

**Administrative Unit Name: University Advancement**

Please complete this Word document and the accompanying Excel workbook (both of which were provided to your unit via email), and submit them to the Office of Planning & Budgeting (OPB) on or before **Thursday, February 1, 2018**.

Please email your materials to [Jason Campbell](#).

Please note that the responses you provide in this Word document **will** be posted to the OPB website.

**1. What is the programmatic vitality of your unit?**

Please provide both quantitative and qualitative information, leveraging published materials and [previous submissions](#) where possible. In your response to this question, you may wish to include responses to some or all of the following prompts. Please note that these are suggestions, not requirements.

- What are the top 3-5 strategic goals of your unit? Could any of these goals increase expenditures or decrease revenue for other units?
- What is your unit doing to effectively use resources in a way that benefits your unit and/or other units outside of our own?
- Please describe your unit's emerging or changing personnel needs—prompted by changes that either your unit or the institution is facing—and what your unit will do to meet these needs *without* creating new FTE positions (e.g. redeploying FTE among other functional areas).

Please respond in 500 words or fewer and please use bullets, rather than dense prose.

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In its seminal Washington Futures report in 2013, the UW Futures committee recommended that the University capitalize on a handful of opportunities: substantially increase philanthropy as a source of revenue and create a strong, integrated message about the impact of the UW and sharing it broadly. The UW embraced these opportunities, launching an integrated brand and a comprehensive campaign, Be Boundless – For Washington, for the World. As a result, we are seeing substantial increases in private support, public awareness/opinion, and community engagement.

Beyond achieving its fundraising goals, the strategic purpose of every campaign is to reach and maintain a new, higher—and sustained—level of private support for institution. Through the Be Boundless campaign we have seen strong growth in private support (refer to Annual ROI report). In the last campaign, we averaged \$300M, and we are on track to move to an average \$400M at the conclusion of our Be Boundless Campaign.

Private support currently comprises 7% with endowment distribution – an important source of revenue that supports our students, faculty, and programs. UW revenue charts show philanthropic support exceeding state support and approaching that of tuition support, and we will continue to be a critical piece in the overall funding of the institution. UW fundraising success is also highlighted by bond rating agencies as a positive indicator of UW's fiscal strength.

Each of the University's schools, colleges, and campuses is benefitting directly from the campaign—where 97% of all funding received is restricted to schools colleges and campuses—and will continue to do so for years ahead.

The University is enjoying a strong return on the investment it made in the brand and the campaign (\$7.5M with inflation, in a combination of permanent and temporary funding). UW Advancement returns a 5-year average of \$7.16 for each dollar the institution invests in it. This ROI is the strongest amongst our public R1 peers which averaged \$5.54 (refer to the attached Annual ROI Report). We are ever mindful of return on investment as we examine our strategic investments in Advancement. We have an ongoing focus on efficiencies and effectiveness, and we can expect the ROI to stay strong.

University Advancement's Annual ROI Report reflects a holistic, university-wide approach to deploying development, marketing and communications, and alumni and stakeholder engagement in support of UW's (and units') priorities and aspirations. Consistent with the university's defined organizational structure for advancement, the report describes the UW's advancement expenditures for both constituency units and university-wide services, as well as private support flowing to units based on donor designations.

One of the hallmarks of UW Advancement – and one of the key drivers of our success - is our fully integrated model which combines the disciplines of alumni and stakeholder engagement, development, and marketing and communications. We recently adjusted our (central) organizational structure to reflect this philosophy. In so doing we created efficiencies that will support continued growth in in support for the institution.

## 2. What is the fiscal vitality of your unit?

Add assumptions/what amounts we are confirming

New contracts with AT&T – significantly

To answer this question, please complete the following tabs in the Annual Review Excel workbook:

- On the **purple tabs, i.e. the “Fiscal Reports,”** please:<sup>1</sup>
  - Review the prepopulated FY16 and FY17 fields on each fund source tab. The “Fiscal Vitality References and Tools” workbook (described below) provides information to help with this review.
  - Provide full revenue and expenditure plans for FY18, FY19, FY20, and FY21.
  - If there is an area of your unit that you wish to isolate in more detail (i.e. significant departmental self-sustaining, clinical, etc.), feel free to submit an additional fiscal (i.e. dark purple) tab.
  - Enter totals from each of the tabs into the Summary tab.
- On the **“Alternative Assumptions”** tab, please clearly identify and briefly explain any assumptions used in your calculations that are *different* from the [Central Budget Assumptions](#) on OPB’s [FY19 Annual Review Materials webpage](#). You are encouraged to refine and adjust the central assumptions, which are (in many cases) general and imperfect.
- On the **“Fiscal Vitality Qualitative Assessment”** tab of the Fiscal Vitality Report Excel workbook, please describe your unit’s overall financial health. If your unit’s fiscal data shows any negative (i.e. financially unhealthy) trends, please propose actions that your unit will take to improve its financial position.

The following resources are available to help you complete this work:

- **“Fiscal Vitality References & Tools” Workbook** (available on the [FY19 Annual Review Materials webpage](#)):
  - FVRowByRowDefinitions Tab: row-by-row general and unit specific parameters used to compile data in the Fiscal Vitality Reports Summary and Fund Source tabs.
  - BgtTypeClassInfo Tab: list of budget types, classes, super classes, family, and community that are referenced in the FVRowByRowDefinitions tab.
  - FVExpendituresPivot and FVBudgetRevenue&CarryoverPivot Tabs: budget number detail supporting the Summary and Fund Source data in the purple tabs of the Annual Review Excel workbook.
- **FY18 GOF/DOF Budget Base:** By November 22, OPB will provide FY18 permanent and temporary budgeted values, as of October 2017 fiscal month end. You can build off these for your FY18 plan, but you will need to adjust for any budget revisions that have occurred (or will occur) since October 2017 fiscal month end.
- **BI Portal Reports** (click on the B.I.Portal link under “Products”): Each report has Overview, Technical Information, and Interpretation tabs that describe the report, what is included in the data, the data sources, and how to use the report. Note, data may differ between reports, but they can still be used as resources.
  - Biennium To Date Budget Balances
  - Remaining Balance by OrgCode and Category
  - Forecasting Template by Fiscal Year and OrgCode (please note, this tool will imperfectly forecast expenditures if units employ fund shifts or cost transfers)
- **Central Budget Assumptions** (mentioned above), which includes additional resources and guidelines.

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<sup>1</sup> Please note that grants, contracts, and gifts are included in the report to provide the Provost with a more holistic view of a unit’s financial activities. The amounts can be reconciled to FAS for biennium 2015-17. However, the grants & contracts amounts will differ from the Annual Report, prepared by the Office of Research. Also, grants, contracts and gifts amounts might differ from the BI Portal “Remaining Balance by OrgCode and Category Report.” In both cases, and possibly with other BI Portal reports, this is due to differences in data elements, context, and reporting period parameters. While the information is not perfect, it is included to facilitate discussions about the unit’s overall financial health.

- **Q&A Sessions on November 28 and 30.** See the [FY19 Annual Review Materials webpage](#) for details.
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3. Please **update the carryover usage plan you submitted as part of last year's budget development process**. To do so, please complete the **"Updated Carryover Usage Plan" tab** of the Excel workbook. Please note:
- Your worksheet is pre-populated with the carryover usage plan you submitted last year, new estimated carryover totals, and new reserve figures.<sup>2</sup>
  - Please provide updated numbers in the "Updated Plan" column.
  - If you have new line items, please add rows, as needed.
  - For any major updates, please provide a brief description in the "Explanation of Changes/Updates" column.

If you would like to describe any items from the worksheet in greater detail, please use the space below. **For additional guidance**, please see the example posted at the [FY19 Annual Review Materials webpage](#).

Please note:

- If your unit has a **deficit** instead of a carryover, please confirm that you have an updated deficit mitigation plan in place with OPB. If you do not, please contact [Lisa McDonald](#).
- If you believe the carryover for your unit is negative due to timing and if you anticipate a positive balance soon, please discuss this below and feel free to provide an updated carryover spending plan.
- Since the Office of the President and the Attorney General's Office do not retain carryover funds, as a matter of University policy, those two offices are not expected to complete this question.

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University Advancement does not have carryover funds. For FY18, we are allocated \$19.5M (P+T) in state funds for salaries & benefits; budgeted salaries and benefits are \$48.7M for FY18.

Public Records did have \$356,626 in carryover funds for FY17. Public Records is under a new organization and therefore, the carryover funds should be attributed to them.

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<sup>2</sup> As a reminder, carryover balances are calculated at the end of each biennium and unit balances are accurate as of month 25.

# **FY16-17 ANNUAL ROI REPORT**

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UNIVERSITY ADVANCEMENT

DECEMBER 1, 2017



University Advancement's Annual ROI Report reflects a holistic, university-wide approach to deploying development, marketing and communications, and alumni and constituent relations in support of the institution's integrated advancement model. Consistent with the university's defined organizational structure for advancement, the report describes the UW's advancement expenditures for both constituency units and university-wide services, as well as private support flowing to units based on donor designations.

This report comprises three sections:

**FY16-17 Return on Investment:** Summary includes fiscal year total costs, gifts and private grants received, and one-year and five-year average ROI (Return on Investment).

**FY16-17 Costs & Funding for Advancement Activities:** Pie chart describes the distribution of costs between university-wide services and constituency units. Its outer ring describes the distribution of funded costs between central and units.

**Year Over Year ROI:** Bar chart describes ROI performance over the campaign period.

University of Washington's return on investment for advancement consistently outperforms that of our peers. Our five-year average for dollars raised per dollar spent is \$7.16, while our peers' average is \$5.54 (as measured by the Grenzebach Glier & Associates Advancement Leadership Forum survey).

# FY16-17 RETURN ON INVESTMENT

Constituency Units	Costs	Gifts	Grants	Total Gifts & Grants	1-Year	5-Year Avg.	1-Year	5-Year Avg.	Endowment Distribution	Total Gifts & Grants	Total Gifts, Grants & Endowment Distribution
					ROI/Dollar	ROI/Dollar	Cost/Dollar	Cost/Dollar			
ASA Academic Student Affairs <sup>1</sup>	2,160,339	30,353,526	1,435,985	31,789,511	14.72	na	0.07	na	9,237,623	31,789,511	41,027,134
Arts and Sciences	6,162,733	44,039,950	15,322,357	59,362,307	9.63	8.31	0.10	0.12	13,662,287	59,362,307	73,024,594
Broadcast Services <sup>2</sup>	4,366,448	20,791,797	-	20,791,797	4.76	na	0.21	na	2,816	20,791,797	20,794,613
Built Environments	438,594	2,517,665	380,326	2,897,991	6.61	7.98	0.15	0.13	1,392,700	2,897,991	4,290,691
Dentistry	691,562	2,246,051	697,659	2,943,710	4.26	7.03	0.23	0.15	1,092,381	2,943,710	4,036,091
Education	1,166,052	2,607,327	8,370,202	10,977,529	9.41	9.07	0.11	0.11	847,411	10,977,529	11,824,940
Engineering	4,994,795	44,753,438	9,447,078	54,200,516	10.85	9.48	0.09	0.11	8,275,992	54,200,516	62,476,509
Environment	1,941,847	9,243,171	27,437,022	36,680,192	18.89	13.59	0.05	0.08	3,540,414	36,680,192	40,220,606
Evans School of Pub. Policy & Gov.	502,445	1,765,766	1,462,890	3,228,656	6.43	9.17	0.16	0.18	773,338	3,228,656	4,001,994
Foster School of Business	2,530,888	29,445,285	-	29,445,285	11.63	8.44	0.09	0.12	6,361,983	29,445,285	35,807,268
Information School	620,937	3,981,541	252,154	4,233,695	6.82	6.44	0.15	0.18	250,961	4,233,695	4,484,656
Intercollegiate Athletics	1,805,995	35,752,363	-	35,752,363	19.80	17.39	0.05	0.06	3,128,407	35,752,363	38,880,769
Law	956,691	3,091,420	136,144	3,227,564	3.37	16.51	0.30	0.20	3,544,210	3,227,564	6,771,774
Libraries	504,935	963,922	361,000	1,324,922	2.62	6.02	0.38	0.26	1,721,952	1,324,922	3,046,874
Nursing	463,972	2,744,545	1,495,916	4,240,461	9.14	8.29	0.11	0.16	1,675,954	4,240,461	5,916,415
Other Constituencies <sup>3</sup>	5,015,801	13,605,161	3,865,284	17,470,445	3.48	na	0.29	na	5,302,294	17,470,445	22,772,739
Pharmacy	532,490	1,822,052	2,104,200	3,926,252	7.37	12.67	0.14	0.09	753,533	3,926,252	4,679,785
Public Health	469,080	1,965,283	25,212,230	27,177,513	57.94	80.47	0.02	0.01	698,053	27,177,513	27,875,566
Social Work	819,733	2,849,625	718,488	3,568,113	4.35	11.25	0.23	0.16	914,083	3,568,113	4,482,196
UW Bothell	1,190,226	1,031,694	2,625,603	3,657,297	3.07	6.74	0.33	0.36	154,464	3,657,297	3,811,761
UW Medicine	11,564,473	62,842,512	141,426,167	204,268,679	17.66	19.97	0.06	0.05	25,192,025	204,268,679	229,460,705
UW Tacoma	1,048,073	3,008,619	182,597	3,191,216	3.04	2.43	0.33	0.43	1,527,360	3,191,216	4,718,576
<b>Total Constituency Units <sup>4</sup></b>	<b>49,948,108</b>	<b>321,422,713</b>	<b>242,933,303</b>	<b>564,356,016</b>	<b>11.30</b>	<b>12.01</b>	<b>0.09</b>	<b>0.08</b>	<b>90,050,241</b>	<b>564,356,016</b>	<b>654,406,256</b>
University-wide Services <sup>5</sup>	34,754,817	-	-	-	na	na	na	na	-	-	-
DIP/F2 <sup>6</sup>	na	na	na	na	na	na	na	na	22,094,628	-	22,094,628
<b>TOTAL <sup>7,8</sup></b>	<b>84,702,925</b>	<b>321,422,713</b>	<b>242,933,303</b>	<b>564,356,016</b>	<b>6.66</b>	<b>7.16</b>	<b>0.15</b>	<b>0.14</b>	<b>112,144,869</b>	<b>564,356,016</b>	<b>676,500,885</b>



**Notes on Costs, Gifts, Grants and Endowment Distributions**

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<sup>1</sup> Academic Student Affairs (ASA) was established in FY14-15 and includes: Office of the Provost, Graduate School, Office of Minority Affairs & Diversity, Scholarships & Student Life, and Undergraduate Academic Affairs. Group was established less than five years ago so there is not a 5-year average.

<sup>2</sup> Broadcast Services category includes KUOW and KEXP.

<sup>3</sup> Other Constituencies includes UW Alumni Association, President's Funds, GIX/CoMotion, and other University support. Subgroups within this category may change year-over-year so there is not a 5-year average.

<sup>4</sup> Total Constituency Units Cost detail (please refer to pie chart on next page):

Unit Funded	26,213,422	52%
Central Advancement Funded	23,734,686	48%
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Total Constituency Units' Costs:	49,948,108	

<sup>5</sup> University-wide Services category includes: AVP for Constituency Programs, Advancement Services, Campaign, Corporate & Foundation Relations, Finance & Administration (includes rent), Individual Giving Programs, Regional Advancement, UA Vice President's Office, University Marketing & Communications (excludes Sponsorships, Trademarks & Licensing, and Public Records), and UW Foundation Support. Costs for the AVP for Constituency Programs were moved from Constituency Units to University-wide Services in FY16.

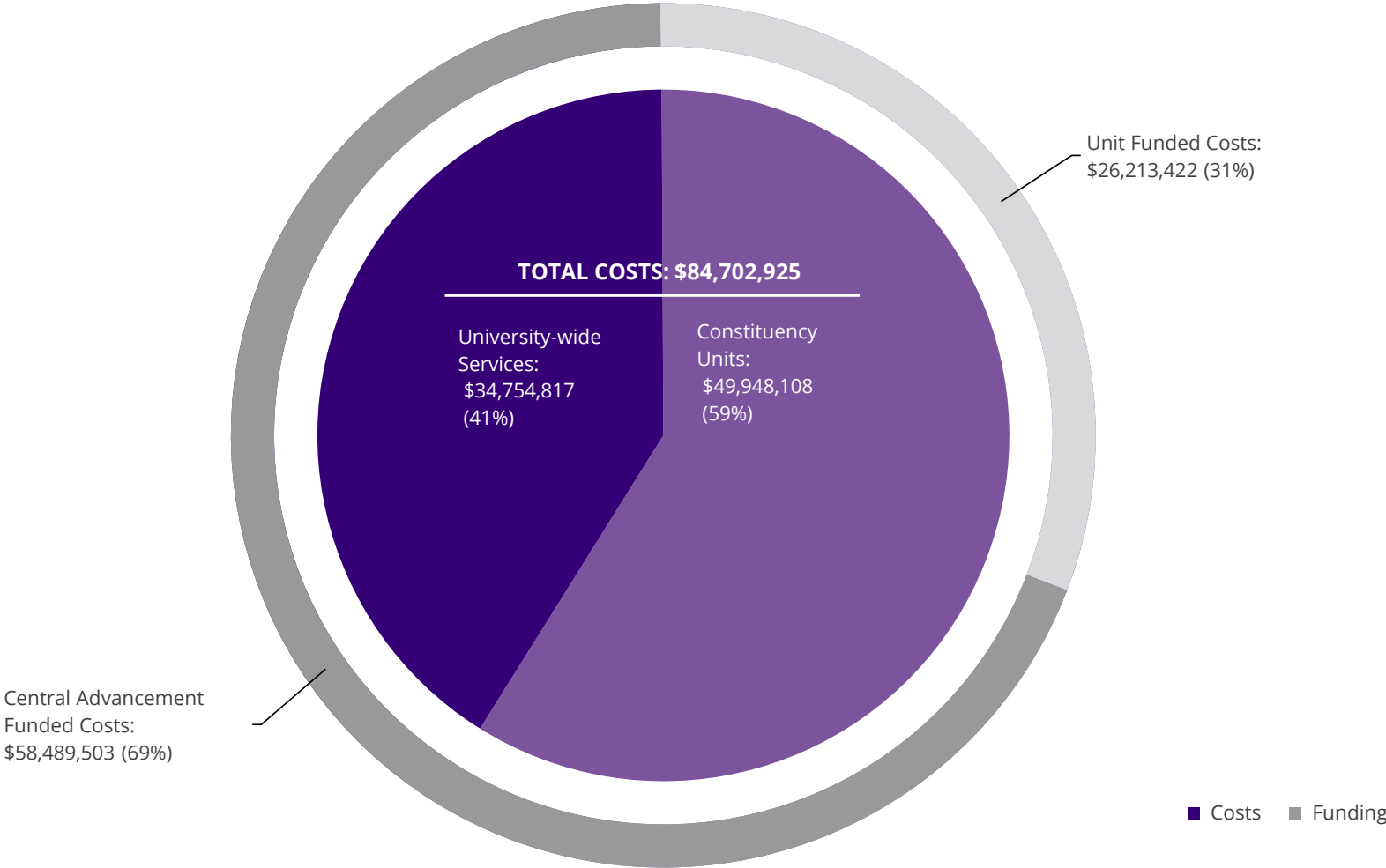
<sup>6</sup> DIP/F2 contains a portion of UW operating funds that are invested in the CEF and distributed to the Office of Planning and Budgeting.

<sup>7</sup> Total Costs detail (please refer to pie chart on next page):

Unit Funded	26,213,422	31%
Central Advancement Funded	58,489,503	69%
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Total Costs:	84,702,925	

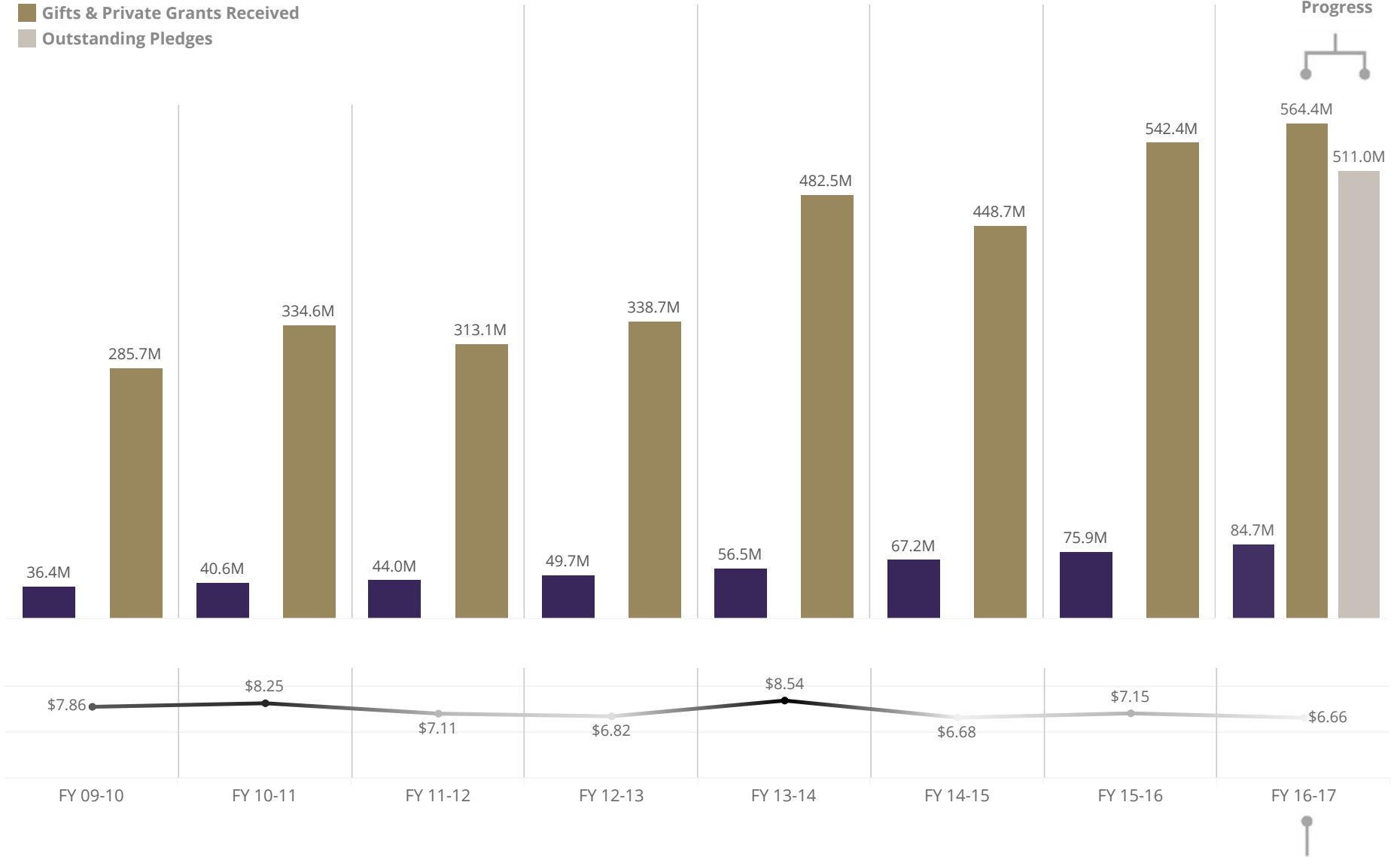
<sup>8</sup> The total 5-year averages are calculated from FY12-13 through FY16-17.

# FY16-17 COSTS & FUNDING FOR ADVANCEMENT ACTIVITIES



# YEAR OVER YEAR ROI

- Costs
- Gifts & Private Grants Received
- Outstanding Pledges



**\$1,075M**  
FY17 Total Fundraising Progress



## ROI 5-Year Average

**\$7.16: UW Advancement (FY13-FY17)**

**\$5.54: Peers (FY12-FY16)**

Note: ROI based on cash received (Gifts + Private Grants)

Be Boundless  
Campaign  
Public Launch