MOODY'S RATINGS

Rating Action: Moody's Ratings assigns P-1 to University of Washington, WA's expanded Commercial Paper Program

25 Aug 2025

New York, August 25, 2025 -- Moody's Ratings (Moody's) has assigned a P-1 to the University of Washington, WA's (UW) General Revenue Notes (Commercial Paper) Series A (Tax-Exempt) and Series B (Taxable) with a total amount authorized of $750 million.

RATINGS RATIONALE

The assignment of a P-1 short-term rating to the university's commercial paper program is based on the university's long-term credit strength, excellent debt and treasury management, and ample university self-liquidity for maturing commercial paper. UW's Commercial Paper program is being expanded to $750 million from $250 million. Excellent treasury management includes a $200 million limit of CP that can mature in any one business week and $75 million in one day. At June 30, 2025 UW reported $1.8 billion of discounted daily liquidity, including checking and deposits at one P-1 rated bank, and US treasuries and agencies. The internal daily liquidity provides an extremely strong nearly 9x of the maximum $200 million of commercial paper that can mature in one business week.

RATING OUTLOOK

Not applicable

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATINGS

- Not applicable

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS

- Significant reduction in coverage by self-liquidity, increased calls on liquidity, weakening of debt and treasury management or multi-notch downgrade of university's long-term issuer rating.

PROFILE

Founded in 1861, the University of Washington is the State of Washington's flagship university with fall 2024 full time equivalent students (FTEs) of 62,054 on its campuses in Seattle, Tacoma and Bothell. UW's operations are sizable with $8.5 billion of operating revenue in fiscal 2024. UW is also one of the nation's largest research universities with $1.7 billion of research awards for fiscal 2024.

METHODOLOGY

The principal methodology used in these ratings was US Municipal Short-term Debt published in October 2024 and available at https://ratings.moodys.com/rmc-documents/430699. Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on https://ratings.moodys.com/rating-definitions.

For any affected securities or rated entities receiving direct credit support/credit substitution from another entity or entities subject to a credit rating action (the supporting entity), and whose ratings may change as a result of a credit rating action as to the supporting entity, the associated regulatory disclosures will relate to the supporting entity. Exceptions to this approach may be applicable in certain jurisdictions.

For ratings issued on a program, series, category/class of debt or security, certain regulatory disclosures applicable to each rating of a subsequently issued bond or note of the same series, category/class of debt, or security, or pursuant to a program for which the ratings are derived exclusively from existing ratings, in accordance with Moody's rating practices, can be found in the most recent Credit Rating Announcement related to the same class of Credit Rating.

For provisional ratings, the Credit Rating Announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating.

Moody's does not always publish a separate Credit Rating Announcement for each Credit Rating assigned in the Anticipated Ratings Process or Subsequent Ratings Process.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

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