

**University of Washington**

**2005-07 Biennium**

**Operating Budget Request**

**September 2004**

**UNIVERSITY OF WASHINGTON**  
**2005 - 07 Biennium Operating Budget Request**

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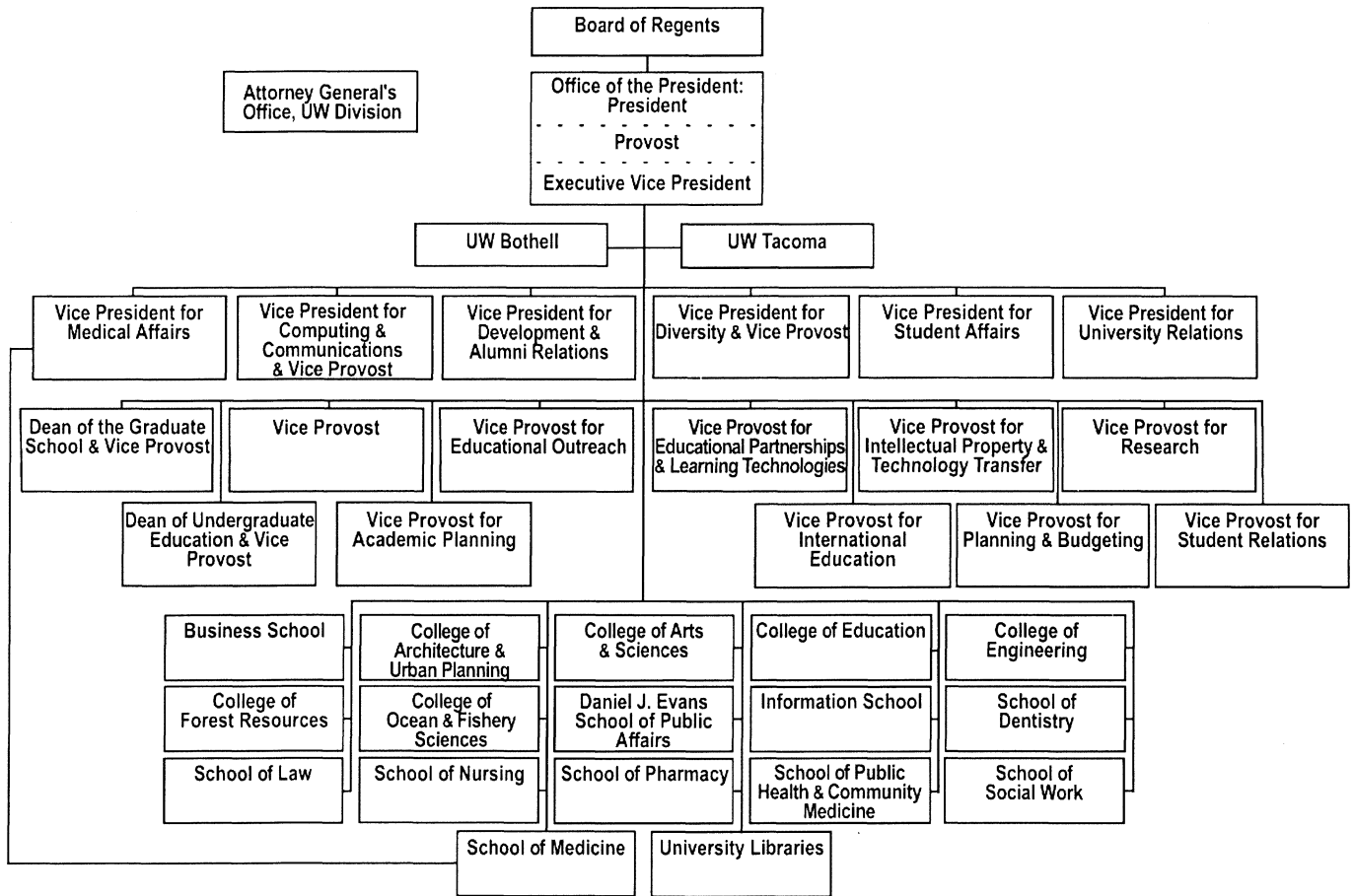
## **Agency Organization Chart**

The organization chart of the University of Washington is shown on the following page.

**University Organization Chart**

(Approved by the President by authority of Executive Order No. 2)

This chart reflects the organization and reporting relationships of the University of Washington's administrative offices, schools, and colleges.



## **AGENCY STRATEGIC PLAN**

The University of Washington's mission statement is as follows:

The primary mission of the University of Washington is the preservation, advancement, and dissemination of knowledge. The University preserves knowledge through its libraries and collections, its courses, and the scholarship of its faculty. It advances new knowledge through many forms of research, inquiry, and discussion; and disseminates it through the classroom and the laboratory, scholarly exchanges, creative practice, international education, and public service. As one of the nation's outstanding teaching and research institutions, the University is committed to maintaining an environment for objectivity and imaginative inquiry and for the original scholarship and research that ensure the production of new knowledge in the free exchange of facts, theories, and ideas.

The fundamental purpose of the University of Washington is to provide education, research, and service of the highest possible quality to Washington State citizens. The contribution of the University of Washington to the State emanates from its position as a premier national and international presence in undergraduate, graduate and professional education and research. The mission of the University of Washington is learning. The unique contribution of the University of Washington in the state of Washington is to bring the power of discovery to education and public issues. The research, scholarly, and creative contributions of the faculty are the building blocks of their leadership in education, health care research and delivery, social policy, and technology.

Within this mission, the University of Washington enjoys a high degree of success, but constantly strives to improve its service to students and the State, constantly changing to meet new needs in education, research and service. The University of Washington is committed above all to maintaining quality.

It is not easy to maintain quality. There are no shortcuts. Instead, there is a continuous reappraisal of our service in light of students' and society's needs in a changing environment. What future will our students face in employment and societal conditions? The outlines of that future are becoming clear. Our students will live in a society increasingly shaped by technology. Our students will live in a society characterized by rapid change and uncertainty, a profusion of information, and a continuous need to refresh knowledge. Our students will routinely work in situations dominated by dynamic teams of highly diverse individuals, trained in different fields, drawn from different backgrounds.

How well will the University of Washington serve its students and the State in the next five, ten and twenty years? As the State's flagship university, the University of Washington is striving to maintain a strong foundation from which to contribute to the State's readiness to thrive in that future world. The University of Washington understands that its success will be measured ultimately by how well its students fare, how much it contributes to the economic and social well-being of the State, and how

effectively it shares its wealth of scientific, cultural, and intellectual resources with others throughout the State, most notably with the K-12 education system.

### **Strategic Goals**

The Board of Regents has established a number of strategic goals for the University of Washington:

- Establish a solid resource base to support excellence in education and research, now and for the future.
- Provide equitable access for all citizens of the State of Washington and promote diversity at the UW.
- Work with our state's other educational institutions to meet the educational aspirations of students at all levels.
- Position the UW to contribute to solving critical human problems of the 21<sup>st</sup> century.
- Stay on the cutting edge of innovation in education, research, and technology.
- Promote the integration of research, education, and service.

These goals provide the broad framework for decision making at the university.

### **Performance Measures**

The University of Washington currently submits an annual accountability report to the State. This accountability report provides data on a number of measures that have been agreed to in the past: graduation efficiency index; undergraduate retention; 5-year freshman graduation rate; a number of measures of faculty productivity; and a number of measures of unique aspects of undergraduate instruction.

The University is currently in two different discussions about potentially revising the performance measures that it reports to the State. One of these discussions is with Higher Education Coordinating Board staff and is being undertaken in response to legislative direction. The other discussion is with both Office of Financial Management staff and Higher Education Coordinating Board staff in the context of developing a prototype performance contract – this effort is also being conducted in response to legislative direction.

### **Relationship to Priorities of Government**

The University of Washington's activities relate most directly to Statewide Result #3 in the Priorities of Government framework: Improve the value of post secondary learning. Five strategies have been identified under this Statewide Result: provide convenient and efficient educational service delivery; increase access to high quality programs; provide affordable learning opportunities; prepare a skilled workforce; and contribute toward state economic development goals. A variety of indicators have been specified under each of these strategies. A variety of data sources are available to show how the university performs relative to most or all of these indicators.

A number of the university's activities also relate to Statewide Result #2 (Improve the quality and productivity of the workforce), Statewide Result #4 (Improve the health of Washington's citizens) and Statewide Result #6 (Improve the economic vitality of businesses and individuals),.

## **Agency Activity Inventory**

The Agency Activity Inventory for the University of Washington breaks out its expenditures by the nine program categories that have traditionally been used to categorize educational expenditures: instruction; research; public service; primary support services; libraries; student services; hospitals; institutional support; and plant operations and maintenance. At a university, these activities are clearly interrelated. In order to provide “education,” the University must perform all of these activities. “Instruction,” “research” and “public service” are intertwined in educational offerings, and in order for any of these three activities to happen, students have to get advising, register for classes, have classrooms that are heated and cleaned, be able to get access to library materials, etc.

Due to the interrelatedness of its activities, the University does not believe that any of its “support” costs (e.g., primary support services, libraries, student services, institutional support and plant operations and maintenance) are logically conceptualized as “indirect” costs. Thus, no attempt has been made to allocate these “support” costs to the “instruction,” “research” and public service programs.



## Agency Activity Inventory by Agency

Appropriation Period: 2005-07 Activity Version: CF - 2005-07 WinSum Data Load

**Agency:** 360 - University of Washington

### A001 Agency Management/Administrative Support Services

The administration and management of the university includes governance, executive management, fiscal operations, information services, human resources services, planning, and community relations and development.

**Statewide Result Area:** Improve the value of Postsecondary Learning

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$83,835,000	\$27,486,000	\$56,349,000	1,099.1	\$84,715,000	\$27,848,000	\$56,867,000	1,077.0

### A002 Hospital Operation

The University operates two hospitals: the University of Washington Medical Center (owned by the University), and Harborview Medical Center (owned by King County, but managed by the University). These two hospitals provide patient care and clinical facilities for health sciences training and research. They also train future health care professionals and upgrade skills of current practitioners.

**Statewide Result Area:** Improve the health of Washington citizens

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$410,856,000	\$16,875,000	\$393,981,000	3,536.8	\$412,342,000	\$18,361,000	\$393,981,000	3,532.6

### A003 Institutional Management

This category includes institutional management costs that are recorded in program 081 in the state financial systems. These costs include relevant elements of the Board of Regents, the President's Office, the Provost's Office, the Executive Vice President's Office, the Faculty Senate and the Attorney General's Office.

**Statewide Result Area:** Improve the value of Postsecondary Learning

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$8,292,000	\$2,719,000	\$5,573,000	108.8	\$8,379,000	\$2,755,000	\$5,624,000	106.5

### A004 Instruction

The Instruction program provides undergraduate and graduate students with the knowledge they need to acquire a degree, prepare for a career, and continue learning after they leave the university.

**Statewide Result Area:** Improve the value of Postsecondary Learning

# Agency Activity Inventory by Agency

Appropriation Period: 2005-07 Activity Version: CF - 2005-07 WinSum Data Load

**Agency:** 360 - University of Washington

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$458,346,000	\$217,074,000	\$241,272,000	5,765.1	\$475,000,000	\$229,861,000	\$245,139,000	5,987.0

## A005 Library Services

Libraries support the instructional, research, and public service functions of the University by providing information in a variety of media.

**Statewide Result Area:** Improve the value of Postsecondary Learning

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$38,005,000	\$20,059,000	\$17,946,000	493.6	\$39,374,000	\$21,046,000	\$18,328,000	491.5

## A006 Plant Operations

Plant Operations includes functions that preserve and maintain the physical assets of the campus facilities, as well as providing a healthy and secure environment for students, faculty, staff, and visitors. Activities included in this category are utilities, facility maintenance and repair, custodial services, grounds maintenance, university police, environmental health and safety, and plant administration.

**Statewide Result Area:** Improve the value of Postsecondary Learning

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$94,299,000	\$43,723,000	\$50,576,000	1,010.0	\$100,719,000	\$49,314,000	\$51,405,000	1,053.7

## A007 Primary Support

These administrative functions directly support the instructional, research, and public service activities of the University. Primary support activities include academic computing services, ancillary support services, and academic administration of the University's various schools and colleges.

**Statewide Result Area:** Improve the value of Postsecondary Learning

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$66,961,000	\$26,106,000	\$40,855,000	833.9	\$79,017,000	\$37,573,000	\$41,444,000	1,025.1

## A008 Public Service

# Agency Activity Inventory by Agency

Appropriation Period: 2005-07 Activity Version: CF - 2005-07 WinSum Data Load

**Agency:** 360 - University of Washington

Through public service activities, the non-instructional services of students, faculty, and staff are available to the citizens of the state. These include lectures, concerts, conferences, radio programming, the Mathematics, Engineering and Science Achievement Program, and the Center for International Trade in Forest Products.

**Statewide Result Area:** Improve the value of Postsecondary Learning

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$5,259,000	\$1,395,000	\$3,864,000	67.1	\$5,425,000	\$1,533,000	\$3,892,000	68.6

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## A009 Research

State and locally-funded research provides opportunities for faculty and students to maintain and enhance their scholarship and to advance knowledge on many social, environmental, and health care issues of concern to the citizens of the state.

**Statewide Result Area:** Improve the value of Postsecondary Learning

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$21,381,000	\$7,268,000	\$14,113,000	271.4	\$23,710,000	\$9,600,000	\$14,110,000	305.8

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## A010 Sponsored Research

This program permits public and private organizations to purchase or sponsor research, instruction, or consultative services from the University. These activities are an essential component of the University's graduate education program. (Institutions of Higher Education-Grants and Contracts Account-Nonappropriated)

**Statewide Result Area:** Improve the value of Postsecondary Learning

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$656,135,000	\$0	\$656,135,000	6,775.4	\$656,135,000	\$0	\$656,135,000	6,799.6

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## A011 Student Services

Student services include admissions, registration, student records maintenance, academic and career advising, student organizations, and other related services.

**Statewide Result Area:** Improve the value of Postsecondary Learning

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$23,318,000	\$10,407,000	\$12,911,000	299.3	\$24,094,000	\$10,993,000	\$13,101,000	299.3

**Agency Activity Inventory  
by Agency**

Appropriation Period: 2005-07 Activity Version: CF - 2005-07 WinSum Data Load

**Agency:** 360 - University of Washington

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### **Agency Performance Measures**

The University of Washington is entering the eighth year of a formal accountability and reporting program. The accountability plans for the 1997-99, 1999-01, 2001-03 and 2003-05 biennia can be found at:

<http://www.washington.edu/admin/factbook/Accountability/>

Annual accountability reports Fiscal Years 1998 through 2003 can be found at the same web address. It is anticipated that the annual accountability report for Fiscal Year 2004 will be available at the same web address by November 2004.

State of Washington  
**Recommendation Summary**

Agency: **360 University of Washington**

12:30:45PM

8/31/2004

Dollars in Thousands

	Annual Average FTEs	General Fund State	Other Funds	Total Funds
<b>2003-05 Current Biennium Total</b>	<b>19,689.4</b>	<b>636,750</b>	<b>2,993,513</b>	<b>3,630,263</b>
CL 1D Recruitment and retention pool		1,570		1,570
CL 1G High-demand enrollments	6.5	838		838
CL 1K Burke Museum Outreach		50		50
CL 1M Facilities Maintenance		99		99
CL 1W Waiver Reduction		1,251		1,251
CL 3A Tacoma Autism Clinic		(675)		(675)
CL 3E Enrollments		1,862		1,862
CL 3P Proteomics Center		1,600		1,600
CL 3R Family Practice Residency Programs		1,897		1,897
CL 8J Pension CF		6	2	8
CL 8K Health Benefits CF		5,389	86	5,475
<b>Total Carry Forward Level</b>	<b>19,695.9</b>	<b>650,637</b>	<b>2,993,601</b>	<b>3,644,238</b>
Percent Change from Current Biennium	.0%	2.2%	.0%	.4%
<b>Carry Forward plus Workload Changes</b>	<b>19,695.9</b>	<b>650,637</b>	<b>2,993,601</b>	<b>3,644,238</b>
Percent Change from Current Biennium	.0%	2.2%	.0%	.4%
M2 8Y Other Rate Adj: TA/RA Health Ins		2,475		2,475
M2 90 Revolving Funds				
M2 98 General Inflation				
M2 99 OASI Adjustments		469		469
M2 9Y Other ML Adjustments: Bldg O&M		20,108		20,108
M2 BG BioEngineering/Genome Sci Bldg O&M		4,933		4,933
M2 HD High Demand Enrollment	13.1	1,678		1,678
<b>Total Maintenance Level</b>	<b>19,709.0</b>	<b>680,300</b>	<b>2,993,601</b>	<b>3,673,901</b>
Percent Change from Current Biennium	.1%	6.8%	.0%	1.2%
PL AA Core Education Support	586.0	75,000		75,000
PL AB Research Support	104.8	13,414		13,414
PL AC Enrollment Request	103.9	13,282		13,282
<b>Subtotal - Performance Level Changes</b>	<b>794.6</b>	<b>101,696</b>		<b>101,696</b>
<b>2005-07 Total Proposed Budget</b>	<b>20,503.6</b>	<b>781,996</b>	<b>2,993,601</b>	<b>3,775,597</b>
Percent Change from Current Biennium	4.1%	22.8%	.0%	4.0%

2005-07 Agency Budget Levels by Program

8/31/2004  
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Agency: 360 University of Washington

Dollars in Thousands

	Current Biennium		Carry Forward Level		Maintenance Level		Performance Level	
	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2
<b>Program: 010 Instruction</b>								
FTEs	5,418.5	5,324.6	5,423.0	5,329.1	5,432.0	5,338.1	5,765.1	5,987.0
FTEs-Annual Average		5,371.6		5,376.1		5,385.1		5,876.1
<b>Fund - Appropriation Type</b>								
001-1 General Fund - Basic Account-State	184,191	184,857	194,251	185,911	195,761	188,335	217,074	229,861
148-6 Inst of HI Ed-Dedicated Local Acct-Non-Appropriated	143,083	143,083	143,083	143,083	143,083	143,083	143,083	143,083
149-6 Inst of HI ED-Operating Fees Acct-Non-Appropriated	98,187	102,056	98,189	102,056	98,189	102,056	98,189	102,056
<b>Total All Funds - Program 010</b>	<b>425,461</b>	<b>429,996</b>	<b>435,523</b>	<b>431,050</b>	<b>437,033</b>	<b>433,474</b>	<b>458,346</b>	<b>475,000</b>
<b>Biennial Total All Funds - Program 010</b>		<b>855,457</b>		<b>866,573</b>		<b>870,507</b>		<b>933,346</b>
<b>Program: 020 Research</b>								
FTEs	210.4	205.7	210.4	205.7	210.4	205.7	248.6	260.2
FTEs-Annual Average		208.1		208.1		208.1		254.4
<b>Fund - Appropriation Type</b>								
001-1 General Fund - Basic Account-State	3,307	3,188	3,361	3,187	3,363	3,190	5,808	6,680
148-6 Inst of HI Ed-Dedicated Local Acct-Non-Appropriated	7,142	7,142	7,142	7,142	7,142	7,142	7,142	7,142
149-6 Inst of HI ED-Operating Fees Acct-Non-Appropriated	964	1,002	964	1,002	964	1,002	964	1,002
608-1 Accident Account-State	2,950	2,981	3,009	2,980	3,009	2,980	3,009	2,980
609-1 Medical Aid Account-State	2,969	2,987	2,998	2,986	2,998	2,986	2,998	2,986
<b>Total All Funds - Program 020</b>	<b>17,332</b>	<b>17,300</b>	<b>17,474</b>	<b>17,297</b>	<b>17,476</b>	<b>17,300</b>	<b>19,921</b>	<b>20,790</b>
<b>Biennial Total All Funds - Program 020</b>		<b>34,632</b>		<b>34,771</b>		<b>34,776</b>		<b>40,711</b>

2005-07 Agency Budget Levels by Program

8/31/2004  
12:45:00PM

Agency: 360 University of Washington

Dollars in Thousands

	Current Biennium		Carry Forward Level		Maintenance Level		Performance Level	
	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2
<b>Program: 030 Community and Public Service</b>								
FTEs	63.2	63.8	63.2	63.8	63.2	63.8	67.1	68.6
FTEs-Annual Average		63.5		63.5		63.5		67.9
<b>Fund - Appropriation Type</b>								
001-1 General Fund - Basic Account-State	1,129	1,900	1,141	1,225	1,141	1,226	1,395	1,533
001-7 General Fund - Basic Account-Private/Local	150	150	150	150	150	150	150	150
02K-1 Death Investigations Account-State	128	133	128	133	128	133	128	133
148-6 Inst of HI Ed-Dedicated Local Acct-Non-Appropriated	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004
149-6 Inst of HI ED-Operating Fees Acct-Non-Appropriated	582	605	582	605	582	605	582	605
<b>Total All Funds - Program 030</b>	<b>4,993</b>	<b>5,792</b>	<b>5,005</b>	<b>5,117</b>	<b>5,005</b>	<b>5,118</b>	<b>5,259</b>	<b>5,425</b>
<b>Biennial Total All Funds - Program 030</b>		<b>10,785</b>		<b>10,122</b>		<b>10,123</b>		<b>10,684</b>

Program: 040 Primary Service

FTEs	789.8	938.0	790.4	938.6	791.7	939.9	833.9	1,025.1
FTEs-Annual Average		863.9		864.5		865.8		929.5
<b>Fund - Appropriation Type</b>								
001-1 General Fund - Basic Account-State	22,520	31,862	23,304	32,011	23,401	32,121	26,106	37,573
148-6 Inst of HI Ed-Dedicated Local Acct-Non-Appropriated	25,884	25,884	25,884	25,884	25,884	25,884	25,884	25,884
149-6 Inst of HI ED-Operating Fees Acct-Non-Appropriated	14,971	15,560	14,971	15,560	14,971	15,560	14,971	15,560
<b>Total All Funds - Program 040</b>	<b>63,375</b>	<b>73,306</b>	<b>64,159</b>	<b>73,455</b>	<b>64,256</b>	<b>73,565</b>	<b>66,961</b>	<b>79,017</b>
<b>Biennial Total All Funds - Program 040</b>		<b>136,681</b>		<b>137,614</b>		<b>137,821</b>		<b>145,978</b>



2005-07 Agency Budget Levels by Program

8/31/2004  
12:45:00PM

Agency: 360 University of Washington

Dollars in Thousands

Program: 050 Library

	Current Biennium		Carry Forward Level		Maintenance Level		Performance Level	
	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2
FTEs	471.6	448.3	471.9	448.6	472.5	449.2	493.6	491.5
FTEs-Annual Average		460.0		460.3		460.9		492.6
<b>Fund - Appropriation Type</b>								
001-1 General Fund - Basic Account-State	18,209	18,208	18,667	18,282	18,715	18,337	20,059	21,046
148-6 Inst of HI Ed-Dedicated Local Acct-Non-Appropriated	8,233	8,233	8,233	8,233	8,233	8,233	8,233	8,233
149-6 Inst of HI ED-Operating Fees Acct-Non-Appropriated	9,713	10,095	9,713	10,095	9,713	10,095	9,713	10,095
<b>Total All Funds - Program 050</b>	<b>36,155</b>	<b>36,536</b>	<b>36,613</b>	<b>36,610</b>	<b>36,661</b>	<b>36,665</b>	<b>38,005</b>	<b>39,374</b>
<b>Biennial Total All Funds - Program 050</b>		<b>72,691</b>		<b>73,223</b>		<b>73,326</b>		<b>77,379</b>

Program: 060 Student Services

	Current Biennium		Carry Forward Level		Maintenance Level		Performance Level	
	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2
FTEs	285.9	272.8	286.1	273.0	286.5	273.4	299.3	299.3
FTEs-Annual Average		279.4		279.6		280.0		299.3
<b>Fund - Appropriation Type</b>								
001-1 General Fund - Basic Account-State	9,205	9,263	9,557	9,308	9,587	9,341	10,407	10,993
148-6 Inst of HI Ed-Dedicated Local Acct-Non-Appropriated	8,101	8,101	8,101	8,101	8,101	8,101	8,101	8,101
149-6 Inst of HI ED-Operating Fees Acct-Non-Appropriated	4,810	5,000	4,810	5,000	4,810	5,000	4,810	5,000
<b>Total All Funds - Program 060</b>	<b>22,116</b>	<b>22,364</b>	<b>22,468</b>	<b>22,409</b>	<b>22,498</b>	<b>22,442</b>	<b>23,318</b>	<b>24,094</b>
<b>Biennial Total All Funds - Program 060</b>		<b>44,480</b>		<b>44,877</b>		<b>44,940</b>		<b>47,412</b>

Program: 070 Hospitals

	Current Biennium		Carry Forward Level		Maintenance Level		Performance Level	
	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2
FTEs	3,516.9	3,492.9	3,516.9	3,492.9	3,516.9	3,492.9	3,536.8	3,532.6
FTEs-Annual Average		3,504.9		3,504.9		3,504.9		3,534.7
<b>Fund - Appropriation Type</b>								
001-1 General Fund - Basic Account-State	15,314	15,813	15,596	15,805	15,604	15,820	16,875	18,361
505-6 UW-University Hospital Account-Non-Appropriated	393,981	393,981	393,981	393,981	393,981	393,981	393,981	393,981
<b>Total All Funds - Program 070</b>	<b>409,295</b>	<b>409,794</b>	<b>409,577</b>	<b>409,786</b>	<b>409,585</b>	<b>409,801</b>	<b>410,856</b>	<b>412,342</b>
<b>Biennial Total All Funds - Program 070</b>		<b>819,089</b>		<b>819,363</b>		<b>819,386</b>		<b>823,198</b>

2005-07 Agency Budget Levels by Program

8/31/2004  
12:45:00PM

Agency: 360 University of Washington

Dollars in Thousands

	Current Biennium		Carry Forward Level		Maintenance Level		Performance Level	
	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2
<b>Program: 080 Institutional Support</b>								
FTEs	1,175.1	1,118.7	1,175.6	1,119.2	1,176.6	1,120.2	1,207.9	1,183.5
FTEs-Annual Average		1,146.9		1,147.4		1,148.4		1,195.7
<b>Fund - Appropriation Type</b>								
001-1 General Fund - Basic Account-State	27,719	26,362	28,125	26,473	28,197	26,555	30,205	30,603
148-6 Inst of HI Ed-Dedicated Local Acct-Non-Appropriated	47,482	47,482	47,482	47,482	47,482	47,482	47,482	47,482
149-6 Inst of HI ED-Operating Fees Acct-Non-Appropriated	14,440	15,009	14,440	15,009	14,440	15,009	14,440	15,009
<b>Total All Funds - Program 080</b>	<b>89,641</b>	<b>88,853</b>	<b>90,047</b>	<b>88,964</b>	<b>90,119</b>	<b>89,046</b>	<b>92,127</b>	<b>93,094</b>
<b>Biennial Total All Funds - Program 080</b>		<b>178,494</b>		<b>179,011</b>		<b>179,165</b>		<b>185,221</b>
<b>Program: 090 Plant Operations &amp; Maintenance</b>								
FTEs	987.4	1,020.2	987.8	1,020.6	988.6	1,021.4	1,032.8	1,099.3
FTEs-Annual Average		1,003.8		1,004.2		1,005.0		1,066.1
<b>Fund - Appropriation Type</b>								
001-1 General Fund - Basic Account-State	30,034	33,669	30,669	33,764	42,355	47,251	45,183	52,234
148-6 Inst of HI Ed-Dedicated Local Acct-Non-Appropriated	29,532	29,532	29,532	29,532	29,532	29,532	29,532	29,532
149-6 Inst of HI ED-Operating Fees Acct-Non-Appropriated	21,044	21,873	21,044	21,873	21,044	21,873	21,044	21,873
<b>Total All Funds - Program 090</b>	<b>80,610</b>	<b>85,074</b>	<b>81,245</b>	<b>85,169</b>	<b>92,931</b>	<b>98,656</b>	<b>95,759</b>	<b>103,639</b>
<b>Biennial Total All Funds - Program 090</b>		<b>165,684</b>		<b>166,414</b>		<b>191,587</b>		<b>199,398</b>
<b>Program: 100 Sponsored Research</b>								
FTEs	6,775.4	6,799.6	6,775.4	6,799.6	6,775.4	6,799.6	6,775.4	6,799.6
FTEs-Annual Average		6,787.5		6,787.5		6,787.5		6,787.5
<b>Fund - Appropriation Type</b>								
145-6 Inst of HI Ed-Grants/Contracts Acct-Non-Appropriated	656,135	656,135	656,135	656,135	656,135	656,135	656,135	656,135
<b>Biennial Total All Funds - Program 100</b>		<b>1,312,270</b>		<b>1,312,270</b>		<b>1,312,270</b>		<b>1,312,270</b>

**2005-07 Agency Budget Levels by Program**

8/31/2004  
12:45:00PM

**Agency: 360 University of Washington**

Dollars in Thousands

	Current Biennium		Carry Forward Level		Maintenance Level		Performance Level	
	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2
<b>Agency FTEs</b>								
<b>Agency Annual Average FTEs</b>	<b>19,694.2</b>	<b>19,684.6</b>	<b>19,700.7</b>	<b>19,691.1</b>	<b>19,713.8</b>	<b>19,704.2</b>	<b>20,260.5</b>	<b>20,746.7</b>
		<b>19,689.4</b>		<b>19,695.9</b>		<b>19,709.0</b>		<b>20,503.6</b>
<b>Agency Totals by Fund</b>								
001-1 General Fund - Basic Account-State	311,628	325,122	324,671	325,966	338,124	342,176	373,112	408,884
001-7 General Fund - Basic Account-Private/Local	150	150	150	150	150	150	150	150
02K-1 Death Investigations Account-State	128	133	128	133	128	133	128	133
145-6 Inst of Hi Ed-Grants/Contracts Acct-Non-Appropriated	656,135	656,135	656,135	656,135	656,135	656,135	656,135	656,135
148-6 Inst of Hi Ed-Dedicated Local Acct-Non-Appropriated	272,461	272,461	272,461	272,461	272,461	272,461	272,461	272,461
149-6 Inst of HI ED-Operating Fees Acct-Non-Appropriated	164,711	171,200	164,713	171,200	164,713	171,200	164,713	171,200
505-6 UW-University Hospital Account-Non-Appropriated	393,981	393,981	393,981	393,981	393,981	393,981	393,981	393,981
608-1 Accident Account-State	2,950	2,981	3,009	2,980	3,009	2,980	3,009	2,980
609-1 Medical Aid Account-State	2,969	2,987	2,998	2,986	2,998	2,986	2,998	2,986
<b>Total All Funds</b>	<b>1,805,113</b>	<b>1,825,150</b>	<b>1,818,246</b>	<b>1,825,992</b>	<b>1,831,699</b>	<b>1,842,202</b>	<b>1,866,687</b>	<b>1,908,910</b>
<b>Biennial Total All Funds</b>		<b>3,630,263</b>		<b>3,644,238</b>		<b>3,673,901</b>		<b>3,775,597</b>

\*Agency totals on the OFM Program Summary may slightly differ from the OFM Recommendation Summary agency totals due to rounding.

**DECISION PACKAGE SUMMARY (1)**

**MAINTENANCE LEVEL REQUESTS**

(Excluding general inflation and revolving fund adjustments to be calculated by OFM)

**Fund 001 and Fund 149 Maintenance Level Request**

M2-8Y	Teaching/Research Assistant Health Insurance	\$ 2,475,000
M2-90	Revolving Funds (OFM to calculate)	NA
M2-98	General Inflation (OFM to calculate)	NA
M2-99	OASI Adjustments	\$ 469,000
M2-9Y	Building Operations and Maintenance	\$20,108,000
M2-BG	Bioengineering/Genome Sciences Building Operations and Maintenance	\$ 4,933,000
M2-HD	2004 High Demand Enrollment Award Adjustment	\$ 1,678,000
<b>Total Maintenance Level Request:</b>		<b>\$29,663,000</b>

**DECISION PACKAGE SUMMARY (2)**

**PERFORMANCE LEVEL REQUESTS**

**Fund 001 and Fund 149 Performance Level Request**

PL-AA	Core Education Support	\$75,000,000
PL-AB	Research and Technology Transfer	\$13,414,000
PL-AC	Enrollment	\$13,282,000
<b>Total Fund 001 and 149 Performance Level Request:</b>		<b>\$101,696,000</b>

**Fund 608/609 Performance Level Request**

There are no performance level requests for Fund 608 or 609. The University is requesting that the carry forward budget level be continued into the 2005-07 biennium.



## **Investing in a Knowledge-Based Economy A Budget Request for Washington's Research Universities**

Washington State University and the University of Washington are our state's two public research universities. Unlike many states with which we compete, we have no private research universities - no Stanford, no Duke, no Harvard, no MIT. States around the country and nations around the world have come to realize the strategic importance of first-rate research universities to their economic future. Even regions that lead the pack are not complacent about their position - Boston's research universities just released a report that shows "...that the schools not only have a large direct financial impact but more importantly, they form much of the Greater Boston intellectual underpinning of the economy, producing human capital and new technologies that fuel economic growth."

The strategic importance of our state's research universities is fully acknowledged in the Higher Education Coordinating Board's Master Plan and the Governor's Priorities of Government Project. The Higher Education Coordinating Board's Master Plan and the Governor's Priorities of Government Project provide the framework for what the state needs to do. The two primary goals of the Master Plan are to increase opportunities for students to earn degrees and to respond to the state's economic needs. The Priorities of Government Statewide Results specify a number of strategies and indicators to which the higher education system in general and the state's research universities in particular contribute: Statewide Result #3: Improve the value of postsecondary learning; Statewide Result #4: Improve the health of Washington citizens; and Statewide Result #6: Improve the economic vitality of businesses and individuals.

Over the past quarter century, the UW and WSU have established themselves among the top public research universities in the nation, providing a unique educational opportunity to Washington citizens and bringing to the State and our communities all the benefits of world-class research institutions. These benefits include fueling innovation in the new knowledge-based economy, finding causes and cures for the most intractable diseases, and identifying solutions to many of the pressing problems we face in our region. These public benefits derive from the kind of faculty who teach and do research at the UW and WSU, the kind of programs they can offer, and the kind of students we can attract. The question we must ask ourselves is how can the State sustain its world class research universities?

In this knowledge-based economy, the State of Washington is faced with strong competition across the country and around the world. Our competitive posture has been eroded over the past decade. If the trend continues, the capacity of the UW and WSU to serve as the engine of the knowledge-based economy will be severely diminished.

The UW and WSU State operating budget requests for the 2005-07 biennium center on beginning to recover a competitive posture with regard to state appropriations per

student. The UW and WSU State capital budget requests can be framed with reference to our responsibility to past generations - those who funded the buildings which continue to grace the UW and WSU campuses with their beauty, but which are badly in need of re-invigoration to meet the needs of current and future generations of students. Today, we all share a significant obligation to honor the gift those generations made to us and to successor generations by restoring our core campus facilities and paving the way for expanding capacity.

The UW and WSU have structured their 2005-07 State operating and capital budget requests to respond to this situation. There are four elements of this coordinated request:

a core funding proposal that begins to address the funding gap with competitor public universities – the resources requested would help support faculty, programs, technology and operations at a competitive level;

a research and technology transfer proposal designed to improve state economic and human health;

an enrollment proposal that requests support for additional student FTE to help meet projected growth in demand; and

a capital budget proposal that requests support for both restoration of existing facilities and expansion of capacity.

The requests are consistent with the longer term vision laid out in the Higher Education Coordinating Master Plan and contribute to many of the strategies and indicators laid out in the Priorities of Government framework.

The State of Washington is in a very competitive environment – both with other nations and with other states. The 2005-07 UW and WSU budget requests in the sections that follow specify the investments that the State needs to make to sustain and grow the contributions from its world class research universities. The benefits of these investments to the State's citizens and economy will be significant:

- Continued expansion of learning opportunities that capitalize on the strengths of the UW and WSU in research and service.
- Expanded educational opportunity for students from across the state from all backgrounds.
- Sustained competitiveness in the national and global competition for first-tier faculty and students whose discoveries and innovations fuel the knowledge-based economy.
- Modern and fully functional facilities which can serve current and future generations of students.

**TEACHING/RESEARCH ASSISTANT HEALTH INSURANCE**  
**(Maintenance Level Request M2-8Y)**

**UW RECOMMENDATION AND FISCAL SUMMARY**

The University requests funding for the 2005-07 biennium for previously unfunded and projected increased costs for health insurance benefits provided to teaching and research assistants.

**2005-07 Teaching/Research Assistant Health Insurance Request**

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund - State	<b>\$825,000</b>	<b>\$1,650,000</b>	<b>\$2,475,000</b>

**DESCRIPTION**

The State originally provided funding for health insurance benefits for teaching and research assistants in the 1993-95 biennial budget. At that time, there were 1,450 teaching and research assistants paid from State budgets and \$1,000 per person per year was provided for health insurance benefits. Over time, the cost of providing this benefit to teaching and research assistants has increased and the number of state funded teaching and research assistants has also increased to 1,650 (primarily due to expansion of the university's enrollment).

The State has only increased funding for teaching and research assistant health insurance once in the past ten years. In the 2000 Supplemental Budget, the funding was increased by \$450,000 for Fiscal Year 2001. At the original assumption of 1,450 State funded teaching and research assistants, this raised the State funding level from \$1,000 per person per year to \$1,310 per person per year.

**NARRATIVE JUSTIFICATION AND IMPACT STATEMENT**

The university's actual cost for teaching and research assistants for Fiscal Year 2005 is \$2,095 per person per year. For this calculation, these costs are conservatively projected to increase at 5% per year for Fiscal Year 2006 (an increase of \$105) and for Fiscal Year 2007 (and increase of \$110). These projections will bring the cost of health insurance for teaching and research assistants to \$2,310 per person per year in Fiscal Year 2007. Thus this benefit costs the University \$1,000 more per person per year than the funding that has been provided by the State.



The university requests that this funding gap be eliminated over a two-year period by increasing funding for teaching and research assistant health insurance by \$500 per person per year in both Fiscal Year 2006 and Fiscal Year 2007. The annual increase is 1,650 State funded teaching and research assistants times \$500 equals \$825,000.

**FISCAL DETAIL**

**2005-07 Teaching/Research Assistant Health Insurance Request**

<b>Program</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
010	\$825,000	\$1,650,000	\$2,475,000
<b>Total</b>	<b>\$825,000</b>	<b>\$1,650,000</b>	<b>\$2,475,000</b>

**OLD AGE AND SURVIVORS INSURANCE (OASI) BASE CHANGES**  
**(Maintenance Level Request M2-99)**

**UW RECOMMENDATION AND FISCAL SUMMARY**

The University requests funding for the 2005-07 biennium for increased costs associated with scheduled increases in the base income of employees that is subject to social security taxes.

**2005-07 OASI Base Changes Request**

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund - State	<b>\$165,000</b>	<b>\$304,000</b>	<b>\$469,000</b>

**DESCRIPTION**

This is a standard technical adjustment to the budget.

**NARRATIVE JUSTIFICATION AND IMPACT STATEMENT**

For many years, the federal Social Security Administration has increased the base income of employees that is subject to Social Security taxes. As the base income on which Social Security taxes have to be paid increases, the University's share of Social Security taxes that have to be paid to the federal government also increase.

**FISCAL DETAIL**

**2005-07 OASI Base Changes Request**

<b>Program</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
010	\$107,000	\$196,000	\$303,000
020	\$2,000	\$3,000	\$5,000
030	\$0	\$1,000	\$1,000
040	\$15,000	\$28,000	\$43,000
050	\$7,000	\$14,000	\$21,000
060	\$5,000	\$8,000	\$13,000
070	\$8,000	\$15,000	\$23,000
080	\$11,000	\$21,000	\$32,000
090	\$10,000	\$18,000	\$28,000
<b>Total</b>	<b>\$165,000</b>	<b>\$304,000</b>	<b>\$469,000</b>

**BUILDING OPERATIONS AND MAINTENANCE ADJUSTMENT:  
Restore Building Operations and Maintenance Expense Temporarily  
moved to the Capital Budget  
(Maintenance Level Request M2-9Y)**

**UW RECOMMENDATION AND FISCAL SUMMARY**

In the 2003-05 adopted budget, a portion of the University's building operations and maintenance expense was temporarily moved from the operating budget to the capital budget. This maintenance level request restores this funding in the operating budget.

**2005-07 Building Operations and Maintenance Adjustment Request**

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund - State	<b>\$10,054,000</b>	<b>\$10,054,000</b>	<b>\$20,108,000</b>

**DESCRIPTION**

This is a technical adjustment that restores operations and maintenance funding that was temporarily moved to the capital budget during the 2003-05 biennium.

**NARRATIVE JUSTIFICATION AND IMPACT STATEMENT**

See above.

**FISCAL DETAIL**

**2005-07 Building Operations and Maintenance Adjustment Request**

<b>Program</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
090	<b>\$10,054,000</b>	<b>\$10,054,000</b>	<b>\$20,108,000</b>
<b>Total</b>	<b>\$10,054,000</b>	<b>\$10,054,000</b>	<b>\$20,108,000</b>

**BIOENGINEERING/GENOME SCIENCES BUILDINGS OPERATIONS  
AND MAINTENANCE**

(Maintenance Level Request M2-BG)

**UW RECOMMENDATION AND FISCAL SUMMARY**

The University requests funding for the 2005-07 biennium for operations and maintenance costs of the Bioengineering and Genome Sciences buildings that will come on line during the 2005-07 biennium.

**2005-07 Bioengineering/Genome Sciences Building  
Operations and Maintenance Request**

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund – State	<b>\$1,570,000</b>	<b>\$3,363,000</b>	<b>\$4,933,000</b>

**DESCRIPTION**

The University is currently constructing two research buildings on the Seattle campus – Bioengineering and Genome Sciences. Both of these buildings are being constructed without any support from the State Capital Budget. The funding for the buildings comes from a combination of gifts, federal earmarks, and debt supported by indirect cost recovery revenues that will be produced by incremental research grants obtained as a result of the addition of this research space.

Under current policy, the State has no obligation to provide funding for operations and maintenance costs for these buildings. The legislation that allows the university to issue indirect cost recovery supported debt without project specific legislative action was clear that if the university went ahead with such projects, the State had no requirement to provide operations and maintenance funding.

While there is no requirement for the State to provide funding for operations and maintenance for these building, research supported by federal and private resources provides significant benefits to the local and State economy. In support of these benefits to the State, the University requests that State provide operations and maintenance funding for the Bioengineering and Genome Sciences buildings.

**NARRATIVE JUSTIFICATION AND IMPACT STATEMENT**

The Bioengineering Building that is currently under construction will add 149,500 gross square feet of research space. The Genome Sciences Building that is currently under

construction will add 130,740 gross square feet of research space. The Bioengineering Building is scheduled for occupancy in December 2005 and the Genome Sciences Building is scheduled for occupancy in April 2006. An operations and maintenance cost of \$12/gsf has been assumed for these buildings; this is the current cost that the university is experiencing in research intensive, wet-lab buildings of this sort.

Federally and privately funded research provides significant economic benefits to the State and it also provides opportunities for both graduate and undergraduate students to be directly involved in research activities. As additional research space is brought on-line, the University has the opportunity to substantially increase the amount of federally and privately funded research that is conducted at the University. The University recognizes that the many demands on the State capital budget, including the renewal of core educational buildings at the University and other institutions, make it difficult for the State to provide capital support for the construction of new research buildings. However, the State can support both the economic and educational benefits derived from new research buildings by providing funding for the operations and maintenance of new research buildings that are constructed from other than State capital resources.

#### **FISCAL DETAIL**

##### **2005-07 Bioengineering/Genome Sciences Building Operations and Maintenance Request**

<b>Program</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
090	\$1,570,000	\$3,363,000	\$4,933,000
<b>Total</b>	<b>\$1,570,000</b>	<b>\$3,363,000</b>	<b>\$4,933,000</b>

**ADJUSTMENT FOR 2004 HIGH DEMAND ENROLLMENT AWARDS**  
 (Maintenance Level Request M2-HD)

**UW RECOMMENDATION AND FISCAL SUMMARY**

The Office of Financial Management has already adjusted the University’s carry forward budget level for 2005-07 for the “high demand” enrollments (for both the 2003-04 academic year and the 2004-05 academic year) that were awarded to the UW as part of the process the HEC Board conducted during 2003. The University’s carry forward budget has not yet been adjusted for the “high demand” enrollments that were awarded to the UW as part of the process that the HEC Board conducted during 2004.

**2005-07 Adjustment for 2004 High Demand Enrollment Awards**

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund - State	<b>\$839,000</b>	<b>\$839,000</b>	<b>\$1,678,000</b>

**DESCRIPTION**

This is a technical adjustment to the University’s carry forward budget to incorporate the funding associated with the “high demand” enrollment allocations for the 2004-05 academic year that were made by the HEC Board in July 2004.

**NARRATIVE JUSTIFICATION AND IMPACT STATEMENT**

See above.

**FISCAL DETAIL**

**2005-07 Adjustment for 2004 High Demand Enrollment Awards**

Program	<b>2005-06</b>		<b>2006-07</b>		<b>2005-07 Biennium</b>	
	FTE	Gen. Fund \$	FTE	Gen. Fund \$	FTE	Gen. Fund \$
010	9.0	\$578,000	9.0	\$578,000	18.0	\$1,156,000
040	1.3	\$82,000	1.3	\$82,000	2.6	\$164,000
050	0.6	\$41,000	0.6	\$41,000	1.2	\$82,000
060	0.4	\$25,000	0.4	\$25,000	0.8	\$50,000
080	1.0	\$61,000	1.0	\$61,000	2.0	\$122,000
090	0.8	\$52,000	0.8	\$52,000	1.6	\$104,000
<b>Total</b>	<b>13.1</b>	<b>\$839,000</b>	<b>13.1</b>	<b>\$839,000</b>	<b>26.2</b>	<b>\$1,678,000</b>

**CORE EDUCATION SUPPORT**  
(Performance Level Request PL-AA)

**UW RECOMMENDATION AND FISCAL SUMMARY**

Effective research universities are essential to Washington's future. They provide access to a nationally competitive level of education, they train the next generation of entrepreneurs, scientists and business leaders and they produce the knowledge that drives economic development. The University of Washington joins with Washington State University in submitting a budget request to ensure that quality programs are available for the next generation of students. Our request is that the state provide additional support per student incrementally each year. Catching up with the average funding levels of competing states will take several biennia. In 2005-2007, the UW requests an increase of \$75 million.

**2005-07 Core Education Support Request**

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund - State	<b>\$25,000,000</b>	<b>\$50,000,000</b>	<b>\$75,000,000</b>

**PRIORITIES OF GOVERNMENT**

This request addresses the Priorities of Government Statewide Result #3: Improve the value of postsecondary learning. In particular, the request relates to two of the strategies under Statewide Result #3: increase access to high quality programs; and prepare a skilled workforce. If funding per student FTE is not increased, it will be difficult if not impossible for the UW to maintain the high quality of the current programs that it offers. If programs are not of high quality, degree recipients will not have the level of skills needed to be successful in the workforce.

**DESCRIPTION**

This decision package would increase state funding per student FTE at the UW in order to maintain the quality and scope of existing program offerings at the UW.

**NARRATIVE JUSTIFICATION AND IMPACT STATEMENT**

In this knowledge-based economy, the State of Washington is faced with strong competition across the country and around the world. Our competitive posture has been eroded over the past decade. If the trend continues, the capacity of the University to serve as the engine of the knowledge-based economy will be severely diminished. At a recent meeting of the Technology Alliance, Microsoft's Bill Gates remarked, in responding to a question about the one thing he would do to fuel this economy, "Keeping the University of Washington a first-class institution should be the State's top priority." We agree.

Here is one key metric that illustrates why we believe the UW is in trouble: State Appropriated Funding Per UW Student FTE Compared to HEC Board Competitors' Group Average (24 Institutions):

**Average State Funding Per Student FTE (Nominal \$)**

	1991	2003	13 year change
HECB Competitors	\$9,281	\$12,043	\$2,762
UW	\$9,093	\$8,866	-\$227
\$ Difference	-\$188	-\$3,177	
Percentage Difference	-2.1%	-35.8%	

It is true that state budgets across the country have faced increasing pressure, but there is no denying that our competitive posture has declined dramatically since 1991. Our proposal is to take the first step toward reversing this decline and to adopt a longer-term objective of returning to competitive parity with the 24 institutions the HEC Board has selected for comparison.

The current crisis in the state budget somewhat obscures the long-term erosion of state support for University of Washington students. In 1991, the University was slightly below average in terms of state appropriations per student among a set of 24 research universities (this list includes North Carolina, Michigan, Iowa, Ohio State, Wisconsin, and 19 others, selected as an appropriate comparison group by Washington's Higher Education Coordinating Board). Today, the University of Washington is 17<sup>th</sup> out of 24, almost \$3,200 short per student compared to the average of the 24 and \$4,200 below what it would take to be at the 75<sup>th</sup> percentile in this group. With support somewhere between the average and the 75<sup>th</sup> percentile of this comparison group, we can be confident of competing successfully with the University of Michigan, University of California and other premier public research universities, and to better compete with even better financed private research universities such as Stanford and Duke. But the ability of the University of Washington to serve as an engine of the knowledge-based economy is at risk if our students don't receive stronger support from state appropriated funds.

Can the University be more efficient? Absolutely. Always. How efficient are we now in comparison to our competitors in other states? According to a recent performance assessment<sup>1</sup>, the UW ranks as one of only seven Carnegie Research 1 universities (a national listing of comprehensive research universities) in the nation to have both high instructional efficiency and high research efficiency. We can get better and expect to stay on top, but this high level of productivity cannot be sustained without competitive resources to keep the best faculty. For the University to sustain the current top performance, it must be able to match competitor resources. The UW will not be able to maintain competitive parity in the long-term if State funding per FTE is below the average of the HEC Board 24 competitor institutions. The University requests State

<sup>1</sup> Henry Y. Zheng, Alice C. Stewart, "Assessing the Performance of Public Research Universities Using NSF/NCES Data and Data Envelopment Analysis Technique", Association for Institutional Research Professional File, Number 83 Spring, 2002



funding to move toward the FY 2003 average state funding of the HEC Board Competitor Group<sup>2</sup>:

State funding per student FTE at the UW is \$3,177 per year below the average state funding for the competitor universities:

Average Annual Funding Per Student FTE Deficit:	\$3,177
Total Funding Deficit for the 35,525 UW Students:	\$113 millions per year \$226 millions per biennium

Our request is for the State to provide additional taxpayer support per student incrementally over the next 6 years in order to achieve competitors' average funding in 2009-11. The UW requests that its core education funding be incrementally increased by \$25,000,000 in both Fiscal Year 2006 and Fiscal Year 2007, which results in a \$75,000,000 core education support request for the 2005-07 biennium.

Continued under-funding of the University places its educational and research programs in jeopardy. The University's most precious resource is its people – its faculty, staff and students. The caliber of faculty who teach high quality students and the faculty's unparalleled success in competing for federal research dollars have made the UW what it is. We have seen the erosion of this faculty resource accelerate in recent years. Competitive offers from other universities and from industry have siphoned off some of our brightest young faculty at an alarmingly increasing rate. Budget cuts in fiscal year 2002, 2003 and 2004 have resulted in the loss of nearly 100 faculty positions. This means larger classes, fewer faculty to teach our students, fewer offerings for students, more potential bottlenecks in student access to courses needed for timely completion of their degree and an overall erosion of educational quality. As things grow worse, more faculty will leave the UW for competing institutions – outside of the State of Washington – and students and programs will follow. We must collectively reverse this downward spiral.

Retention and recruitment of national caliber faculty is the cornerstone of a national quality education. Success depends upon creating a package of competitive compensation and supportive operations and facilities for the programs. The educational support funding will allow investment in all of these areas to ensure successful retention and recruitment. The number of faculty lost is accelerating. It is essential that in the 2005-07 biennium we renew our progress toward competitive compensation to keep this faculty loss from a rapid and unmanageable acceleration. This is our first priority for the use of additional education funding. It is essential to note that the use of tuition increases to offset taxpayer support does not address this competitive funding gap and puts current contributions of the UW to the State in serious jeopardy.

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<sup>2</sup> The HEC Board Comparison Group is a reasonable representation of University competitors for faculty, staff, students, and program as well as a reasonable representation, on the whole, of resources required to sustain a state "flagship" University.

Uses for Additional Resources

What will the university do with this additional core education support? This additional support will be used for four broad purposes with the goal of maintaining a nationally competitive learning environment for Washington students:

Retention and recruitment of national caliber faculty and staff is the cornerstone of a national quality education and this is our first priority for the use of the additional core education funding.

Making investments to insure that undergraduate students have access to a broad spectrum of courses, access to the courses needed for the timely completion of their degree, and increased access to opportunities to be involved in research and service.

Improving the services that support faculty in their teaching and students in achieving their learning objectives. These services include libraries, advising, and support of technology infrastructure.

Investing more in facilities operation and maintenance and thereby extending the life of the university's facilities.

**FISCAL DETAIL**

**2005-07 Core Education Support Request**

Program	2005-06		2006-07		2005-07 Biennium	
	FTE	Gen. Fund \$	FTE	Gen. Fund \$	FTE	Gen. Fund \$
010	252.5	\$16,158,000	505.0	\$32,317,000	757.4	\$48,475,000
020	3.8	\$243,000	7.6	\$486,000	11.4	\$729,000
030	0.8	\$54,000	1.7	\$107,000	2.5	\$161,000
040	35.7	\$2,287,000	71.5	\$4,574,000	107.2	\$6,861,000
050	17.8	\$1,136,000	35.5	\$2,273,000	53.3	\$3,409,000
060	10.8	\$693,000	21.7	\$1,386,000	32.5	\$2,079,000
070	19.9	\$1,271,000	39.7	\$2,541,000	59.6	\$3,812,000
080	26.5	\$1,698,000	53.1	\$3,396,000	79.6	\$5,094,000
090	22.8	\$1,460,000	45.6	\$2,920,000	68.4	\$4,380,000
<b>Total</b>	<b>390.6</b>	<b>\$25,000,000</b>	<b>781.3</b>	<b>\$50,000,000</b>	<b>1,171.9</b>	<b>\$75,000,000</b>

**RESEARCH AND TECHNOLOGY TRANSFER:  
A joint UW/WSU investment for state economic and human health  
(Performance Level Request PL-AB)**

**UW RECOMMENDATION AND FISCAL SUMMARY**

The state should increase its investment in research to capture new opportunities for improved health for Washington’s citizens and to spur job growth and business expansion across the state. The University of Washington and Washington State University should form an unprecedented state alliance to develop new state-funded research and technology transfer programs focused on improving human health and enabling the creation of new, high paying jobs. Moreover, the joint efforts of the two institutions to resolve public policy conflicts should be bolstered with state investment in the new UW-WSU Policy Consensus Center.

**2005-07 Research and Technology Transfer Request**

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund-State	<b>\$5,704,000</b>	<b>\$7,710,000</b>	<b>\$13,414,000</b>

**PRIORITIES OF GOVERNMENT**

This request primarily addresses Priorities of Government Statewide Result #3: Improve the value of postsecondary learning. In particular, the request relates to one of the strategies under Statewide Result #3: Contribute toward state economic development goals. All three of the indicators specified for this strategy would be positively affected as a result of this request: number of new technology transfer agreements executed and dollar volume; number of new in-state companies spawned from university developed processes and technologies; and number of jobs generated as a result of state funded and non-state funded research.

**DESCRIPTION**

This request has three components. The first component would fund new or expanded research initiatives important to the State economy – such research initiatives would be funded at both UW and WSU. The second component would fund coordinated UW Technology Transfer and WSU Office of Research Activities to enhance transfer of university-based discoveries to benefit Washington’s economy. The third component would provide permanent funding for a jointly sponsored UW/WSU Policy Consensus Center. Each of these components is discussed below.

## **NARRATIVE JUSTIFICATION AND IMPACT STATEMENT**

### **Component 1: New or Expanded Research Initiatives**

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund-State	<b>\$5,000,000</b>	<b>\$7,000,000</b>	<b>\$12,000,000</b>

The research enterprises at the University of Washington and Washington State University are an important driver of economic development in the state. Currently there are more than 7,000 full-time jobs at the UW that are supported directly by external grants received by the institution, generating over 32,000 additional jobs statewide. In addition, transfer of technology developed at the UW to private companies results in many additional jobs in the state. Private companies selling products based on UW research had sales of over \$3 billion in 2002.

In part, the state can help support the research enterprise at the UW by improving overall funding per student FTE – as any additional resources that are provided would in part be used to address faculty salary gaps, and it is the faculty who compete for grant funding from federal agencies, private companies and foundations. However, some focused investments could directly help support and expand the research enterprise. Given the potential for both immediate and long-term payoff for the State economy, these investments by the State are highly leveraged.

We have seen recently how even a modest investment by the state can generate remarkable returns to benefit the state. In the 1999-01 biennial budget, the state provided Advanced Technology Initiative funding to both the UW and to Washington State University – the UW received \$1,250,000 in annual funding to support the development of faculty clusters of expertise in developing areas of technology. The UW supported three areas from this appropriation: infectious disease (\$500,000); computer graphics and digital media (\$500,000); and precision forestry (\$250,000). We will use the investment in infectious disease research as an example. This investment led to the UW developing its capabilities in this research area and being very successful at competing for federal grants in this area – the UW has received over \$80 million in new federal grants in this area, including the establishment of a \$50 million Regional Center of Excellence for Bio-defense and Emerging Infectious Disease Research.

In conjunction with Washington State University, the UW requests funding in the 2005-07 biennium to support new or expanded research initiatives in areas important to the state economy. This funding will be used in two ways. First, the funding will be used to support the development of expertise in selected research areas which have the potential of benefiting the state. Second, the funding will be used to provide operational support for research facilities.

Several new areas of frontier research are emerging where the University of Washington sees special and timely opportunities for State investment. These are particularly promising in terms of attracting substantial external funding for research in the short-term, and creating a regional knowledge and talent base that can form the foundation of leading industries in the long-term. The new funds would be used to attract and support leading scientists who would create and grow new transformative research programs, leading to new technologies and industries. The potential areas of frontier research include:

**Nanotechnology.** Technical capabilities now exist for manipulating matter at the atomic scale, opening up the possibility of assembling revolutionary new devices and materials. For example, thousands of tiny robotic capsules could deliver anti-cancer drugs specifically only to the cancer cells themselves.

**Photonics and optoelectronics.** New materials developed at UW and elsewhere—a special new form of engineered plastic--- can manipulate electricity and light much faster than the silicon chips at the heart of modern information technology. A new generation of materials and devices for information technology is beginning to propel a new information technology revolution.

**Cyber-science and data-mining.** Incredible advances in information processing and storage make it possible to simulate incredibly complex systems: cells, cities, human economies, oceans, even whole galaxies. At the same time, networks of sensors now make it possible to collect vast amount of data on those same systems. A new science is emerging allowing completely new ways of understanding and managing complex natural and human systems.

**Proteomics.** The UW has created a leading world center of genome science which is now extending its research to understanding the product of the genome, the network of proteins that makes up the functioning living organism. New technological advances allow maps of the atomic structure of proteins and of their interaction networks, and measurements of unprecedented sensitivity showing what is going on inside organisms. This area will be the next frontier of foundational medical knowledge.

**Integrative Environmental Research.** The UW is one of the leading universities in attracting federal funding for environmental science, ranging from the deep ocean, to the region where we live, to the upper atmosphere. The next frontiers of environmental science emphasize grand challenges tying this work together, such as the significant impact of humans on biogeochemical cycles, requiring broad collaboration among the different specialties [For a summary of such integrative challenges, see: <http://books.nap.edu/books/0309072549/html/>]

**Global Human Health.** The Seattle region is rapidly growing into a leading world player in addressing the worst scourges of the world, including HIV, cholera, malaria, and others. Modern techniques from many science fields

combine to allow understanding of the chemical and biological basis of these diseases, and hold out realistic hope for vaccines and therapies.

**Large Science Projects.** UW scientists are leaders in two major proposed science projects: NEPTUNE, a cabled network of scientific instruments on the seafloor off the Washington coast; and DUSEL/Cascades, a deep underground science and engineering lab under the Cascades. State investment in these projects now may secure many hundreds of millions of dollars in federal capital and operations over the decades ahead.

With additional funding, the UW could expand its research efforts in all of these areas.

As was discussed above, the UW would also use some of this funding to provide operations and maintenance support for research facilities. The conduct of leading edge research requires leading edge facilities. The amount that the research universities are currently spending on operations and maintenance of research facilities needs to be increased for those facilities to continue to be capable of supporting research. In many areas, the quantity of external research funding is limited primarily by the availability of quality research space, so State investment would have an immediate and prolonged economic impact. Research space that is better maintained or updated can be filled with new research work funded by external sources.

## **Component 2: Coordinated Technology Transfer**

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund-State	<b>\$504,000</b>	<b>\$510,000</b>	<b>\$1,014,000</b>

WSU and UW foster economic development by promoting the transition of research from the laboratory to the marketplace. While this is only one aspect of the larger research mission, nonetheless it is an important one upon which we are increasingly judged, and upon which we regularly leverage our other missions. Both WSU and UW have established programs that facilitate the movement of new discoveries into established or newly-created businesses. These efforts have resulted in products and services that have improved healthcare, improved crops produced in agribusiness, played a major role in deciphering the human genome, and fostered a cluster of medical device companies. Furthermore, these partnerships with industry have created significant employment in the state. Specific, directed programs are proposed to enhance the ability of both universities to market inventions more effectively to businesses within the state and to further enhance the commercial impact of the state's research universities.

This request would provide funding for three things: funding to enhance the transfer of new discoveries to companies based in the state of Washington; support for a prototype fund to enhance the commercial potential of early-stage university discoveries; and

coordinated activities to facilitate company creation. Each of these areas is discussed below:

**Enhance the transfer of new discoveries to companies based in the state of Washington.** Several coordinated approaches will be employed to more effectively connect Washington companies with new discoveries made at the state's research universities. UW and WSU will organize and host events to market discoveries to companies in the state. Companies will be invited to learn about new discoveries in their area of business and to discuss opportunities for additional collaborative research or licensing. In addition, we propose the development and maintenance of a database of companies in the state to use for the marketing of discoveries. Both activities will be supported by a coordinator for in-state marketing and technology licensing who will work with both UW Technology Transfer and WSU Office of Intellectual Property Administration. These programs will result in a more rapid distribution of knowledge about discoveries made at the universities and more rapidly move these discoveries into local businesses for development and commercialization.

**Prototype Fund:** The UW and WSU will establish a Prototype Fund, jointly administered by the Office of Research at WSU and by UW TechTransfer, to enhance the commercial potential of early-stage university discoveries. Most discoveries and innovations that are made in university research programs occur at a very early stage in the commercialization continuum, and rarely lend themselves to immediate commercialization. Moreover, our industry partners are often not in a position to invest in them without further "proof-of-concept" or other additional development work.

Unfortunately, funds for development projects like this are rarely available from granting agencies. Many promising technologies languish or simply die in this gap because they are too applied for further academic research funding, but not yet developed enough to attract industry investment. The Prototype Fund will address this problem by providing targeted funds for further development to a competitively selected group of innovations. The Fund will focus on discrete projects of relatively short duration (6 to 12 months) that have significant commercial potential but require additional commercially directed research. An external panel will be employed to review projects and provide advice on the feasibility and commercial value of projects supported by the Fund.

**Company Creation:** New companies can result from university-based discoveries. While both UW and WSU have an impressive history of company starts from their research programs, the potential exists to facilitate more of these ventures. Several coordinated activities will be employed to facilitate company creation.

One limiting factor to company creation is identifying and attracting experienced managers and entrepreneurs to participate in company starts. Most professional

venture capitalists will not invest in a start-up that is run by a faculty member, so it is important to employ company structures and form management teams that are attractive for investment. One key feature of the proposed initiative is a program to identify and attract experienced managers and entrepreneurs to start-up opportunities from research institutions.

Another feature of the program is support for mentoring services for start-ups – management, financial, business plan development, and human resource issues. We envision this to be a service provided by the Office of Intellectual Property Administration at WSU and UW TechTransfer that will provide assistance, advice, and a clear, consistent roadmap to entrepreneurs and faculty who wish to establish companies based on research at the universities. Two other important components to facilitate company creation are the creation of a seed fund for university-based start-ups, and the establishment of start-up incubator facilities on both the WSU and UW campuses. These initiatives will provide initial support and space to allow nascent companies to mature until they can attract significant outside investment.

### Component 3: Policy Consensus Center

	<b>2005-06</b>	<b>2006-07</b>	<b>2005-07 Biennium</b>
General Fund-State	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$400,000</b>

Public policy problems in the Northwest are more complex and numerous than ever. Included in the list of problems are those associated with the environment, concerns about the value of new technologies, questions about the appropriate expenditure of public funds and inter- jurisdictional conflict. Moreover, among stakeholders, resolution of these problems is becoming increasingly intense and polarized in nature. Most often, the result is conflicts that end up in lengthy litigation or other processes that produce poor and unsustainable outcomes.

To provide assistance in finding other ways to resolve public policy conflicts, Washington State University (WSU) and the University of Washington (UW) are joining forces to develop the Policy Consensus Center (PCC). The universities have been urged by community, appointed and elected leaders to establish the Center. The PCC's mission will be to act as a neutral source of expertise to improve the availability and quality of voluntary collaborative approaches to policy development and multi-party disputes. The Center will be dedicated to providing assistance to government, tribal, business, agricultural, environmental, and other community leaders. The founding board for the Center has been appointed and several pilot projects are underway.

The PCC will provide four core services:

- 1) assessment of conflict situations and access to knowledgeable, experienced neutral experts or other resources to assist in multi-party public disputes;



- 2) education programs and other resources to assist community leaders, public agencies, stakeholder groups, and individuals in acquiring the capacity to undertake collaborative problem solving to avoid disputes, manage disputes, and engage in constructive dispute resolution;
  
- 3) applied research to identify and document promising approaches to conflict resolution. The Center will:
  - a. act as a gateway to research on collaborative problem solving and dispute resolution
  - b. if requested by stakeholders in multi-party public disputes, undertake research on specific issues that can contribute to collaborative problem solving;
  
- 4) provide neutral forums wherein stakeholders can explore resolution to emerging public policy issues.

The partnership between the University of Washington and Washington State University gives the PCC a statewide reach and a broad resource base. With offices on both campuses, the PCC will act as a conduit between Washington's premier research universities and citizens/ policy makers dealing with significant public policy concerns. In turn, the PCC will bring real-world policy issues to the campuses, helping advance the university's research, teaching, and public service missions.

**FISCAL DETAIL**

**2005-07 Research and Technology Transfer Request**

Program	2005-06		2006-07		2005-07 Biennium	
	FTE	Gen. Fund \$	FTE	Gen. Fund \$	FTE	Gen. Fund \$
010	34.4	\$2,201,000	46.9	\$3,004,000	81.3	\$5,205,000
020	34.4	\$2,202,000	46.9	\$3,004,000	81.3	\$5,206,000
030	3.1	\$200,000	3.1	\$200,000	6.3	\$400,000
090	17.2	\$1,101,000	23.5	\$1,502,000	40.7	\$2,603,000
<b>Total</b>	<b>89.1</b>	<b>\$5,704,000</b>	<b>120.5</b>	<b>\$7,710,000</b>	<b>209.6</b>	<b>\$13,414,000</b>

**ENROLLMENT:**

**Expand Baccalaureate and Graduate/Professional Capacity of the State  
(Performance Level Request PL-AC)**

**UW RECOMMENDATION AND FISCAL SUMMARY**

Washington lags most states in the availability of public four-year degree opportunities. Our state must expand educational opportunity at the baccalaureate and graduate levels to train the most productive employees and employers of the future.

However, the State General Fund is expected to be in deficit for the 2005-07 biennium – which will make it difficult for the legislature to find additional resources for higher education. This condition is likely to persist, even as student demand for higher education continues to grow. While the UW is committed to meeting access needs of State’s citizens, our first priority must be to maintain our academic quality and that means reaching competitive levels of core funding for existing students.

If, and ONLY IF, significant progress is possible on state appropriated funding per student, will the University of Washington be able to consider any enrollment increases in the 2005-07 biennium.

**2005-07 Enrollment Request**

	<b>2005-06</b>		<b>2006-07</b>		<b>2005-07 Biennium</b>	
	FTE	Gen. Fund \$	FTE	Gen. Fund \$	FTE	Gen. Fund \$
UW Bothell	155	\$1,673,000	182	\$3,776,000	337	\$5,449,000
UW Tacoma	200	\$1,407,000	200	\$2,814,000	400	\$4,221,000
UW Seattle	150	\$1,204,000	150	\$2,408,000	300	\$3,612,000
<b>Total</b>	<b>505</b>	<b>\$4,284,000</b>	<b>532</b>	<b>\$8,998,000</b>	<b>1,037</b>	<b>\$13,282,000</b>

For these calculations, it has been assumed that 100 undergraduate and 50 graduate FTE students are added in both 2005-06 and 2005-07 at UW/Seattle. All of the FTE students added in both 2005-06 and in 2006-07 at UW/Tacoma are undergraduates. For UW/Bothell, 110 of the new FTE students added in 2005-06 are undergraduate and 45 of the new FTE students are graduate; for UW/Bothell, 105 of the new FTE students added in 2006-07 are undergraduate and 77 of the new FTE students added are graduate.

**PRIORITIES OF GOVERNMENT**

This request addresses the Priorities of Government Statewide Result #3: Improve the value of postsecondary learning. By having all three campuses of the University of Washington serve additional students, all five of the strategies that that have been specified under this result are addressed to some extent: provide convenient and efficient educational service delivery; increase access to high quality programs; provide

affordable learning opportunities; prepare a skilled workforce; and contribute toward state economic development goals.

**DESCRIPTION**

This decision package would expand student enrollment at the University of Washington by 1,037 FTE students in the 2005-07 biennium – 505 of these FTE students would be added in 2005-06 and 532 of these FTE students would be added in 2006-07. The UW/Seattle campus enrollment would expand by 300 FTE students; the UW/Bothell campus would expand by 337 FTE students; and the UW/Tacoma campus would expand by 400 FTE students.

**NARRATIVE JUSTIFICATION AND IMPACT STATEMENT**

The demand for higher education in the state is projected to grow. This request would allow the University of Washington to meet a portion of this anticipated growth in demand for access to higher education. Additional access would be provided at all three UW campuses.

**FISCAL DETAIL**

**2005-07 Enrollment Request**

Program	2005-06		2006-07		2005-07 Biennium	
	FTE	Gen. Fund \$	FTE	Gen. Fund \$	FTE	Gen. Fund \$
010	46.2	\$2,954,000	97.0	\$6,205,000	143.2	\$9,159,000
040	6.5	\$418,000	13.7	\$878,000	20.2	\$1,296,000
050	3.3	\$208,000	6.8	\$436,000	10.1	\$644,000
060	2.0	\$127,000	4.2	\$266,000	6.2	\$393,000
080	4.8	\$310,000	10.2	\$652,000	15.0	\$962,000
090	4.2	\$267,000	8.8	\$561,000	13.0	\$828,000
<b>Total</b>	<b>67.0</b>	<b>\$4,284,000</b>	<b>140.7</b>	<b>\$8,998,000</b>	<b>207.7</b>	<b>\$13,282,000</b>

## **2005-07 STATUS UPDATE**

### **MEDICAL AID FUND AND ACCIDENT FUND APPROPRIATIONS**

#### **UW RECOMMENDATION**

The University of Washington receives funding from the Medical Aid Fund and the Accident Fund that supports ongoing teaching, service and research efforts dedicated to the prevention of workplace illness and injury among employees in the State of Washington. Several ongoing projects combine scientific methodology, service orientation, close collaboration with external partners (including business and labor), as well as evaluation and dissemination of results. The University anticipates that such projects will continue to focus on specific workplaces, such as agriculture and construction, as well as specific populations, such as teens in the workplace. These ongoing programs offered by the University continue to have the strong support by both the Advisory Committee and by the Department of Labor and Industries.

The University is not requesting additional incremental funding to support new program efforts in this area in the 2005-07 biennium. The University is requesting the continuation of the current funding level for these efforts into the 2005-07 biennium.

## **2005-07 STATUS UPDATE**

### **PUGET SOUND WATER QUALITY FIELD PROGRAM**

#### **UW RECOMMENDATION**

The Puget Sound Water Quality Management Plan states that the Washington Sea Grant Program (University of Washington) and Washington State University shall hire field agents when funding becomes available to help coordinate and implement local and regional education efforts. The Plan stated that by 1996 there should be 18 field agents in the Puget Sound region. Currently, there is a successful field agent team of five that conducts activities in the Olympic Peninsula area of Thurston, Kitsap, Mason and Jefferson counties.

The University of Washington currently receives funding for two field agents in the southern Puget Sound area. There is no plan to request additional field agents in the 2005-07 biennium. Instead, the University is requesting the continuation of the current funding level into the 2005-07 biennium.

BIENNIAL BUDGET ESTIMATES

State of Washington

Agency	Code	Title
Program	360	University of Washington-All Campuses
		Agency Level

AGENCY REVENUES

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CODES		CURRENT BIENNIUM			ENSUING BIENNIUM				
FUND	SOURCE	SOURCE TITLE	FY 2004 REVENUE	FY 2005 REVENUE	FY 2006 REVENUE	FY 2007 REVENUE	FY 2006 REVENUE	FY 2007 REVENUE	PERFORMANCE LEVEL
145	0310	Department of Agriculture	5,645,101	5,645,000	5,645,000	5,645,000	5,645,000	5,645,000	5,645,000
	0311	Department of Commerce	15,066,171	15,066,000	15,066,000	15,066,000	15,066,000	15,066,000	15,066,000
	0312	Department of Defense	33,184,429	33,184,000	33,184,000	33,184,000	33,184,000	33,184,000	33,184,000
	0314	Department of Housing and Urban Development	283,675	284,000	284,000	284,000	284,000	284,000	284,000
	0315	Department of the Interior	3,413,237	3,413,000	3,413,000	3,413,000	3,413,000	3,413,000	3,413,000
	0317	Department of Labor	10,149	10,000	10,000	10,000	10,000	10,000	10,000
	0319	Department of State	838,235	838,000	838,000	838,000	838,000	838,000	838,000
	0320	Department of Transportation	1,188,890	1,189,000	1,189,000	1,189,000	1,189,000	1,189,000	1,189,000
	0321	Department of the Treasury	42,289	42,000	42,000	42,000	42,000	42,000	42,000
	0343	National Aeronautics and Space Administration	6,596,520	6,597,000	6,597,000	6,597,000	6,597,000	6,597,000	6,597,000
	0345	National Foundation on Arts and Humanities	132,442	132,000	132,000	132,000	132,000	132,000	132,000
	0347	National Science Foundation	58,236,902	58,237,000	58,237,000	58,237,000	58,237,000	58,237,000	58,237,000
	0364	Veterans Administration	6,007,082	6,007,000	6,007,000	6,007,000	6,007,000	6,007,000	6,007,000
	0366	Environmental Protection Agency	2,731,665	2,732,000	2,732,000	2,732,000	2,732,000	2,732,000	2,732,000
	0381	Department of Energy	13,232,309	13,232,000	13,232,000	13,232,000	13,232,000	13,232,000	13,232,000
	0384	Department of Education	17,123,166	17,123,000	17,123,000	17,123,000	17,123,000	17,123,000	17,123,000
	0393	Department of Health and Human Services	357,233,161	357,233,000	357,233,000	357,233,000	357,233,000	357,233,000	357,233,000
	0399	Miscellaneous Federal Revenue	464,779	465,000	465,000	465,000	465,000	465,000	465,000
	0409	Interest Income	35,855,573	35,856,000	35,856,000	35,856,000	35,856,000	35,856,000	35,856,000
	0420	Charges for Services	56,678,745	56,679,000	56,679,000	56,679,000	56,679,000	56,679,000	56,679,000
	0499	Other Revenue	14,097,087	14,097,000	14,097,000	14,097,000	14,097,000	14,097,000	14,097,000
	0541	Contributions and Grants Private/Local	128,285,606	128,286,000	128,286,000	128,286,000	128,286,000	128,286,000	128,286,000
	0546	Federal Revenue - Pass Through	49,212,881	49,213,000	49,213,000	49,213,000	49,213,000	49,213,000	49,213,000







BIENNIAL BUDGET ESTIMATES

State of Washington

Agency	Code	Title
Program	360	University of Washington-All Campuses
		Agency Level

AGENCY REVENUES

		(1)	(3)	(4)	(5)	(6)	(7)	(8)
CODES		CURRENT BIENNIUM			ENSUING BIENNIUM			
FUND	SOURCE	SOURCE TITLE	FY 2004 REVENUE	FY 2005 REVENUE	FY 2006 REVENUE	FY 2007 REVENUE	FY 2006 REVENUE	FY 2007 REVENUE
505	0402	Income from Property	1,446,473	1,446,000	1,446,000	1,446,000	1,446,000	1,446,000
	0420	Charges for Services	509,061,909	509,062,000	509,062,000	509,062,000	509,062,000	509,062,000
	0430	Dedicated Student Fees	18,343	18,000	18,000	18,000	18,000	18,000
	0450	Sales of Goods & Supp - Prop funds	521,956	522,000	522,000	522,000	522,000	522,000
	0499	Other Revenue	155,843	156,000	156,000	156,000	156,000	156,000
	0621	Operating Transfers In	(22,768,882)	(22,769,000)	(22,769,000)	(22,769,000)	(22,769,000)	(22,769,000)
	0622	Operating Transfers Out	(12,866,637)	(12,867,000)	(12,867,000)	(12,867,000)	(12,867,000)	(12,867,000)
505	<b>Totals</b>		<b>475,569,005</b>	<b>475,568,000</b>	<b>475,568,000</b>	<b>475,568,000</b>	<b>475,568,000</b>	<b>475,568,000</b>
	<b>Grand Totals</b>		<b>1,755,911,011</b>	<b>1,774,047,790</b>	<b>1,774,042,819</b>	<b>1,774,210,404</b>	<b>1,776,554,819</b>	<b>1,779,432,404</b>

**Non-Budgeted Local Fund Summary (Form B-10)**

Non-budgeted local fund information will be submitted later.

## **Tuition Waiver Data**

Tuition waiver data is presented on the tables that follow this cover page.



**Attachment B-1  
Tuition Waivers**

**Institution: (360) University of Washington, All Campuses**

RCW	Waiver Type	FY 2005		FY 2006		FY 2007	
		Headcount	Estimate	Headcount	Estimate	Headcount	Estimate
28B.15.014	Military - Active Duty						
28B.70.050	Professional Stu. Exchange (WICHE)	14	182,251	14	182,251	14	182,251
28B.15.014	Immigrant Refugee						
28B.15.014	GSA Nonresident Waiver	2,110	21,571,327	2,110	21,571,327	2,110	21,571,327
28B.15.615	GSA Operating Fee Waiver	1,699	12,042,959	1,699	12,042,959	1,699	12,042,959
28B.15.545	WA Vocational Excellence Awd						
28B.15.620	SE Asian Vet	4	14,461	4	14,461	4	14,461
28B.15.014	Child & Spouse of Staff	8	87,452	8	87,452	8	87,452
28B.15.380	Child of Fire/Law Off	6	31,521	6	31,521	6	31,521
28B.15.100	Over 18 Hours	87	212,799	87	212,799	87	212,799
28B.70.050	Wstn Region Grad Program (WICHE)						
28B.15.628	Persian Gulf Veteran	2	6,287	2	6,287	2	6,287
28B.10.265	Child of POW/MIA	2	8,872	2	8,872	2	8,872
28B.15.014	University Staff (Nonresident)	78	549,533	78	549,533	78	549,533
28B.15.225	WWAMI Interstate Agreement	166	2,909,712	166	2,909,712	166	2,909,712
28B.15.556	International Exchange	66	1,198,411	66	1,198,411	66	1,198,411
28B.15.543	WA Scholars						
28B.15.750	Oregon Reciprocity						
28B.15.756	British Columbia Reciprocity						
28B.15.756	Idaho Reciprocity						
28B.15.740	ICA Gender Equity	112	1,520,397	112	1,520,397	112	1,520,397
28B.15.740	Need & Merit Waivers	2,635	8,804,339	2,635	8,804,339	2,635	8,804,339
28B.15.915	Washington Achievement Award	34	154,500	34	154,500	34	154,500
28B.15.915	MPAcc Continuing NRes						
28B.15.915	MPAcc Continuing Res						
28B.15.915	MBA Continuing NRes						
28B.15.915	MBA Continuing Res						
	<b>Total</b>	<b>7,023</b>	<b>49,294,821</b>	<b>7,023</b>	<b>49,294,821</b>	<b>7,023</b>	<b>49,294,821</b>

\* Waiver amounts based on all applicable tuition categories including, Operating Fee, Building Fee, S & A Fee, and Tech Fee

**Attachment B-2  
Tuition Waivers by Purpose**

**Institution: (360) University of Washington, All Campuses**

Purpose for Granting The Waiver	FY 2004		FY 2005		FY 2006		FY 2007	
	Headcount	\$ (actuals)	Headcount	Estimate	Headcount	Estimate	Headcount	Estimate
Need	2,420	6,429,570	2,415	7,376,275	2,415	7,376,275	2,415	7,376,275
Merit	216	1,245,527	221	1,428,063	221	1,428,063	221	1,428,063
Reciprocity Agreement	92	1,176,884	66	1,198,411	66	1,198,411	66	1,198,411
Graduate Student	3,973	32,206,834	3,910	34,009,336	3,910	34,009,336	3,910	34,009,336
Other	396	4,785,546	411	5,282,736	411	5,282,736	411	5,282,736
<b>Total</b>	7,096	45,844,361	7,023	49,294,821	7,023	49,294,821	7,023	49,294,821

\* Waiver amounts based on all applicable tuition categories including, Operating Fee, Building Fee, S & A Fee, and Tech Fee

**Financial Aid Data**

Financial aid data will be submitted later.

