

Administrative Unit Name: *University Advancement*

1. One goal of the budget development process for administrative units this year is to provide greater understanding of the connection between resource use and the primary, or core function by each part of the administrative structure. To begin, please paste a copy of your organization chart here. Please provide a chart that reflects the diversity of the organization and will serve as a sensible platform to complete the next question.

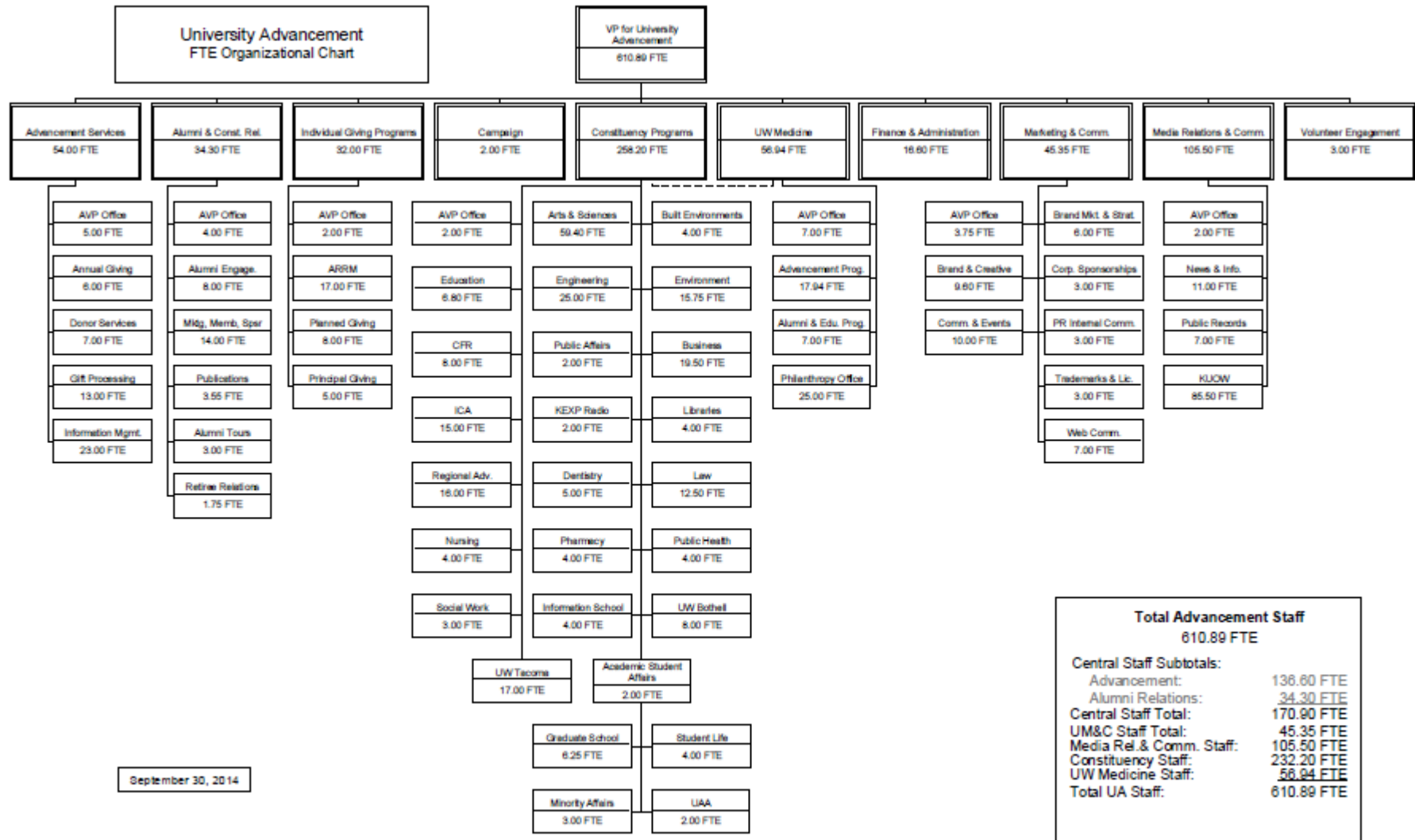
Because administrative units have a month and a half to complete this work, unit leadership should use their discretion in providing a level of detail that prompts a rich conversation, but is not overly burdensome.

University Advancement is a highly complex organization which includes joint FTE funding agreements, a start-up self-sustaining unit, and agency/auxiliary budgets. In January 2014, we absorbed 3 units (UW Marketing, Corporate Sponsorships and Trademarks & Licensing) and absorbed 3 additional units in July 2014 (News & Information, Public Records and KUOW); we also fund the Visitor Center and the expansion of the Industry Relation Officers unit.

The chart below is inclusive of all University Advancement units regardless of funding source. Characteristics of our unit:

- Joint partnership with 25 UW schools/colleges/programs/campuses to advance all aspects of the University
- University-wide services (University Marketing & Communications, Media Relations & Communications, Individual Giving Programs, Principal Giving, Planned Giving, Research & Relationship Management, Regional Advancement, Corporate & Foundation Relations, Alumni & Constituent Relations, Advancement Services Programs, Gift Processing, Donor Services, Annual Giving, Information Management, Finance & Administration, Human Resources, Finance, Facilities, Volunteer Engagement, Campaign)
- Five affiliated 501(c)3 entities (UWF, UWAA, UWRA, KUOW, KEXP)
- Two self-sustaining units (Corporate Sponsorships, Trademarks & Licensing)
- One governmentally mandated compliance unit (Office of Public Records)

University Advancement’s organization chart is included below, but also included in the FY2016 budget submission materials as a separate document.



Please note that Advancement shares many of these FTE (and their associated expenditures) with other units. Thus, not all 610.89 FTE are represented in the "FY15 Administrative Expenditures" section at the end of this document.

2. In order to provide a snapshot of current activities, the distribution of resources across various functions and how much these activities contribute to the University's mission, please provide information about the functional areas, or departments, of your organization.
- a) A description *not to exceed 200 words* of how each functional area contributes to the University's research, service and teaching missions and what risks the University would face if this work were no longer funded¹; and,
 - b) Planned expenditures, by functional area, showing how your unit intends to spend *permanent ABB funds*, as well as (if applicable to your unit) funds derived from self-sustaining efforts, grants and contracts, and philanthropy, and other funds during FY15.
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University Advancement secures private support for, generates advocacy on behalf of, and raises awareness of and passion for the brand of the University of Washington. Our work touches every school, college, campus and program, where it provides the margin of excellence upon which the University has earned its reputation as a world leader.

Private support (gifts, private grants and endowment distributions) totals nearly 10% of the University's budget. In addition, the public awareness and engagement generated through our efforts are critical in securing both voter and legislative support, which further enhance the institution's work.

The importance of private support cannot be understated. Scholarships provide access to higher education, giving some of our most disadvantaged citizens a path toward a more prosperous future. Professorships and chairs attract and retain award-winning faculty, who discover cures for diseases, invent new technologies and teach our next generation of innovators and leaders. Program support allows for innovation and enhances the educational experiences of our students.

There are several components within University Advancement: fund raising, University Marketing & Communications, Office of Public Records, and self-sustaining units. University Advancement recently integrated units from External Affairs; FY15-16 will be the first full year of integration. As such, we do not have a solid history on which to base the impact of these units on University Advancement as a whole. We have used the knowledge we have acquired to project our funding and expenditures but felt the need to call out that the full impact is unknown at this time.

Fund raising: Last year a total of \$482M was received from generous donors for the University of Washington through fund raising efforts; our current campaign goal is to sustain a five-year average of more than \$400M. University of Washington has year after year posted the lowest cost per dollar raised of peer institutions—our current five-year average is 13 cents per dollar raised. Our closest peers, Michigan and UCLA, both average 21 cents per dollar raised. For every dollar invested in University Advancement, the five-year average return on investment is \$7.87.

University Marketing & Communications: University Marketing & Communications (UM&C) builds awareness of the UW and enhances its reputation through integrated marketing and communications while transforming the vision and values of the UW into engaging, strategic campaigns. The UW's reputation is an institutional asset. Investment in our reputation will strengthen how our peers and key audiences perceive us, as well as enable us to attract the regions and the world's top students, faculty and staff and inspire the level of private and public support our reach and impact deserves.

¹ Please refer to the FY16 Budget Development web page at <http://opb.washington.edu/content/fy16-budget-development> for more information about the University's Sustainable Academic Business Plan goals and top institutional risks.

Office of Public Records: Public Records is tasked with overseeing compliance with the Public Records Act and the Open Meetings Act enacted in 1972 to assure citizens of Washington of transparency and access to government. The law requires a named public records officer to oversee the institution's compliance with the act and to coordinate responses to requests made under the act. In carrying out its function, the office engages in managing legal, financial, reputational and brand risk.

Self-Sustaining: Within UM&C, there are two self-sustaining units, Corporate Sponsorships and Trademarks & Licensing. Corporate Sponsorships is a centrally coordinated, integrated sponsorship marketing effort for the benefit of the entire university. It provides a valuable resource to units that increases efficiency and maximizes revenue by aligning with world-class companies whose values match the UW. Trademarks & Licensing supports the UW by promoting the brand and managing the use of the University's names, logos, and distinctive visual images. This ensures that the University's image is protected and favorably represented.

Risks: If the work of University Advancement were no longer funded, the institution would lose a critical revenue stream (private support), as well as avenues to advocacy and the prestige required to attract top students, faculty and staff.

Please see attached workbook for 5-year projections for University Advancement, UM&C and Office of Public Records.

3. In less than 200 words, please describe how you envision adapting your unit and its organization to meet changing institutional needs in the coming fiscal year. Please integrate self-sustaining, grant & contract, and philanthropic sources of funding (if applicable to your unit) and describe how these sources are marshalled to subsidize your activities.
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Above and beyond its ongoing work to foster pride, advocacy and philanthropic support for the University's mission, University Advancement continues planning the institution's next campaign. We believe the most important contribution we can make is to continue the permanent enhancement of the University's capacity to generate private support. Campaign success hinges on deep involvement of and commitment by the University's leaders and most passionate supporters.

University Advancement is a central-decentralized unit whose funding sources are comprised of gift interest, DOF/GOF, and self-sustaining funds; these funds are split between the central and constituency units to support fund raising operations.

To reach the University's aspirations for a \$4B campaign, the UW must continue to invest in University Advancement, including its marketing and branding campaign. In addition to core support, providing donors with matching funds to stimulate the institutions highest priorities is one of the most strategic investments we can make.

4. In one paragraph or less, please assess the functional and financial health of your unit since FY09 (e.g. deficits, workforce capacity, declining grants or gifts).
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Since losing over 25% of our portfolio value (\$6.5M) and laying off 84 FTE in 2009, University Advancement has recovered to accumulate a fund balance of \$9M, which will enable us to prepay the HRP allocation, as well as enable us to better weather a future downturn in the CEF. (Our current Reserve Policy is 5% of our projected expenses which is \$2.8M for FY14-15). However, this growth still leaves University Advancement short of the investment needed to attain the UW annual fundraising goal of \$400M at the conclusion of the campaign. We are confident that

University Advancement, through its prudent use of resources and additional investments from campus, will continue to perform at the highest levels.

5. In the event that neither state funds nor additional Provost Reinvestment is available for compensation increases, how might your unit cover salary increases for positions budgeted in GOF and DOF budgets? Please refer to the FY16 Budget Development web page at <http://opb.washington.edu/content/fy16-budget-development>.

After 2009, we have intentionally and deliberately rebuilt our fund balance to address any future short-term funding gaps. (Our Reserve Policy is 5% of our projected expenses which is \$2.8M for FY14-15).

60% of our current salary base is self-funded; we estimate the portion that would be funded centrally to be 40% which we are prepared to fund by utilizing our fund balance. Our current projections include the capacity to absorb a 4% salary increase with no additional central funding for FY15-16 (~\$700K).

Without additional central funding, we have projected that our fund balance will drop into deficit during FY17-18 and grow to \$15M by June 30, 2020, not including transitioned UM&C units. If these units were included, the fund balance deficit would be exacerbated beyond the \$15M we project.

UM&C's financial consolidation lags behind the physical consolidation of the units into University Advancement. In other words, we have not been able to determine what the full impact of this consolidation will look like in terms of financial reporting and budgeting. Therefore, UM&C numbers are not included in some of the figures in this document.

6. This summer, the UW has been the sole subject of a state-required audit of net operating fee (tuition) and local fund accounts. This audit has revealed the importance of monitoring expenditures against budgets on a biennial basis, ensuring that colleges, schools and administrative units have plans to spend fund balance in a reasonable and mission-driven manner and that these plans are acted upon. As such, we are piloting a new administrative carryover policy for the FY16 budget process, though we will employ draft carryover data in executing this pilot.

University Advancement does not have carry-over funds for DOF/GOF. We will utilize our 65-3350 funds to pre-pay our HR/P Allocation costs (~\$836,750) in FY14-15.

7. Though we believe that few, if any, state funds will be available and that any new Provost Funds may be dispatched for mitigating cuts or providing salary increases, please indicate what **Provost Reinvestment Funds are being requested**. Requests for funds should be identified by a unique title, accompanied by the amount requested, the year funding is requested, whether the request is for permanent or temporary funds, the number of years funding is needed in the case of a temporary request and a brief description, not to exceed 500 words. **Successful requests will make meaningful contributions to institutional strategic plans, drive student support and student service missions, and correlate directly to the long-term financial health of the University or its efforts to mitigate institutional risk.**²

² Please refer to the FY16 Budget Development web page at <http://opb.washington.edu/content/fy16-budget-development> for more information about the University's Sustainable Academic Business Plan goals and top institutional risks.

Importantly, requests for new funding will be considered alongside carryover spending plans. Administrative units with growing temporary fund balances will be asked to explain why new funding is needed to support mission-critical program enhancements.

Brief description, not to exceed 500 words, highlighting the alignment of the request to strategic plans and/or the mitigation of institutional risk.

Title	Funding	FY	P/T	Years Needed (T)	DOF?
UW Campaign	\$3,500,000(Deferred)	FY17	P		Y
UM&C	\$999,015	FY16	P		Y
Office of Public Records	\$100,000	FY16	P		Y
TOTAL P REQ:	\$1,099,015	FY16	P		
UM&C	\$2,337,700	FY16	T	FY15-16, FY16-17	Y
Office of Public Records	\$1,317,360	FY16	T	FY15-16	Y
TOTAL T REQ:	\$3,655,060	FY16	T		

UW Campaign

(5-year Budget Projection and Funding request attached)

University Advancement requests correlate directly to both the strategic plans and the mitigation of institutional risk by enabling University Advancement to broaden our engagement and branding efforts to realize a successful campaign.

To date, we've gratefully received \$4.4M (as well as \$2M in temporary funding received in FY14-15). To successfully complete the University's \$4B campaign goal, an additional investment to University Advancement of \$3.5M in permanent funding will be needed. To acknowledge the large request we are making on behalf of UM&C and the Office of Public Records, we will defer our request for FY15-16.

UM&C

(5-year Budget Projection and Funding request attached)

Over the past year, University Marketing & Communications has achieved major milestones in our mission to tell the UW's boundless stories of innovation and impact, culminated in the launch of the UW's brand campaign last month. We now begin deep strategic and transformational work with our partners across the UW system to fully develop the University of Washington's integrated brand marketing and communications strategy. To that end, the following additional resources are necessary to build a long-term, world-class, sustainable model for integrated communications.

Organization/Structure: In the next fiscal year, it will be necessary to add permanent staffing resources to support the University's rapidly-growing photography and visual story-telling needs. In addition, in partnership with Enrollment Management and Associate Vice-Provost Phil Ballinger, we believe it is critical to add enrollment marketing expertise to achieve the University's student recruitment objective.

Institutional Marketing Initiatives: To achieve the University's strategic long-term objectives, additional permanent investment will be required to support initiatives focused on student recruitment and the Husky experience, including new admissions events and improved prospective student communications. Additional resources are also necessary to support faculty/staff recruitment and retention initiatives, as well as internally-focused communication efforts that inspire pride and passion among our Husky family. UM&C also requests funding to support the execution of an annual Parent Weekend, beginning in Spring 2016, in partnership with Student Life, UWAA, ASA, ICA, and other UW partners. Finally, strategic initiatives in support of the University's brand pillars will require a permanent fund source.

Brand/Campaign/Image Investment: The UW's reputation is an institutional asset. Investment in our reputation will strengthen how our peers and key audiences perceive us, as well as enable us to attract the region's and the world's top students, faculty and staff and inspire the level of private and public support our reach and impact deserves. By the end of FY14-15, we will be 8-months into the UW's student-focused integrated brand campaign and will have metrics to gauge our success. We plan to sustain the student-focused campaign through FY15-16, while at the same time gearing-up for the comprehensive fundraising campaign. In FY16-17, the University message shifts to a 'call-to-action', as we launch the public phase of the fundraising campaign in fall 2016. While there is a sustained need to invest in our reputation, we are requesting temporary funds for these campaigns and brand-building efforts, as the goals and target audiences will change from year to year. We also recommend, in coordination with efforts currently underway, a one-time investment in on-brand updates of the University's way-finding and campus signage system, and enhancements to the UW visitor experience.

Office of Public Records

(3-year Funding request attached)

Washington state laws requiring transparency in government continue to put enormous pressure on this office. This government-mandated function with a growing backlog has resulted in legal and financial risk to the UW. We recommend that a backlog of 1 million pages be resolved with outsourcing. Our request of \$1.3M in 1-time funds would resolve the backlog risk. In addition, we are requesting \$100K in permanent operations. The office's current operations budget is \$77K, which is insufficient to address continually changing technology needs, such as a specialized scanner, web-enabled software and additional server storage. The Office of Public Records ask for the next two cycles includes augmentation of FTE by 2 per year (for a total of 4) and an additional \$350K in permanent operations requests.

FY15 Administrative Expenditures by Functional Area

At a level of granularity that reflects your organization’s chart or, if no chart exists, the functional areas of your organization, please provide the following information for each functional area using the template(s) below:

- a) A description not to exceed 200 words of how each functional area contributes to the University’s research, service and teaching missions and what risks the University would face if this work were no longer funded[1].
- b) Planned expenditures, by functional area, of how your unit intends to spend permanent ABB funds, as well as (if applicable to your unit) funds derived from self-sustaining efforts, grants and contracts, and philanthropy, and other funds during FY15.

Please describe any assumptions you are making in your response, such as those related to the availability of state or federal funding or projections based on the first complete month of expenditures in FY15, etc. Please see the example “Admin Template - Planning & Budgeting Draft,” which is provided at:

<http://opb.washington.edu/content/fy16-budget-development>

[1] Please refer to the webpage above for more information about the Sustainable Academic Business Plan goals and top institutional risks

Name of area: Advancement Services			
<i>The following units and staff report to the Associate Vice President for Advancement Services:</i>			
<i>-- Annual Giving, which solicits alumni, friends, parents, faculty and students on behalf of the University of Washington.</i>			
<i>-- Donor Services, which includes two parallel concepts: donor stewardship and fund stewardship.</i>			
<i>-- Gift Processing, which processes all gifts to the University of Washington, the UW Foundation, and its agencies (Harborview Medical Center, Henry Art Gallery, and the Law Foundation) in compliance with university policies and procedures, and state and federal law.</i>			
<i>-- Information Management, which provides the technical infrastructure supporting University Advancement.</i>			
<i>-- Several developers, a business analyst, and the Assistant to the AVP also report to the AVP for Advancement Services.</i>			
Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	43.00	\$ 4,460,418	
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)	13.00	\$ 1,987,082	\$ 1,964,588
Advancement Services Total	56.00	\$ 6,447,500	\$ 1,964,588

BT = Budget Type

Figures do not include salary savings

Name of area: Alumni & Constituents			
<i>The Office of Alumni and Constituent Relations, part of University of Washington’s Office of Advancement, is the University unit responsible for broadbased engagement of a number of key University constituencies. These include alumni, donors and retirees as our major audiences. We also reach out to students, parents, athletics ticket buyers and other constituencies for specific purposes.</i>			
Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	11.38	\$ 1,173,800	
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)	15.59	\$ 1,467,870	\$ 233,000
Total	26.97	\$ 2,641,670	\$ 233,000

BT = Budget Type

Name of area: Individual Giving Programs			
<i>The Individual Giving Program (IGP) serves a variety of clients: our alumni, supporters and friends; our unit colleagues across campus; and administrative and volunteer leaders, including the Office of the President, the Provosts, Deans and the Vice President for University Advancement. We value thoughtfulness, openness, creative strategy development, excellence, a collaborative spirit and inquisitiveness. We are, at all times, proactively client-focused and results-oriented. IGP, housed in the UW's Office of University Advancement, comprises: Advancement Research & Relationship Management, Planned Giving, Principal Giving, and Office of the Associate Vice President.</i>			
Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	30.00	\$ 3,409,789	
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)	4.00	\$ 287,613	\$ 309,581
Total	34.00	\$ 3,697,402	\$ 309,581

BT = Budget Type

Name of area: Campaign			
<i>Our current campaign goal is to sustain a five-year average of more than \$400M. University of Washington has year after year posted the lowest cost per dollar raised of peer institutions—our current five-year average is 13 cents per dollar raised. Our closest peers, Michigan and UCLA, both average 21 cents per dollar raised. For every dollar invested in University Advancement, the five-year average return on investment is \$7.87.</i>			
Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	2.00	\$ 314,801	
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)	0.00	\$ 632	\$ 201,377
Total	2.00	\$ 315,433	\$ 201,377

BT = Budget Type

Name of area: Constituency Program			
<i>The Associate Vice President for Constituency Programs, Greg Sheridan, provides leadership and management (in coordination with unit leadership) for school, college, program, unit and campus (s/c/p/u/c) Advancement offices. (This excludes UW Medicine, which reports directly to the Vice President for Advancement and the Dean for the School of Medicine.) Constituency Programs are responsible for raising private support of their respective s/c/p/u/c, and also work closely with central Advancement staff to fulfill the overall mission of the University. Constituency Programs also include Corporate & Foundation Relations and Regional Advancement.</i>			
Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	10.00	\$ 2,085,566	
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)	130.86	\$ 14,796,706	\$ 5,730,242
Total	140.86	\$ 16,882,272	\$ 5,730,242

BT = Budget Type

Name of area: Finance & Administration

Finance and Administration serves the fiscal, administrative, and human resources needs of University Advancement. Areas of service include budget planning, financial reporting, travel/payroll/purchasing, human resources, facilities management, and emergency preparedness.

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	10.00	\$ 1,016,027	
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)	7.00	\$ 545,238	\$ 1,182,314
Total	17.00	\$ 1,561,265	\$ 1,182,314

Name of area: VP for Advancement

This area includes the Vice President for Advancement and support staff, including those involved with volunteer engagement.

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	5.00	\$ 914,092	
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)	1.00	\$ 83,213	\$ 1,675,188
Total	6.00	\$ 997,305	\$ 1,675,188

Name of area: UW Foundation

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)			
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)	0.10	\$ 10,227	
Total	0.10	\$ 10,227	\$ -

Name of area: Marketing & Communication

University Marketing & Communications (UM&C) builds awareness of the UW and enhances its reputation through integrated marketing and communications while transforming the vision and values of the UW into engaging, strategic campaigns. The UW's reputation is an institutional asset. Investment in our reputation will strengthen how our peers and key audiences perceive us, as well as enable us to attract the regions and the world's top students, faculty and staff and inspire the level of private and public support our reach and impact deserves. This area, includes Media Relations.

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	25.50	\$ 2,493,052	\$ 2,000,000
Self-Sustaining Funds (BT 10, 11)	6.00	\$ 611,964	\$ 255,912
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)	28.00	\$ 3,038,801	\$ 1,806,451
Total	59.50	\$ 6,143,817	\$ 4,062,363

Name of area: Public Records

Public Records is tasked with overseeing compliance with the Public Records Act and the Open Meetings Act enacted in 1972 to assure citizens of Washington of transparency and access to government. The law requires a named public records officer to oversee the institution's compliance with the act and to coordinate responses to requests made under the act. In carrying out its function, the office engages in managing legal, financial, reputational and brand risk.

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	8.00	\$ 820,130	\$ 136,525
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)			
Total	8.00	\$ 820,130	\$ 136,525

Name of area: KUOW

Fund Source	FY15 FTE	FY15 Planned Annual Expenditures (in \$)	
		Salaries/Benefits	Other
ABB Funds (GOF, DOF-ICR, DOF-LFA)	0.32	\$ 89,508	
Self-Sustaining Funds (BT 10, 11)			
Grants & Contracts (BT 05)			
Philanthropy, or Gifts & Discretionary (BT 06)			
Total	0.32	\$ 89,508	\$ -

Administrative Unit Carryover Usage Plan SUMMARY

This table will self-populate via the "Carryover Worksheet - Detail" tab

Administrative Unit Name:	University Advancement
Estimate of Carryover Balance at "Close" of FY14:	1,000

Usage Category	Amount	%
Unit's Reserve	n/a	
Central Commitments	n/a	
Permanent Costs & Other Projects	n/a	
Total	n/a	