

**UNIVERSITY OF WASHINGTON**

**Supplemental Notice Dated October 12, 2016**

The following notice supplements information included within the 2015 University of Washington Bondholders Report for the year ended June 30, 2015, posted on January 19, 2016. The following is updated and corrected and replaces the corresponding information.

<b>Student and Enrollment<sup>(1)</sup></b>						
<b>Undergraduate</b>	<b>Autumn Quarter</b>					
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016<sup>(2)</sup></b>
<i>Freshmen</i>						
Applied	27,469	29,723	33,857	35,382	41,257	48,453
Accepted	16,799 <sup>(3)</sup>	18,328 <sup>(3)</sup>	19,560	20,510	23,183	23,752
Percent Accepted to Applied	60%	61%	58%	58%	56%	49%
Enrolled	6,671 <sup>(3)</sup>	7,039 <sup>(3)</sup>	7,210 <sup>(3)</sup>	7,341 <sup>(3)</sup>	7,943 <sup>(3)</sup>	--
Percent Enrolled to Accepted	40%	38%	37%	36%	34%	--
<i>Transfers</i>						
Applied	8,277	8,415	8,809	9,480	9,819	9,498
Accepted	4,250	4,448	4,705	4,826	4,747	4,622
Percent Accepted to Applied	51%	53%	53%	51%	48% <sup>(4)</sup>	49%
Enrolled	3,046	3,084	3,252	3,308	3,123	--
Percent Enrolled to Accepted	72%	69%	69%	69%	66%	--

<sup>(1)</sup> Unless otherwise noted, all figures include Seattle, Tacoma, and Bothell campuses.

<sup>(2)</sup> Preliminary; 2016 Autumn enrollment data will not be available until later in October 2016.

<sup>(3)</sup> Restated to reflect retroactive methodology update in October 2015 to include only first time, first year freshmen.

<sup>(4)</sup> Percent calculation provided.

Source: *The University*.

**HOUSING AND DINING DATA**

	<b>2012</b>	<b>2013</b>	<b>2014<sup>(1)</sup></b>	<b>2015<sup>(1)</sup></b>	<b>2016<sup>(1)</sup></b>
Room and Board <sup>(2)</sup>	\$8,091	\$9,360	\$10,055	\$10,576	\$11,036
Autumn Opening Occupancy <sup>(3)</sup>	5,294	6,403	6,592 <sup>(4)</sup>	7,010	7,024
Occupancy <sup>(5)</sup>	114%	111%	114%	112%	113%

<sup>(1)</sup> Figures for Autumn 2014–2016 include residence hall units and exclude single student and family housing apartments.

<sup>(2)</sup> Room and board pricing is for the full academic year. Room portion of annual room and board pricing is the weighted average of all residence hall double rooms in inventory, and dining amount is for a representative meal plan.

<sup>(3)</sup> Autumn opening occupancy is used to calculate capacity.

<sup>(4)</sup> Restated.

<sup>(5)</sup> Effective October 31, 2014 numbers were restated to reflect as-built capacity and 10th day occupancy (occupancy that exceeds 100 percent is the result of housing three students in a room designed for two).

Source: *The University*.

*University Operating Expenditures.* The following table and chart show University operating expenses by type of expenditure, excluding Valley and Northwest expenses.

### UNIVERSITY OPERATING EXPENSES

(dollars in millions)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015<sup>(1)(2)</sup></u>	<u>2016<sup>(2)</sup></u>
Educational and general instruction (Instruction)	\$936	\$988	\$1,037	\$1,114	\$1,172
Research	777	756	766	730	751
Public service	40	48	42	35	39
Academic support	248	261	297	337	398
Student services	37	36	43	43	47
Institutional support	192	201	224	223	267
Operation and maintenance of plant	174	207	201	242	239
Scholarships and fellowships	108	141	138	147	155
Auxiliary enterprises	195	204	286	302	422
Medical related	961	999	1,042	1,193	1,218
Depreciation/Amortization	243	280	308	311	325
Total	<u>\$3,911</u>	<u>\$4,121</u>	<u>\$4,384</u>	<u>\$4,676</u>	<u>\$5,034</u>

<sup>(1)</sup> Certain Fiscal Year 2015 numbers shown above have been revised. See “AUDITED FINANCIAL STATEMENTS (FISCAL YEARS ENDED JUNE 30, 2015 AND 2014) AND REQUIRED SUPPLEMENTAL INFORMATION OF THE UNIVERSITY (FISCAL YEAR ENDED JUNE 30, 2015) for prior figures.

<sup>(2)</sup> Preliminary and unaudited; subject to change.

Source: *The University*.

### Financial Information and Patient Activity Statistics

#### UW Medical Center, Northwest and Valley Financial Information<sup>(1)</sup>

Fiscal Years 2012–2016

(in thousands)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016<sup>(2)</sup></u>
<i>UW Medical Center</i>					
Total Operating Revenue	\$877,548	\$920,705	\$967,651	\$1,083,584	\$1,135,625
Net Income	36,026	5,798	14,096	26,745	(27,679)
<i>Valley</i>					
Total Operating Revenue	\$436,407	\$451,012	\$474,195	\$518,532	\$550,343
Net Income	(5,899)	(16,385) <sup>(3)</sup>	6,149	15,617	11,481
<i>Northwest</i>					
Total Operating Revenue	\$300,089	\$327,807	\$324,342	\$357,054	\$372,751
Net Income	(2,700)	9,284	(4,755)	(5,283)	(4,512)
<i>Combined<sup>(4)</sup></i>					
Total Operating Revenue	\$1,614,044	\$1,699,524	\$1,766,188	\$1,959,170	\$2,058,719
Net Income	27,427	(1,303)	15,490	37,079	(20,710)

<sup>(1)</sup> Only UW Medical Center revenues are included in General Revenues for the University.

<sup>(2)</sup> Preliminary and unaudited; subject to change.

<sup>(3)</sup> Corrected in 2015 Bondholder’s Report.

<sup>(4)</sup> Recalculated to correctly reflect component figures above.

Source: *The University*.

**CONTRIBUTION RATES  
AND FUNDED STATUS BY PLAN  
(as of June 30, in thousands)**

	<b>PERS 1</b>	<b>PERS 2/3</b>	<b>TRS 1</b>	<b>TRS 2/3</b>	<b>LEOFF 2</b>
<b>2016<sup>(1)</sup></b>					
Required University Contributions	\$2,155	\$107,424	\$38	\$956	\$384
Covered Employee Payroll	19,450	967,955	306	7,507	4,474
University Contributions as a % of Payroll (Contribution Rates)	11.1%	11.1%	12.4%	12.7%	8.6%
Plan fiduciary net position % of total Net Pension Liability (funded status)	59.1%	89.2%	65.7%	92.5%	111.7%
<b>2015<sup>(1)(2)</sup></b>					
Required University Contributions	\$2,058	\$83,323	\$44	\$558	\$303
Covered Employee payroll	22,341	904,661	423	5,367	3,534
University Contributions as % of Payroll (Contribution Rates)	9.2%	9.2%	10.4%	10.4%	8.6%
Plan fiduciary net position % of total Net Pension Liability (funded status)	61.2%	93.3%	68.8%	96.8%	116.8%

<sup>(1)</sup> Preliminary and unaudited; subject to change. Calculated for financial reporting purposes.

<sup>(2)</sup> The required University contribution, covered employee payroll and contribution rate information for Fiscal Year 2015 corrects that information reported in the Schedules of Required Supplementary Information. See "AUDITED FINANCIAL STATEMENTS (FISCAL YEARS ENDED JUNE 30, 2015 AND 2014)" for prior figures.

Source: *The University*.