<td>$3,076</td>
<td>$3,076</td>
</tr>
</tbody>
</table>

## Campus Support from Investments

<table>
<thead>
<tr>
<th>Campus Support from Investments</th>
<th>FYTD 2015</th>
<th>FY 2014</th>
<th>FY 2013</th>
<th>5 Years</th>
<th>10 Years</th>
<th>15 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CEF Distributions to Unit Holders</strong></td>
<td>$105</td>
<td>$94</td>
<td>$87</td>
<td>$447</td>
<td>$827</td>
<td>$1,102</td>
</tr>
<tr>
<td><strong>Advancement Support from CEF</strong></td>
<td>21</td>
<td>19</td>
<td>17</td>
<td>90</td>
<td>162</td>
<td>198</td>
</tr>
<tr>
<td><strong>Invested Funds Distributions(^1)</strong></td>
<td>34</td>
<td>36</td>
<td>38</td>
<td>194</td>
<td>419</td>
<td>654</td>
</tr>
<tr>
<td><strong>Total Campus Support</strong></td>
<td>$160</td>
<td>$148</td>
<td>$143</td>
<td>$731</td>
<td>$1,408</td>
<td>$1,954</td>
</tr>
</tbody>
</table>

Note: Numbers may not sum due to rounding

\(^1\) Invested Funds Distributions occur annually at fiscal year end.
CEF EXPOSURES FOR THE QUARTER ENDING JUNE 30, 2015

Exposure by Strategy

- Capital Appreciation
  - Emerging Markets
  - Developed Markets
  - Private Equity
  - Real Assets
- Capital Preservation
  - Fixed Income
  - Absolute Return

Geographic Exposure¹

- North America: 61%
- EM EMEA: 3%
- EM Latin America: 3%
- Developed Europe: 11%
- EM Asia: 15%
- Japan: 4%
- Dev. Asia ex. Japan: 3%

Equity Sector Exposure¹

- Financials: 17%
- Information Technology: 14%
- Consumer Discretionary: 12%
- Industrials: 12%
- Consumer Staples: 8%
- Energy: 8%
- Telecom: 2%
- Materials: 4%
- Cash & Other: 9%

Note: Percentages may not sum due to rounding

¹ At 6/30/15 foreign currency exposure: 39%
F–9.1/209-15
9/10/15

Emerging Markets, Developed Markets, Real Assets and select Absolute Return equity
Invested Funds for the Quarter Ending June 30, 2015

Total Return¹ (%)

<table>
<thead>
<tr>
<th>Fund Allocation by Pool ($ = Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Allocation</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Actual</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Cash Pool</td>
</tr>
<tr>
<td>Liquidity Pool</td>
</tr>
<tr>
<td>Diversified Investment Pool¹</td>
</tr>
<tr>
<td>IF Excluding CAP</td>
</tr>
<tr>
<td>Capital Assets Pool²</td>
</tr>
<tr>
<td>Total Invested Funds</td>
</tr>
</tbody>
</table>

¹ Total Return: average annual compound return (dividend or interest plus capital appreciation or depreciation).
² DIP: Diversified Investment Pool is designed to improve the risk profile and/or enhance the IF performance through investment in CEF units or other investment vehicles.
³ Capital Assets Pool (CAP) consists of UW internally financed projects.

Mix of Investments: IF Excluding CAP

- Treasuries & Agencies: 35%
- Mortgage Related: 20%
- CEF Units: 35%
- Asset-Backed Securities: 7%
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

UW Advancement Report of Contributions 2015

INFORMATION ITEM

This item is being presented for information only.

Attachment

University of Washington Foundation Report of Contributions, June 2015
Report of Contributions

All Areas | June 2015
ANNUAL PROGRESS BY CONSTITUENCY

<table>
<thead>
<tr>
<th>School</th>
<th>Current Month</th>
<th>Year to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gifts Private Grants</td>
<td>Total Donors</td>
</tr>
<tr>
<td>UW Medicine</td>
<td>$5,501,220 $9,486,024 $14,987,244</td>
<td>2,391 $53,561,077 $123,685,460 $177,246,538</td>
</tr>
<tr>
<td>Academic Student Affairs</td>
<td>$1,387,373 $46,592 $1,433,965</td>
<td>1,147 $11,132,769 $1,217,888 $12,350,658</td>
</tr>
<tr>
<td>Arts and Sciences</td>
<td>$3,179,539 $716,548 $3,896,087</td>
<td>1,801 $29,161,727 $14,664,480 $43,826,207</td>
</tr>
<tr>
<td>Broadcast Services</td>
<td>$1,713,965 $713,965 $2,427,932</td>
<td>8,422 $16,103,572 $0 $16,103,572</td>
</tr>
<tr>
<td>Built Environments</td>
<td>$311,077 0 $311,077 89</td>
<td>$2,053,885 $25,295 $2,079,180</td>
</tr>
<tr>
<td>Business School</td>
<td>$912,621 0 $912,621 285</td>
<td>$16,727,849 $68,000 $16,795,849</td>
</tr>
<tr>
<td>Dentistry</td>
<td>$141,524 $10,000 $151,524 101</td>
<td>$2,677,931 $997,761 $3,675,692</td>
</tr>
<tr>
<td>Education</td>
<td>$481,626 $413,612 $895,238</td>
<td>776 $1,523,272 $5,704,184 $7,227,455</td>
</tr>
<tr>
<td>Engineering</td>
<td>$775,615 $701,007 $1,476,622</td>
<td>478 $17,676,634 $11,805,559 $29,482,192</td>
</tr>
<tr>
<td>Environment</td>
<td>$554,288 $334,375 $888,663</td>
<td>371 $6,940,669 $20,053,692 $26,994,361</td>
</tr>
<tr>
<td>Evans School of Public Affairs</td>
<td>$13,817 0 $13,817 125</td>
<td>$406,614 $3,315,120 $3,721,734</td>
</tr>
<tr>
<td>Information School</td>
<td>$58,683 $76,439 $135,122</td>
<td>54 $1,376,903 $2,019,459 $3,396,362</td>
</tr>
<tr>
<td>Intercollegiate Athletics</td>
<td>$1,093,419 0 $1,093,419 1,090</td>
<td>$30,730,210 $0 $30,730,210</td>
</tr>
<tr>
<td>Law</td>
<td>$356,095 0 $356,095 242</td>
<td>$8,960,199 $104,991 $9,065,191</td>
</tr>
<tr>
<td>Libraries</td>
<td>$148,974 0 $148,974 161</td>
<td>$1,119,725 0</td>
</tr>
<tr>
<td>Nursing</td>
<td>$149,643 0 $149,643 98</td>
<td>$884,042 $577,491 $1,461,533</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>$483,055 $433,249 $916,304</td>
<td>85 $2,335,045 $5,926,830 $8,261,874</td>
</tr>
<tr>
<td>President’s Funds</td>
<td>$16,682 0 $16,682 108</td>
<td>$1,341,279 0</td>
</tr>
<tr>
<td>Public Health</td>
<td>$116,880 $780,965 $897,845</td>
<td>88 $1,629,977 $25,682,146</td>
</tr>
<tr>
<td>Social Work</td>
<td>$16,109 $132,177 $148,286</td>
<td>45 $3,327,472 $533,076</td>
</tr>
<tr>
<td>UW Alumni Association</td>
<td>$108,207 0 $108,207 2,207</td>
<td>$1,029,318</td>
</tr>
<tr>
<td>UW Bothell</td>
<td>$48,805 0 $48,805 233</td>
<td>$585,816</td>
</tr>
<tr>
<td>UW Tacoma</td>
<td>$169,645 $111,669 $281,314</td>
<td>363 $1,907,953 $696,834</td>
</tr>
<tr>
<td>Other University Support</td>
<td>$4,572,639 $2,425,921 $6,998,560</td>
<td>115 $13,829,832 $4,242,733</td>
</tr>
<tr>
<td>Total</td>
<td>$22,311,501 $15,668,978 $37,980,479</td>
<td>19,982 $227,023,680 $221,696,000</td>
</tr>
</tbody>
</table>

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.

MONTHLY HIGHLIGHTS

The UW received $37.98M in total private voluntary support ($22.31M in gifts and $15.67M in grants) in the current month.

Areas including UW Medicine, Academic Student Affairs, Arts and Sciences, Broadcast Services, Business School, Dentistry, Environment, Evans School of Public Affairs, Information School, Pharmacy and UW Tacoma are ahead of last year’s year-to-date totals.
## DEVELOPMENT SUMMARY BY CONSTITUENCY

<table>
<thead>
<tr>
<th>School/Unit</th>
<th>Current Month</th>
<th>Year to Date</th>
<th>Prior Year to Date</th>
<th>Prior Year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Donors</td>
<td>Total</td>
<td>Donors</td>
</tr>
<tr>
<td>UW Medicine</td>
<td>$14,987,244</td>
<td>2,391</td>
<td>$177,246,538</td>
<td>16,024</td>
</tr>
<tr>
<td>Academic Student Affairs</td>
<td>$1,434,365</td>
<td>1,147</td>
<td>$12,350,568</td>
<td>6,039</td>
</tr>
<tr>
<td>Arts and Sciences</td>
<td>$3,896,087</td>
<td>1,801</td>
<td>$43,826,207</td>
<td>13,525</td>
</tr>
<tr>
<td>Broadcast Services</td>
<td>$1,713,965</td>
<td>8,422</td>
<td>$16,103,572</td>
<td>20,754</td>
</tr>
<tr>
<td>College of Built Environments</td>
<td>$311,077</td>
<td>89</td>
<td>$2,079,180</td>
<td>1,160</td>
</tr>
<tr>
<td>Foster School of Business</td>
<td>$912,621</td>
<td>285</td>
<td>$16,795,849</td>
<td>3,738</td>
</tr>
<tr>
<td>Dentistry</td>
<td>$151,524</td>
<td>101</td>
<td>$3,675,692</td>
<td>1,028</td>
</tr>
<tr>
<td>Education</td>
<td>$895,238</td>
<td>776</td>
<td>$7,227,455</td>
<td>1,649</td>
</tr>
<tr>
<td>College of the Environment</td>
<td>$888,663</td>
<td>371</td>
<td>$26,994,361</td>
<td>3,031</td>
</tr>
<tr>
<td>Evans School Of Pub. Policy &amp; Gover</td>
<td>$13,817</td>
<td>125</td>
<td>$3,721,734</td>
<td>643</td>
</tr>
<tr>
<td>Information School</td>
<td>$335,122</td>
<td>54</td>
<td>$3,396,362</td>
<td>625</td>
</tr>
<tr>
<td>Intercollegiate Athletics</td>
<td>$1,093,419</td>
<td>1,090</td>
<td>$30,730,210</td>
<td>21,593</td>
</tr>
<tr>
<td>Law</td>
<td>$356,095</td>
<td>242</td>
<td>$9,065,191</td>
<td>2,186</td>
</tr>
<tr>
<td>Libraries</td>
<td>$148,974</td>
<td>161</td>
<td>$1,119,725</td>
<td>3,150</td>
</tr>
<tr>
<td>Nursing</td>
<td>$49,643</td>
<td>98</td>
<td>$1,461,533</td>
<td>1,235</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>$916,304</td>
<td>85</td>
<td>$8,261,874</td>
<td>1,000</td>
</tr>
<tr>
<td>President’s Funds</td>
<td>$16,682</td>
<td>108</td>
<td>$1,341,279</td>
<td>1,180</td>
</tr>
<tr>
<td>Public Health</td>
<td>$897,845</td>
<td>88</td>
<td>$27,312,124</td>
<td>768</td>
</tr>
<tr>
<td>Social Work</td>
<td>$148,286</td>
<td>45</td>
<td>$3,860,548</td>
<td>1,317</td>
</tr>
<tr>
<td>UW Alumni Association</td>
<td>$128,207</td>
<td>2,207</td>
<td>$1,054,318</td>
<td>17,250</td>
</tr>
<tr>
<td>UW Bothell</td>
<td>$48,805</td>
<td>233</td>
<td>$935,816</td>
<td>1,041</td>
</tr>
<tr>
<td>UW Tacoma</td>
<td>$281,314</td>
<td>363</td>
<td>$2,604,787</td>
<td>1,882</td>
</tr>
<tr>
<td>Other University Support</td>
<td>$6,998,560</td>
<td>115</td>
<td>$18,072,565</td>
<td>1,307</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$37,580,479</strong></td>
<td><strong>19,982</strong></td>
<td><strong>$448,719,680</strong></td>
<td><strong>107,376</strong></td>
</tr>
</tbody>
</table>

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

#### Complete Fiscal Year

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Gifts</th>
<th>Private Grants</th>
<th>Total</th>
<th>Donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-2015</td>
<td>$227,023,680</td>
<td>$221,696,000</td>
<td>$448,719,680</td>
<td>107,376</td>
</tr>
<tr>
<td>2013-2014</td>
<td>$255,768,878</td>
<td>$226,683,441</td>
<td>$482,452,318</td>
<td>108,696</td>
</tr>
<tr>
<td>2012-2013</td>
<td>$191,414,335</td>
<td>$147,237,180</td>
<td>$338,651,515</td>
<td>108,465</td>
</tr>
<tr>
<td>2011-2012</td>
<td>$161,989,170</td>
<td>$151,112,612</td>
<td>$313,101,782</td>
<td>111,145</td>
</tr>
<tr>
<td>2010-2011</td>
<td>$170,201,978</td>
<td>$164,435,696</td>
<td>$334,637,675</td>
<td>113,114</td>
</tr>
<tr>
<td>2009-2010</td>
<td>$135,776,462</td>
<td>$150,852,357</td>
<td>$286,628,819</td>
<td>113,746</td>
</tr>
<tr>
<td>2008-2009</td>
<td>$148,364,809</td>
<td>$175,713,667</td>
<td>$324,078,477</td>
<td>109,083</td>
</tr>
<tr>
<td>2007-2008</td>
<td>$180,735,444</td>
<td>$124,224,214</td>
<td>$304,959,657</td>
<td>121,447</td>
</tr>
<tr>
<td>2006-2007</td>
<td>$176,490,215</td>
<td>$126,399,369</td>
<td>$302,889,584</td>
<td>105,353</td>
</tr>
<tr>
<td>2005-2006</td>
<td>$207,744,231</td>
<td>$115,261,186</td>
<td>$323,005,417</td>
<td>97,876</td>
</tr>
</tbody>
</table>

#### Year-to-Date

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Gifts</th>
<th>Private Grants</th>
<th>Total</th>
<th>Donors</th>
</tr>
</thead>
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<td>$151,112,612</td>
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<td>113,114</td>
</tr>
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<td>$150,852,357</td>
<td>$286,628,819</td>
<td>113,746</td>
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<td>$324,078,477</td>
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<td>$180,735,444</td>
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<td>121,447</td>
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<td>$176,490,215</td>
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<td>$302,889,584</td>
<td>105,353</td>
</tr>
<tr>
<td>2005-2006</td>
<td>$207,744,231</td>
<td>$115,261,186</td>
<td>$323,005,417</td>
<td>97,876</td>
</tr>
</tbody>
</table>
ANNUAL FUNDING THEME PROGRESS

<table>
<thead>
<tr>
<th>Theme</th>
<th>Current Use</th>
<th>Endowment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Support</td>
<td>$21,985,581</td>
<td>$22,097,809</td>
<td>$44,083,390</td>
</tr>
<tr>
<td>Faculty Support</td>
<td>$226,810,876</td>
<td>$28,306,911</td>
<td>$255,117,787</td>
</tr>
<tr>
<td>Program Support for Faculty and Students</td>
<td>$79,119,705</td>
<td>$12,737,744</td>
<td>$91,857,449</td>
</tr>
<tr>
<td>Capital</td>
<td>$19,269,112</td>
<td>$41,927</td>
<td>$19,311,039</td>
</tr>
<tr>
<td>Excellence Funds</td>
<td>$39,082,412</td>
<td>$3,267,604</td>
<td>$38,350,015</td>
</tr>
<tr>
<td>Total</td>
<td>$382,267,685</td>
<td>$66,451,994</td>
<td>$448,719,680</td>
</tr>
</tbody>
</table>

DEVELOPMENT ACTIVITY BY DONOR TYPE

<table>
<thead>
<tr>
<th>Donor Type</th>
<th>Year to Date</th>
<th>Prior Year to Date</th>
<th>Prior Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Donors</td>
<td>Total</td>
<td>Donors</td>
</tr>
<tr>
<td>Alumni</td>
<td>46,216</td>
<td>$59,909,434</td>
<td>47,855</td>
</tr>
<tr>
<td>Corporations</td>
<td>2,977</td>
<td>$56,119,801</td>
<td>2,642</td>
</tr>
<tr>
<td>Foundations</td>
<td>471</td>
<td>$130,490,773</td>
<td>437</td>
</tr>
<tr>
<td>Non-Alumni</td>
<td>56,846</td>
<td>$53,410,563</td>
<td>56,925</td>
</tr>
<tr>
<td>Organizations</td>
<td>667</td>
<td>$121,348,828</td>
<td>647</td>
</tr>
<tr>
<td>Total</td>
<td>107,376</td>
<td>$448,719,680</td>
<td>108,696</td>
</tr>
</tbody>
</table>

DEVELOPMENT ACTIVITY PYRAMID

Fiscal Year Total: $448,719,680
## ANNUAL PROGRESS BY GIVING LEVEL

<table>
<thead>
<tr>
<th>Giving Level</th>
<th>Alumni (USD)</th>
<th>Non Alumni (USD)</th>
<th>Family Fdns. (USD)</th>
<th>Corporations (USD)</th>
<th>Foundations (USD)</th>
<th>Other Orgs. (USD)</th>
<th>Total (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10M +</td>
<td>$5,020,000</td>
<td>$10,429,364</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$112,430,408</td>
</tr>
<tr>
<td>$5M - $9,999,999</td>
<td>$14,481,158</td>
<td>$5,415,073</td>
<td>$17,075,782</td>
<td>$26,142,431</td>
<td></td>
<td></td>
<td>$123,464,215</td>
</tr>
<tr>
<td>$1M - $4,999,999</td>
<td>$16,124,134</td>
<td>$16,391,813</td>
<td>$7,496,095</td>
<td>$15,367,548</td>
<td></td>
<td></td>
<td>$116,870,077</td>
</tr>
<tr>
<td>$500,000 - $999,999</td>
<td>$2,765,540</td>
<td>$2,126,002</td>
<td>$1,398,620</td>
<td>$5,499,911</td>
<td></td>
<td></td>
<td>$21,637,404</td>
</tr>
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<th>Foundations (Number)</th>
<th>Other Orgs. (Number)</th>
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<td>2,977</td>
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<td>667</td>
<td>107,176</td>
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## ALUMNI PARTICIPATION BY CONSTITUENCY (CURRENT FISCAL YEAR)

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<th>To Unit</th>
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<td>Year to Date</td>
</tr>
<tr>
<td></td>
<td></td>
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<td>Part Rate</td>
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<td>164,530</td>
<td>19,201</td>
<td>11.67%</td>
</tr>
<tr>
<td>Business School</td>
<td>42,011</td>
<td>6,994</td>
<td>16.65%</td>
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<td>9,103</td>
<td>1,306</td>
<td>14.35%</td>
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<td>930</td>
<td>19.21%</td>
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<td>18,861</td>
<td>3,020</td>
<td>16.01%</td>
</tr>
<tr>
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<td>35,889</td>
<td>4,529</td>
<td>17.62%</td>
</tr>
<tr>
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<td>12,559</td>
<td>1,630</td>
<td>12.98%</td>
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<td>712</td>
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<td>2,764</td>
<td>348</td>
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</tr>
<tr>
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<td>15.97%</td>
</tr>
<tr>
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<td>5,844</td>
<td>965</td>
<td>16.51%</td>
</tr>
<tr>
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<td>8,831</td>
<td>1,673</td>
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</tr>
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<td>9,365</td>
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<td>4,020</td>
<td>786</td>
<td>19.55%</td>
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<tr>
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<td>5,720</td>
<td>846</td>
<td>14.79%</td>
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<tr>
<td>Social Work</td>
<td>7,260</td>
<td>891</td>
<td>12.27%</td>
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<tr>
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<td>12,289</td>
<td>1,039</td>
<td>8.45%</td>
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<td>13,666</td>
<td>940</td>
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<td>8,499</td>
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<td>ALL UW TOTAL</td>
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## ALUMNI PARTICIPATION BY CONSTITUENCY (PREVIOUS FISCAL YEAR)

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<th>To Unit</th>
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<td>Year to Date</td>
<td>Year to Date</td>
</tr>
<tr>
<td></td>
<td></td>
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<td>Part Rate</td>
</tr>
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<td>20,610</td>
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<td>4,786</td>
<td>956</td>
<td>19.97%</td>
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<td>10,986</td>
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<td>47,855</td>
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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**

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<tr>
<th>School</th>
<th>Solicitable Alumni</th>
<th>Members</th>
<th>Member Donors</th>
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<th>Alumni Giving</th>
<th>Members</th>
<th>Non Members</th>
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<td>1,024</td>
<td>49.11%</td>
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<tr>
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<td>8.25%</td>
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<td>9.38%</td>
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<td>8.53%</td>
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<td>2.67%</td>
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<tr>
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<td>5.61%</td>
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<tr>
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<td>573</td>
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<td>5.61%</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>362,514</strong></td>
<td><strong>59,344</strong></td>
<td><strong>23,607</strong></td>
<td><strong>39.78%</strong></td>
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**Alumni Activity**

1 in 3.5 registrants at 2010 UW events were UWAA members
1 in 25 registrants at 2010 UW events were UW donors
3 in 4 registrants at 2010 UW events were Solicitable Alumni
1 in 25 UWAA members attended a 2010 UW event
1 in 3 2009-2010 Football/ Basketball season ticket holders were UWAA members
1 in 7 UWAA members were 2009-2010 Football/ Basketball season ticket holders

**Top 10 Membership by Class Year**

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<th>Part. Rate</th>
<th>Class Year</th>
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<tr>
<td>1953</td>
<td>20.53%</td>
<td>1971</td>
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<td>1954</td>
<td>20.44%</td>
<td>1973</td>
<td>1,074</td>
</tr>
<tr>
<td>1959</td>
<td>20.19%</td>
<td>1974</td>
<td>1,060</td>
</tr>
<tr>
<td>1960</td>
<td>19.69%</td>
<td>1975</td>
<td>1,057</td>
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<tr>
<td>1956</td>
<td>19.59%</td>
<td>1976</td>
<td>1,034</td>
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<tr>
<td>1950</td>
<td>19.19%</td>
<td>1972</td>
<td>1,016</td>
</tr>
<tr>
<td>1957</td>
<td>19.18%</td>
<td>1975</td>
<td>1,002</td>
</tr>
<tr>
<td>1961</td>
<td>19.06%</td>
<td>1977</td>
<td>952</td>
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<tr>
<td>1946</td>
<td>19.02%</td>
<td>1969</td>
<td>908</td>
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**Activity Participation - Rolling 3 Year Total**

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<th>Part. Donors</th>
<th>% Donors</th>
<th>% Donors</th>
<th>% Donors</th>
<th>% Non-Part. Donor</th>
<th>% Non-Part. Donor</th>
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<td>Business School</td>
<td>7,084</td>
<td>1,643</td>
<td>23.19%</td>
<td>37,206</td>
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<td>6.33%</td>
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<td>Dentistry</td>
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<td>Education</td>
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<td>Engineering</td>
<td>3,382</td>
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<td>Environment</td>
<td>1,500</td>
<td>599</td>
<td>39.93%</td>
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<td>Evans School of Public Affairs</td>
<td>1,781</td>
<td>477</td>
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<td>599</td>
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<td>UW Tacoma</td>
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<td>14,265</td>
<td>618</td>
<td>4.33%</td>
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</table>

1. Members include paid Annual Members, Lifetime Members, and TPC Level Donors
2. 3-Years consists of any activity since 7/1/2011
3. 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.

Source: University of Washington Alumni Association
# DEVELOPMENT SUMMARY BY REGION

<table>
<thead>
<tr>
<th>Region</th>
<th>Current Month</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Donors</td>
<td>Total</td>
<td>Donors</td>
<td>Total</td>
<td>Donors</td>
<td>Total</td>
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<td>$237,850,923</td>
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<td>8,787</td>
<td>$14,418,162</td>
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<td>$3,525,837</td>
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<td>451</td>
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<td>Southern California</td>
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<td>1,072</td>
<td>$2,486,544</td>
<td>1,078</td>
<td>$2,486,544</td>
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<tr>
<td>New York, New Jersey, Connecticut</td>
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<td>$31,492,125</td>
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<td>$31,492,125</td>
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<tr>
<td>DC, Maryland, Virginia</td>
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<td>1,432</td>
<td>$20,387,274</td>
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<tr>
<td>Domestic Other</td>
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<td>1,657</td>
<td>$63,719,780</td>
<td>10,233</td>
<td>$49,991,959</td>
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<td>$49,991,959</td>
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<td>China</td>
<td>$4</td>
<td>2</td>
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<td>$127,487</td>
<td>18</td>
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<td>Japan</td>
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<td>$104,735</td>
<td>74</td>
<td>$218,331</td>
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<td>Korea</td>
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<td>4</td>
<td>$248,057</td>
<td>26</td>
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<td>Taiwan</td>
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<td>$11,132,860</td>
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<tr>
<td>Unknown</td>
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<td>143</td>
<td>$11,216,374</td>
<td>708</td>
<td>$12,203,756</td>
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<td>$12,203,756</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>19,982</strong></td>
<td><strong>$448,719,680</strong></td>
<td><strong>107,376</strong></td>
<td><strong>$482,452,318</strong></td>
<td><strong>108,696</strong></td>
<td><strong>$482,452,318</strong></td>
</tr>
</tbody>
</table>

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.
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Alaska Airlines Signature Partnership

RECOMMENDED ACTION

These recommended actions come to the board with the recommendation of Interim President Cauce.

1. Approve general terms of the Alaska Airline Signature Partnership, with delegated authority provided to the Interim President to sign a final contract subject to a final review by the Chair of the Finance and Asset Management Committee;

2. Per the UW Naming Right Agreement Policy, approve agreement to temporarily name and affix logos to buildings or outdoor spaces included in the Signature Partnership.

BACKGROUND

Alaska Airlines and the University of Washington have crafted a new, comprehensive sponsorship partnership. The proposed partnership expands on current engagements Alaska has with the UW to create a university-wide program.

Major stakeholders involved in this partnership include:

Athletic Department – Facility Naming Rights and Multi-Media Rights
Alumni Association – Affinity Credit Card
UW Marketing and Student Life – Campus Events and Programs, Career Services
Travel Office – Business travel promotions and benefits for faculty and staff.

The signature partnership package was marketed to several local and national businesses that expressed interest in naming and sponsorship opportunities. Ultimately, Alaska Airlines emerged as the best candidate given its established dedication to ICA and the University, its local community roots, and its commitment to an agreement that will significantly benefit both parties.

Interim President Cauce has been informed and advised during the process of negotiating this signature partnership package, and it has her recommendation for approval by this Board.
B. Finance and Asset Management Committee

Alaska Airlines Signature Partnership (continued p. 2)

TERMS AND FEES

10-Year, $41M Agreement with a contract date of September 1, 2016, with an additional $1M “Stub Year” containing partial “ramp up” ICA benefits in FY16.

- Stub Year: $1,000,000 annual fees FY16
- Year 1 – 10 $4,000,000 annual fees FY17 – FY26

An overview specific terms and rights is attached.

PEER COMPARISONS

Naming rights on college athletic facilities are traditionally difficult to sell. While a number of Pac-12 and Big-10 schools currently have naming rights deals in the marketplace, there are only a few comparable peer institutions that have completed naming right deals.

<table>
<thead>
<tr>
<th>UNIVERSITY</th>
<th>FACILITY</th>
<th>ANNUAL FEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illinois Arena</td>
<td>State Farm Center</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Minnesota</td>
<td>Stadium - TCF Bank Stadium</td>
<td>$1,350,000</td>
</tr>
<tr>
<td>UC Berkeley</td>
<td>Stadium - Kabam Field</td>
<td>$1,200,000</td>
</tr>
</tbody>
</table>

Note that the proposed partnership with Alaska is unique because it is comprehensive. In addition to naming rights, it also includes multi-media rights, an affinity credit card agreement, and campus sponsorship opportunities.

EXTERIOR SIGNAGE

Visual rendering of proposed signage is attached and includes the following:

Alaska Airlines Field at Husky Stadium

- East Scoreboard - Prominent, lit signage on the east-facing portion of the east scoreboard of Alaska Airlines Field at Husky Stadium
- West Side - Prominent, lit signage on the west-facing exterior of the west side of Alaska Airlines Field at Husky Stadium.
- Entrance Gates - “Welcome to Alaska Airlines Field” with Husky Stadium at the North, NW an SW gates of Husky Stadium.
- Roof - Prominent signage on the south roof structure and the west roof structure of Husky Stadium.
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Alaska Airlines Signature Partnership (continued p. 3)

Alaska Airlines Arena

- No change. Continue with existing sign locations.

UW Athletic Village

- Up to 5 “monument” style signs in mutually agreed upon locations.

Attachments

1. Sponsorship, Alaska Airlines, Overview of Terms
2. Alaska Airlines Signature Partnership Visuals
OVERVIEW OF TERMS

GENERAL RIGHTS

Designation and Exclusivity – Alaska Airlines will be named the “Official Airline Partner of the University Of Washington” and receive marketing and promotion exclusivity within the airline category. The contract does not include an obligation for the UW to exclusively use or purchase tickets on Alaska Airlines.

Rights To Marks – Alaska Airlines will receive a limited use of the UW Athletic and UW Academic marks for promotional purposes.

INTERCOLLEGIATE ATHLETICS

Naming Rights of Athletic Facilities

Alaska Airlines Field at Husky Stadium – Referred to in all media and uses as “Alaska Airlines Field at Husky Stadium”.

- Exterior Signage (Beginning in Year 1)
  - East Scoreboard - Prominent, lit signage on the east-facing portion of the east scoreboard of Alaska Airlines Field at Husky Stadium
  - West Side - Prominent, lit signage on the west-facing exterior of the west side of Alaska Airlines Field at Husky Stadium.
  - Entrance Gates - “Welcome to Alaska Airlines Field” with Husky Stadium at the North, NW and SW gates of Husky Stadium.
  - Roof - Prominent signage on the south roof structure and the west roof structure of Husky Stadium.

- Interior Signage
  - On-Field: Two (2) on-field signs. Field logos begin in the “Stub Year” (by September 19, 2016).
  - Concourse Columns: Two (2) designated column wraps on the concourse level at TBD locations.
Alaska Airlines Arena: Referred to in all media and uses as “Alaska Airlines Arena at Hec Edmundson Pavilion”.

- Exterior Signage – No change. Continue with existing sign locations.
- Interior Signage – Continue with existing sign locations, including the arena floor.

UW Athletic Village: Referred to in all media as uses as “UW Athletic Village Presented by Alaska Airlines”.
- Exterior Signage – Up to 5 “monument” style signs in mutually agreed upon locations.

Other Athletic Assets

- Suites – Suite at Alaska Airlines Field and Alaska Airlines Arena
- Group Tickets - Opportunity for Alaska employee benefits such as group ticket discounts and internal offers.

Multi-Media Rights (Held By IMG)

IMG is the rights holder for the multi-media assets associated with the UW Athletic Department (12 year agreement signed July 2013). In return for controlling these rights, ICA receives $6.7M in average annual revenue from IMG.

$1.1M will be passed through to IMG to secure the package of athletic multi-media rights for Alaska.

- Intellectual Property – Marks, Images, Official Designations
- Interior Signage – LED Boards, Concourse Monitors, and Video Boards.
- Media – Radio, Print, website, email, and social media
- Hospitality – Tickets, VIP experiences

CAMPUS AND ALUMNI

Communications
- Messaging opportunities in UW digital and print communications to support Alaska-UW partnership and engagement.
Campus Events
• Alaska will receive sponsorship rights at up to six (6) campus events.

UW Career Center / Premier Employer Status
• Premier Package of Benefits

Office of Minority and Diversity Affairs
• “Gold” Level Package of Benefits

Business Travel
• Provide Alaska with opportunities to develop relationship with UW Travel Office with the goal of delivering the best fares and service for UW faculty and staff
• No obligation for the UW to use Alaska Airlines over other airlines.

UW Alumni Association
• Right to market affinity credit card with UW marks
Alaska Airlines Signature Partnership
Visuals
5. Intercollegiate Athletics Facilities and Playing Fields Temporary Naming Rights Agreements

The University may enter into agreements with business entities to temporarily name intercollegiate athletics facilities or playing fields when the business entity makes a substantial contribution to the University's intercollegiate athletics program. A "substantial contribution" in this context means that facts and circumstances, including relevant market conditions, show that the business entity is making a substantial financial contribution to the University's intercollegiate athletics program. Any such agreements must be reviewed by Advancement working with the Department of Intercollegiate Athletics and will normally be for a fixed term of five years and not in excess of ten years. The term should be consistent with the contribution. Any agreement to temporarily name an interior feature, object or space must be approved by the President. An agreement to temporarily name an interior feature, object or space may include the right to place a sign or signs on the exterior of a building or an outdoor area; however, such right shall be approved by the Board of Regents upon the recommendation of the President. Any agreement to temporarily name buildings or outdoor spaces must be approved by the Board of Regents upon the recommendation of the President.
The logo of a business entity may be included on the name temporarily affixed to an interior feature, object, space, building or outdoor area if the logo is part of a unique design created in part for the purpose of acknowledging the relationship between the University and the business entity. Inclusion of a logo in a unique design on the name temporarily affixed to an interior feature, object or space shall be reviewed and approved by the President. Inclusion of a logo in a unique design on the name temporarily affixed to a building or outdoor area shall be approved by the Board of Regents upon the recommendation of the President.

This policy will apply to both new and existing interior areas, features, objects, spaces, buildings, and outdoor areas or spaces. No agreement shall detract from the institution's values, dignity, integrity, or reputation, nor shall it create a conflict, or the appearance of a conflict, of interest or confer special privileges. The business entity shall have a prominent relationship with the University and/or the region, and have a positive image and demonstrated integrity. In the event of changed circumstances, the University reserves the right, on reasonable grounds, to revise the form of or withdraw recognition. In the event there are any inconsistencies or ambiguities between this policy and other University Naming Rights policies, this policy shall take precedence.
Collegiate Naming Rights Examples
Alaska Airlines Signature Partnership Offering Overview

Facility Logo Integration – Cal Berkeley: Kabam Field at California Memorial Stadium
Alaska Airlines Signature Partnership Offering Overview

Facility Logo Integration – Illinois: State Farm Center
Alaska Airlines Signature Partnership Offering Overview

Facility Logo Integration – Minnesota: TCF Bank Stadium
Alaska Airlines Signature Partnership
Offering Overview
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Field Logos
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Roof Signage
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Eastern Scoreboard Signage
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Southwest Entrance
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Northwest Entrance
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – West Entrance
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – North Entrance
Alaska Airlines Signature Partnership Offering Overview

Athletic Village Presenting Sponsor

> The University of Washington Athletic Village presenting sponsorship provides a unique opportunity for a partner to be incorporated into the campus and recognized as a proud supporter of all UW varsity teams and student athletics.
Alaska Airlines Signature Partnership Offering Overview

Athletic Village Presenting Sponsor

> The assets and rights included in the Athletic Village branding are outlined below:

- **Presenting Sponsor Entitlement**
  Right to include the partner’s name in the entitlement of the Athletic Village
  Name inclusion in media and promotions of both the partner and UW

- **Perimeter Signage Designation**
  Welcome entrance signage at six major points that define the Athletic Village

1. Mary Gates Memorial Drive
2. E1 Parking Lot – North Entrance
3. E1 Parking Lot – Montlake Entrance
4. Basketball Arena Entrance
5. Husky Stadium Entrance
6. Light Rail Entrance
Alaska Airlines Signature Partnership
Offering Overview

Athletic Village Presenting Sponsor
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Audit Advisory Committee Update

INFORMATION

For information only.

BACKGROUND

The University of Washington Audit Advisory Committee was established in January 2014 as an advisory committee to the Board of Regents, its appropriate standing committees, and the University President, or his or her designee, on matters relating to the University’s financial practices and standards of conduct. The committee is responsible for reviewing and advising on any external and internal financial audits and internal controls. The committee may, through its Chair or a majority vote of its members, ask management to address specific issues within the responsibilities of the committee.

As noted in the Board of Regents Governance, Standing Orders, Chapter 4, Section 3, the Audit Advisory Committee will consist of no more than eight members to be appointed by the Board. The Audit Advisory Committee is comprised of both Regent and non-Regent members. Members will be asked to make a minimum commitment of three consecutive years, and will serve at the pleasure of the Board.

As approved by the Board at its September 11, 2014 meeting, the Audit Advisory Committee members are:

- Regent Kristianne Blake (Chair) 9/1/14 to 8/31/17
- Robert L. (Bob) Gerth 9/1/14 to 8/31/17
- Richard D. Greaves 9/1/14 to 8/31/17
- Brandon S. Pedersen 9/1/14 to 8/31/17
Intercollegiate Athletics Report on NCAA Compliance

BACKGROUND

This is an informational presentation to the Board of Regents providing an overview of ICA actions and efforts regarding NCAA Compliance. The Board was last updated on this topic in July, 2014.

Attachment
Who We Are Is Why We Win, September 2015
Today’s Report

- NCAA Violation Report
- Continued Demonstration of Institutional Control
- Positive Impact on the Student-Athlete Experience
Violation Summary: 9 total

- Administrative:
  - Camp advertisement used a current student-athlete likeness
  - NCAA Certification Paperwork Errors (Level IV)
  - Financial Aid Renewal Delay
- Recruiting:
  - Impermissible Contact with Junior
  - Texting Violations (All sports except track and football are allowed to text)
  - Audio Texting
  - Official Visit Welcome Basket
  - Official Visit Video
  - Official Visit Timing (exceeded 48 hours)

*Autonomy and Deregulation has removed many commonly violated bylaws (ex. food, benefits and team travel)*
Violation Notes:

• Overall, a mix of self-reported and systems discovered violations.
• Due to changes in the enforcement structure within the NCAA, we had a drop in the total number this year.
• Recruiting bylaws continue to have the most violations:
  • Sport specific nuances remain in the area of texting and social media
  • Official visit education has been provided to all coaches to address the rise in violations in that area last year.
Demonstrating Institutional Control

• Pac-12 representatives spoke to UW coaches regarding the importance of the student-athlete experience and NCAA rules compliance.
• Monthly head coach meetings, rules compliance reinforced by Athletic Director, Scott Woodward.
• Yearly internal audits of compliance policies and procedures
  • 2015- Financial Aid Reviewed
• Student-Athlete Sophomore and Exit Interview Surveys
• Comprehensive education program
• Appropriately staffed compliance department
Positively Impacting Student-Athletes

• Pac-12 initiatives and deregulation of NCAA rules regarding meals and incidental expenses have directly benefited our student-athletes.

• Through the NCAA Special Assistance Fund, ICA can provide direct support to assist student-athletes with the following:
  • Misfortune reimbursement (ex. replacement of items lost in an apartment fire)
  • Medical expenses not covered by insurance (ex. contact lens)
  • Emergency travel home (ex. attend family funeral)
  • Additional clothing funds for Pell Grant eligible students
  • Incidental meals to practice, competition and team travel
Election of 2015-16 Board Officers, Committees, and Other Appointments

The Governance Committee recommends the following Regents for election to office, appointments to committees, and other appointments for 2015-16.

<table>
<thead>
<tr>
<th>Board Officers</th>
<th>Forapproval at the meeting of the Board on September 10, 2015.</th>
<th>For approval at a future meeting of the Board.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td>Bill Ayer</td>
<td>Pat Shanahan</td>
</tr>
<tr>
<td>Vice Chair</td>
<td>Pat Shanahan</td>
<td>Jeremy Jaech</td>
</tr>
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**Standing Committees**

**Academic and Student Affairs**

| Chair          | Jeremy Jaech                                                 | Constance Rice                                  |
| Vice Chair     | Constance Rice                                               | Rogelio Riojas                                  |
| Members        | Vanessa Kritzer                                             | Vanessa Kritzer                                 |
|                | Rogelio Riojas                                               | Herb Simon                                      |

**Finance and Asset Management**

| Chair          | Pat Shanahan                                                 | Jeremy Jaech                                    |
| Vice Chair     | Joanne Harrell                                               | Kristi Blake                                    |
| Members        | Kristi Blake                                                  | Bill Ayer                                       |
|                | Orin Smith                                                   | Joanne Harrell                                  |
|                |                                                              | Orin Smith                                      |

**Governance**

| Chair          | Board Chair, Bill Ayer                                       | Board Chair, Pat Shanahan                       |
| Vice Chair     | Kristi Blake                                                  | Bill Ayer                                       |
| Members        | Kristi Blake                                                  | Bill Ayer                                       |
|                | Constance Rice                                               | Kristi Blake                                    |
|                | Pat Shanahan                                                 | Jeremy Jaech                                    |
|                | Orin Smith                                                   | Constance Rice                                  |

**Regent Representatives to Advisory Committees and other Boards**

- **ACRE**
  - Herb Simon, term 2/1/15-1/31/18
- **UWINCO**
  - Orin Smith, term 3/1/13-9/30/15 (BoR term end date)
  - Bill Ayer 10/1/15-9/30/16 (BoR term end date)
- **Audit Advisory**
  - Kristi Blake, Chair, term 9/1/14-8/31/17
  - Vanessa Kritzer, term 9/10/2015-6/30/16
- **Governmental Affairs**
  - Herb Simon, Chair, term 10/1/14-9/30/17
  - Joanne Harrell, term 10/1/14-9/30/17
- **UW Medicine Board**
  - Kristi Blake, term 5/9/13-5/8/16
  - Rogelio Riojas, term 9/11/14-6/30/17
- **Foundation Board**
  - Board Chair serves ex officio
  - Constance Rice will continue to serve as Regent Representative

**Other Officers of the Board elected annually**

- Treasurer of the Board: FAM Chair, currently Pat Shanahan
- Secretary of the Board: Joan Goldblatt
- Assistant Secretary of the Board: Shelley Tennant

**Presidential Search Advisory Committee**

- Kristi Blake, Joanne Harrell, Jeremy Jaech, and Rogelio Riojas
Excerpts from the *Board of Regents Governance, Bylaws*

**Article II, Officers of the Board, Section 1, Elections**

At its regular meeting held in September of each year, the Board of Regents shall elect a Chair and Vice Chair, who shall be members of the Board. The Board shall also elect a Secretary and a Treasurer and such other officers as it may desire, who need not be members of the Board. All elections shall be by majority vote. The Chair and Vice Chair shall hold office for one year and until their successors are elected. All officers of the Board shall hold office at the pleasure of the Board.

**Article II, Officers of the Board, Section 4, Treasurer**

The Treasurer of the Board shall:
A. Recommend, develop, and analyze policy and procedures relating to the investment of endowments, gifts, and bequests, other non-appropriated funds, and other funds in excess of immediate needs of the University;
B. Attend meetings of appropriate Board committees; and
C. Report from time to time on matters pertaining to the investment of University funds.

If an Assistant Treasurer is elected by the Board, the Assistant Treasurer shall have the authority and shall perform the duties of the Treasurer in the event of the Treasurer's absence or incapacity, and shall perform such other duties as may be assigned by the Board.

**Article IV, Committees of the Board, Section 1, Standing Committees**

The chair, vice chair, and members of each standing committee shall be recommended by the Governance Committee and approved by the Board. Each standing committee shall consist of at least four members, with at least three voting members. All committee chairs, vice chairs, and a majority of each committee shall be Board members.

**Article IV, Committees of the Board, Section 1, Standing Committees, Item A. Governance Committee**

The purpose of the Governance Committee is to ensure the integrity of the Board and enhance Board performance. The committee is responsible for:

Number 3) Recommending a slate of officers for Board approval;

Number 4) Recommending for Board approval individual members to act as the Board's representatives on outside boards and committees.