

**UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
FINANCE COMMITTEE
JANUARY 19, 2001**

FINANCE COMMITTEE

Friday, January 19, 2001
9:45 - 11:00 a.m.
Board Room, The Rotunda

Committee Members:

William H. Goodwin, Jr., Chair	
Charles L. Glazer	James C. Wheat, III
Timothy B. Robertson	Joseph E. Wolfe
Walter F. Walker	John P. Ackerly, III, Ex Officio

AGENDA

	<u>PAGE</u>
I. CONSENT AGENDA (Mr. Sandridge)	
• Cash Match Plan	1
• Fiscal Impact Statement	
II. ACTION ITEMS (Mr. Sandridge)	
A. Student Housing Rates, 2001-2002	5
• University of Virginia	
• University of Virginia's College at Wise	
• Mountain Lake Biological Station	
• Fiscal Impact Statements	
B. Ratification of Financing Arrangements with University of Virginia Foundation	15
• Fiscal Impact Statement	
III. REPORTS BY THE EXECUTIVE VICE PRESIDENT AND CHIEF OPERATING OFFICER (Mr. Sandridge)	
A. Vice President's Remarks	
• State Budget and Legislation (Mr. Sandridge to introduce Ms. Colette Sheehy; Ms. Sheehy to report)	18
• Governor's 2000-2002 Budget	
• 2000-2002 Legislative and Budget Amendments	
• Preliminary 2001-2002 Budget Assumptions	
B. Investment Matters	
1. Endowment Report - Market Value and Performance as of November 30, 2000 (Mr. Sandridge to introduce Ms. Alice Handy; Ms. Handy to report)	23

	<u>PAGE</u>
2. Report on Actions of the Board of the Investment Management Company, November 14-15, 2000, and January 8, 2001 (Mr. William H. Goodwin, Jr.)	26
C. Debt Capacity Policy	27
D. Miscellaneous Financial Reports	
1. Academic Division Accounts and Loans Receivable	29
2. Capital Campaign Gift Report	31
3. Integrated Systems Project Implementation Status	32
4. Internal Loans to University Departments and Activities	34
5. Medical Center Write-off of Bad Debts and Indigent Care	35
6. Quarterly Budget Report	37
7. Quasi-Endowment Actions	42
8. Summary of Sponsored Programs Restricted Grants and Contracts	44
 IV. APPENDICES	
A. First Amendment to the Commonwealth of Virginia Matching Contribution Retirement Plan for Salaried Employees of the University of Virginia and the University of Virginia Medical Center	47
B. Summary of Budget Requests and Governor's Budget Bill	49
C. 2000-2002 Legislative Amendments	53
 V. EXECUTIVE SESSION	
• Discussion and consideration of a proposed gift of real estate, as provided for in Section 2.1-344 (A)(8) of the <u>Code of Virginia</u> , and discussion of the performance, appointments and salaries of individual employees, as provided for in Section 2.1-344 (A)(1) of the <u>Code of Virginia</u> .	

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS CONSENT AGENDA

REVISION OF CASH MATCH PLAN: Approves an adjustment to the Cash Match Plan allowing employees to receive the benefit after 12 months of any state (Commonwealth of Virginia) service.

As a result of action taken by the legislature of the Commonwealth of Virginia during the 1999 session, the University of Virginia instituted the Cash Match Plan on April 1, 2000. This plan entitles any employee who invests at least \$20 per month in the University's 403(b) retirement savings program with certain vendors to receive a contribution equal to 50 percent of that investment, up to a maximum contribution of \$80 per month, into a qualified pension plan.

At the time the University's plan was established, it was understood that the Virginia Retirement System – the agency responsible for directing the general form and substance of the Cash Match Plan – was advising that each agency should have a 12-month waiting period, without offset for other state service.

As the effective date of this state-mandated benefit approached, however, the Virginia Retirement System circulated a model plan document that based a 12-month period on any state service. A recent survey of the other institutions of higher education found that all of them count all state service toward satisfying the waiting period for their Cash Match plans.

The University regularly hires employees who have previous state service. At this time, these employees are required to wait 12 months before becoming eligible for the Cash Match plan. This practice puts transferring employees at a disadvantage, and could impact our ability to recruit from this pool of potential employees.

ACTION REQUIRED: Approval by the Finance Committee and the Board of Visitors.

AMENDMENT TO THE COMMONWEALTH OF VIRGINIA MATCHING CONTRIBUTION
RETIREMENT PLAN FOR SALARIED EMPLOYEES OF THE UNIVERSITY OF
VIRGINIA AND THE UNIVERSITY OF VIRGINIA MEDICAL CENTER

WHEREAS, the Commonwealth of Virginia required by statute that the University of Virginia offer its employees an opportunity to receive a contribution based on employee contributions to its voluntary retirement savings program; and

WHEREAS, the University of Virginia established the Commonwealth of Virginia Matching Contribution Retirement Plan for Salaried Employees of the University of Virginia and the University of Virginia Medical Center (hereinafter "Plan"); and,

WHEREAS, the Plan contains an eligibility term that requires employees to work at the University for 12 months before receiving a match, while other institutions of higher education require only 12 months of state (Commonwealth of Virginia) service; and,

WHEREAS, the University considers recruitment of new employees an important function of the benefit plans that it offers;

RESOLVED that the University adopts in all material respects the First Amendment to the Commonwealth of Virginia Matching Contribution Retirement Plan for Salaried Employees of the University of Virginia and the University of Virginia Medical Center, attached as Appendix A.

UNIVERSITY OF VIRGINIA
FISCAL IMPACT STATEMENT

PROJECT/PROPOSED BOARD OF VISITORS ACTION: Approve a change to the Cash Match Plan to allow University of Virginia and Medical Center Employees to receive the benefit after twelve months of combined service at any state (Commonwealth of Virginia) agencies.

DESCRIPTION: Under the current plan guidelines, new hires are required to wait a full year before becoming eligible for the Cash Match Plan. The University regularly employs individuals with previous state work experience; however, those that transfer from other agencies receive no consideration for this time. The proposed change will allow new hires to credit prior state work experience toward the twelve-month waiting period. At present, the University is the only institution of higher education in the Commonwealth that has not already adopted this practice.

FISCAL IMPACT: The fiscal impact is minimal. In any given year the University will hire twenty to twenty-five persons who have worked for another agency in the state. Assuming a participation rate in the Plan of about 40 percent, coupled with a maximum contribution from the University per individual of \$480, the total expected increase in expenditures is only about \$5,000 per year. The absence of such a provision in the Plan may limit our ability to recruit qualified individuals from other state agencies.

CONCLUSION: The Board of Visitors should approve the proposed change to the Cash Match Plan.

RECOMMEND APPROVAL OF BOARD ACTION:



Leonard W. Sandridge
January 19, 2001

This page intentionally left blank.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: January 19, 2001

COMMITTEE: Finance

AGENDA ITEM: II.A. Student Housing Rates, 2001-2002

BACKGROUND: The Board considers student housing rates at this time each year. The University's student housing rates were increased by 3.8 percent in 2000-2001 and 3.0 percent in 1999-2000. The University of Virginia's College at Wise student housing rates were increased by 2.8 percent in 2000-2001 and 3.0 percent in 1999-2000.

The average double room rate at Virginia public colleges and universities in 2000-2001 is \$2,785. The comparable charge at the University is \$2,137. The College at Wise charges an average of \$2,592. The University's pricing policy requires that the University's and the College's charges for room and board not exceed the average of amounts charged at other Virginia public institutions. Both institutions meet this requirement.

DISCUSSION: The University proposes housing rates to increase by approximately 5.8 percent in 2001-2002, as compared to 3.8 percent in 2000-2001. This proposed increase would raise the University's average housing rate to \$2,260 for 2001-2002, below the 2000-2001 statewide average. Of the proposed 5.8 percent, 2.5 percent is proposed as a \$50 fee to fund specifically replacement and renovation reserves for anticipated major renovations, such as at the Alderman Road houses. The intention would be to increase the fee by \$50 in each of the three years, adding about \$1 million to the annual budget for renovations and replacement for a total of approximately \$4 million.

The new \$50 fee will be dedicated to the increasing costs of supporting, maintaining and renovating housing facilities as determined by the housing facilities audit conducted in 1999 by Facilities Management. The audit found a significant need to upgrade housing facilities over the next ten years in order to meet maintenance needs and code requirements for an inventory of student housing facilities of which 75 percent of the dormitories were constructed more than 20 years ago (53 percent at least 30 years ago). In addition, housing must meet with

increasing student expectations for better facilities. Failure to address the facility needs simply defers an even greater expense to a later time.

The remaining 3.3 percent of the 5.8 percent increase will, similar to last year's increase, cover rising University operating costs, most notably salary and fringe benefit increases and contractual service costs for utilities and trash collection. This increase is calculated on the basis prescribed by the state in the current Appropriations Act.

The University of Virginia's College at Wise proposes a 2.8 percent room rate increase for each of its two housing rates. The 2000-2001 weighted average of \$2,592 includes the Crockett dormitory, which will not be used in 2001-2002. The 2001-2002 weighted average of \$2,738 includes the new Henson dormitory, which has a higher rate than did Crockett. Consequently, Wise's weighted average housing rate increase is 5.6 percent. The University estimates it will subsidize \$684,000 of the operating costs for the new Henson dormitory. This subsidy is higher than estimated last February because of the timing of the opening the dormitory. The estimated subsidy is consistent with the October 1998 Board action that approved a one-time subsidy not to exceed \$700,000 to be paid over a period of approximately six years beginning in Fiscal Year 2001.

The proposed resolution also addresses summer 2001 housing and dining rates for the Mountain Lake Biological Station.

ACTION REQUIRED: Approval by the Finance Committee and the Board of Visitors.

APPROVAL OF STUDENT HOUSING RATES FOR 2001-2002

RESOLVED that rental increases for student housing facilities be approved as shown below, effective beginning with the 2001-2002 session:

<u>Facility</u>	<u>Actual</u> <u>2000-2001</u> <u>Per Student</u> <u>Per Session</u>	<u>Amount</u> <u>of</u> <u>Increase</u>	<u>% Increase</u> <u>Before</u> <u>Improvement</u> <u>Fee</u>	<u>Student</u> <u>Housing</u> <u>Improvement</u> <u>Fund Fee</u>	<u>Total</u> <u>Percent</u> <u>Increase</u>	<u>Proposed</u> <u>2000-2001</u> <u>Per Student</u> <u>Per Session</u>
<u>ACADEMIC DIVISION</u>						
<u>DORMITORIES</u>						
<u>Alderman/Observatory Houses</u>						
Double Room	\$2,100	\$80	3.81%	\$50	6.19%	\$2,230

<u>Facility</u>	<u>Actual</u> <u>2000-2001</u> <u>Per Student</u> <u>Per Session</u>	<u>Amount</u> <u>of</u> <u>Increase</u>	<u>% Increase</u> <u>Before</u> <u>Improvement</u> <u>Fee</u>	<u>Student</u> <u>Housing</u> <u>Improvement</u> <u>Fund Fee</u>	<u>Total</u> <u>Percent</u> <u>Increase</u>	<u>Proposed</u> <u>2000-2001</u> <u>Per Student</u> <u>Per Session</u>
<u>Brown College</u>						
Double Room	\$2,630	\$110	4.18%	\$50	6.08%	\$2,790
<u>McCormick Road</u>						
Double Room	\$2,000	\$80	4.00%	\$50	6.50%	\$2,130
Small Double Room	\$1,820	\$70	3.85%	\$50	6.59%	\$1,940
Single	\$2,110	\$80	3.79%	\$50	6.16%	\$2,240
<u>Lawn</u>						
Small Single	\$2,500	\$100	4.00%	\$50	6.00%	\$2,650
Regular Single	\$2,500	\$100	4.00%	\$50	6.00%	\$2,650
Small Single (no fireplace)	\$2,430	\$100	4.12%	\$50	6.17%	\$2,580
<u>Range</u>						
Regular Single	\$2,500	\$100	4.00%	\$50	6.00%	\$2,650
<u>Crackerbox</u>						
Single Room	\$2,500	\$100	4.00%	\$50	6.00%	\$2,650
<u>Mary Munford / Roberta Gwathmey</u>						
Double Room	\$2,100	\$80	3.81%	\$50	6.19%	\$2,230
Single Room	\$2,500	\$100	4.00%	\$50	6.00%	\$2,650
<u>Sprigg (Lewis/Hoxton)</u>						
Double Room	\$2,390	\$100	4.18%	\$50	6.28%	\$2,540
Single Room	\$2,670	\$110	4.12%	\$50	5.99%	\$2,830
Single Room w/bath	\$2,810	\$110	3.91%	\$50	5.69%	\$2,970
<u>Gooch / Dillard</u>						
Double Room	\$2,390	\$100	4.18%	\$50	6.28%	\$2,540
Single Room	\$2,670	\$110	4.12%	\$50	5.99%	\$2,830
Twelve Month Rate:						
Single Room	\$3,790	\$150	3.96%	\$50	5.28%	\$3,990
<u>Hereford College</u>						
Double Room	\$2,500	\$-0-	0.00%	\$50	2.00%	\$2,550
Single Room	\$2,630	\$110	4.18%	\$50	6.08%	\$2,790
<u>French House</u>						
Triple Room	\$2,260	\$90	3.98%	\$50	6.19%	\$2,400
Double Room	\$2,390	\$100	4.18%	\$50	6.28%	\$2,540
Single Room	\$2,720	\$110	4.04%	\$50	5.88%	\$2,880
<u>German House</u>						
Single Room	\$2,430	\$100	4.12%	\$50	6.17%	\$2,580
<u>Russia House</u>						
Double Room	\$2,300	\$100	4.35%	\$50	6.52%	\$2,450
Single Room	\$2,660	\$110	4.14%	\$50	6.02%	\$2,820

<u>Facility</u>	<u>Actual</u> <u>2000-2001</u> <u>Per Student</u> <u>Per Session</u>	<u>Amount</u> <u>of</u> <u>Increase</u>	<u>% Increase</u> <u>Before</u> <u>Improvement</u> <u>Fee</u>	<u>Student</u> <u>Housing</u> <u>Improvement</u> <u>Fund Fee</u>	<u>Total</u> <u>Percent</u> <u>Increase</u>	<u>Proposed</u> <u>2000-2001</u> <u>Per Student</u> <u>Per Session</u>
<u>Spanish House</u>						
Double Room	\$2,430	\$100	4.12%	\$50	6.17%	\$2,580
Single Room	\$2,720	\$110	4.04%	\$50	5.88%	\$2,880
APARTMENTS - SINGLE STUDENT						
<u>Copeley Hill III, IV, Lambeth Field</u>						
Two Bedroom (double occupancy)	\$2,420	\$100	4.13%	\$50	6.20%	\$2,570
Three Bedroom (double occupancy)	\$2,320	\$100	4.31%	\$50	6.47%	\$2,470
<u>Bice House</u>						
Two Bedroom (double occupancy)	\$2,420	\$100	4.13%	\$50	6.20%	\$2,570
Three Bedroom (double occupancy)	\$2,320	\$100	4.31%	\$50	6.47%	\$2,470
<u>Faulkner (Hench, Mitchell, Younger)</u>						
Single	\$2,710	\$110	4.06%	\$50	5.90%	\$2,870
Large Single	\$3,320	\$130	3.92%	\$50	5.42%	\$3,500
APARTMENTS - FAMILY (per month)						
<u>Copeley Hill I & II</u>						
One Bedroom (furnished)	\$516	\$20	3.88%	\$5	4.84%	\$541
One Bedroom (unfurnished)	\$488	\$19	3.89%	\$5	4.92%	\$512
Two Bedroom (furnished)	\$569	\$22	3.87%	\$5	4.75%	\$596
Two Bedroom (unfurnished)	\$541	\$21	3.88%	\$5	4.81%	\$567
Three Bedroom (furnished)	\$617	\$24	3.89%	\$5	4.70%	\$646
Three Bedroom (unfurnished)	\$589	\$23	3.90%	\$5	4.75%	\$617
<u>University Gardens</u>						
One Bedroom (furnished)	\$500	\$19	3.80%	\$5	4.80%	\$524
One Bedroom (unfurnished)	\$472	\$18	3.81%	\$5	4.87%	\$495
Two Bedroom (furnished)	\$540	\$21	3.89%	\$5	4.81%	\$566
Two Bedroom (unfurnished)	\$512	\$20	3.91%	\$5	4.88%	\$537
<u>Other Housing Rates</u>						
Graduate Housing	\$20	\$5	25.00%	\$-0-	25.00%	\$25
Late Stay - Early Arrival	\$8	\$2	25.00%	\$-0-	25.00%	\$10

<u>Facility</u>	<u>Actual</u> <u>2000-2001</u> <u>Per Student</u> <u>Per Session</u>	<u>Amount</u> <u>of</u> <u>Increase</u>	<u>% Increase</u> <u>Before</u> <u>Improvement</u> <u>Fee</u>	<u>Student</u> <u>Housing</u> <u>Improvement</u> <u>Fund Fee</u>	<u>Total</u> <u>Percent</u> <u>Increase</u>	<u>Proposed</u> <u>2000-2001</u> <u>Per Student</u> <u>Per Session</u>
<u>COLLEGE AT WISE</u>						
McCraray, Martha Randolph	\$2,468	\$70	2.80%	\$-0-	2.80%	\$2,538
Asbury, Thompson, Henson, Townhouses	\$2,852	\$80	2.80%	\$-0-	2.80%	\$2,932

Notes:

- These rates include utility charges, cable TV (in apartments) and post office box rental.
- The furnished apartment rate in Copeley Hill and University Gardens will go into effect as the units turn over.
- The rate for a double room used as a single is 135% of the double rate.
- The rate for a double room used as a triple is 85% of the double rate.

MOUNTAIN LAKE BIOLOGICAL STATION PROPOSED RATES

	<u>Actual 2000</u>	<u>Proposed 2001 Rate</u>	<u>Percent Increase</u>
BOARD RATES PER TERM (4 weeks)			
Persons 17 years & older	\$426.00	\$500.00	17.37%
Persons 10-16 years old	\$229.00	\$300.00	31.00%
Persons 9 yrs & younger	\$142.00	\$160.00	12.68%
SUMMER HOUSING RATES PER TERM (4 weeks)			
CABINS	\$162.00	\$168.00	3.70%
LAING APTS	\$124.00	\$128.00	3.23%
DORMS/SINGLES	\$88.00	\$91.00	3.41%
NEW DORM:			
Apts (2 rooms)	\$142.00	\$147.00	3.52%
2nd bedroom (family)	\$45.00	\$47.00	4.44%
Singles	\$101.00	\$104.00	2.97%
PRESEASON RATES (2-week May session)			
Entomology:			
Food	new	\$165.00	new
Rent	new	\$105.00	new
Insurance	new	\$15.00	new
Communities:			
Food	new	\$225.00	new
Rent	new	\$92.50	new
Van	new	\$55.00	new
Insurance	new	\$15.00	new
OFF-SEASON RATES			
Singles/Guests:			
Night	\$10.00	\$10.50	5.00%
Week	\$50.00	\$52.50	5.00%
Month	\$200.00	\$210.00	5.00%
Family:			
Night	\$13.50	\$14.00	3.70%
Week	\$67.50	\$70.00	3.70%
Month	\$270.00	\$280.00	3.70%
GROUP USE FEES (OFF-SEASON)			
Classroom/day	\$25.00	\$30.00	20.00%
Dining Hall/day	\$50.00	\$55.00	10.00%
New Dorm Kitchen/day	\$25.00	\$30.00	20.00%
Auditorium/day	\$25.00	\$30.00	20.00%
Pavilion only	No charge		
<u>Cabins:</u> Hariot, Leconte, Catesby, Banister, Gattinger, Holbrook, Mitchell, Maphis, Schoew, Rafinesque, Michaux, Sums, Clayton, Hentz-Mohr and Washington.			
<u>Laing Apartments:</u> Laing South, North, Center, Northwest and West.			
<u>Dorms/Singles:</u> Chapman, Elliott, DeSchweinitz, Audubon, Laing Singles, Laundry and other cottages when used as dorms.			

UNIVERSITY OF VIRGINIA
FISCAL IMPACT STATEMENT

PROJECT/PROPOSED BOARD OF VISITORS ACTION: Increase student housing rates by an average of 5.8 percent for the University of Virginia for the 2001-2002 school year.

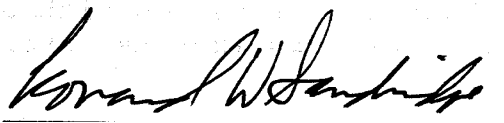
DESCRIPTION: The proposed housing rates for the University of Virginia consist of two parts: a 3.3 percent escalation from last year's average rate to pay for normal operating expense increases coupled with a \$50 per occupant fee to replenish the capital reserve fund. This latter category of monies will be used for major renovations to the Alderman Road houses and other facilities. The total increase from 2000-01 is \$123 or approximately 5.8 percent, resulting in an average charge of \$2,260.

FISCAL IMPACT: The proposed rate increase will create additional revenues of \$1,126,600 versus the original budget for 2000-2001. The following chart summarizes how these funds will be utilized:

Expenditures	Original Budget 00-01	Proposed Budget 01-02	Incr/(Decr)	Percent Of Incr/(Decr)	Proposed Rate Increase
Personal Services	\$5,309,000	\$5,620,000	\$311,000	27.61%	1.60%
G&A Cost	\$612,400	\$675,000	\$62,600	5.56%	0.32%
Reserves	\$5,722,000	\$6,195,000	\$473,000	41.98%	2.44%
Total Other Costs	\$6,115,000	\$6,395,000	\$280,000	24.85%	1.44%
Total Expenditures	\$17,758,400	\$18,885,000	\$1,126,600	100.00%	5.80%

CONCLUSION: The University of Virginia should increase the average housing rate charge at the University of Virginia by 5.8 percent.

RECOMMEND APPROVAL OF BOARD ACTION:



Leonard W. Sandridge
January 19, 2001

UNIVERSITY OF VIRGINIA
FISCAL IMPACT STATEMENT

PROJECT/PROPOSED BOARD OF VISITORS ACTION: Increase student housing rates by 2.8 percent for the University of Virginia's College at Wise for the 2001-02 school year.

DESCRIPTION: The proposed weighted-average room rate for next year is \$2,738 versus \$2,592 in the current year. That this equates to an increase of 5.6 percent should not be misinterpreted. The University's College at Wise employs a two-tiered rate structure for its housing units. Existing dormitories and apartments will increase their rates by 2.8 percent, as stated. However, a new dormitory providing an incremental 76 beds is scheduled to come on-line in the fall in the upper-rate tier, replacing an older facility in the lower-rate tier. The combination of these factors creates the apparent 5.6 percent weighted-average rate increase.

FISCAL IMPACT: The proposed rates generate sufficient revenue to cover operating expenses and a significant portion of debt service. However, cumulative outlays for operations and debt service are expected to exceed anticipated revenues by a total of \$684,000 over the next four years. This figure is consistent with the original pro forma and the Board's resolution of October 1998 to provide a subsidy not to exceed \$700,000 to defray this shortfall. Projections indicate that the University's College at Wise Housing System will achieve self-sufficiency by fiscal year 2005 as debt service abates and revenues grow with an annual 2.8 percent rate increase.

CONCLUSION: The Board of Visitors should approve the proposed student housing rate increases for The University's College at Wise.

RECOMMEND APPROVAL OF BOARD ACTION:



Leonard W. Sandridge
January 19, 2001

UNIVERSITY OF VIRGINIA
FISCAL IMPACT STATEMENT

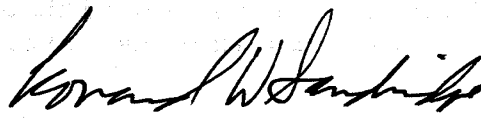
PROJECT/PROPOSED BOARD OF VISITORS ACTION: Approve the proposed rate increases for Mountain Lake Biological Station.

DESCRIPTION: The Mountain Lake Biological Station has recommended rate changes commensurate with expected inflation increases of 3.4 percent, rounded to a logical dollar figure. The only exceptions to this guideline are Board Rates per Term and Group Use Fees (off-season), which are higher in order to balance estimated attendance figures with expenses.

FISCAL IMPACT: For most rate categories the 3.4 percent approximate increase results in a modest per person charge of only a few dollars. Group Use Fees (Off Season) were increased \$5.00 per category, which represents a 10 to 20 percent change rather than the typical 3.4 percent. The suggested Board Rates per Term show increases of \$76.00, \$71.00 and \$18.00 for adults, teens and children, respectively. These figures were derived using average attendance history for the past few summers coupled with anticipated costs; the rate increases are not expected to cause further deterioration in attendance.

CONCLUSION: The Board of Visitors should approve the proposed rates for Mountain Lake Biological Station.

RECOMMEND APPROVAL OF BOARD ACTION:



Leonard W. Sandridge
January 19, 2001

This page intentionally left blank.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: January 19, 2001

COMMITTEE: Finance

AGENDA ITEM: II.B. Ratification of Financing
Arrangements with University of
Virginia Foundation

BACKGROUND: The University of Virginia Real Estate Foundation was established in 1989 to acquire, hold and operate real properties for the University of Virginia. Over the course of more than a decade, the University has provided financing for the activities of the Real Estate Foundation (now a subsidiary of the University of Virginia Foundation), primarily through a combination of unrestricted quasi-endowment loans and more recently bank loans backed by University of Virginia comfort letters. Many of the loans used to acquire properties contiguous to the Grounds or for the primary programs of the University were non-interest bearing.

DISCUSSION: Under the leadership of the Chair of the Finance Committee who, along with the Rector and the Chair of the Buildings and Grounds Committee, serves on the University of Virginia Foundation Board, efforts have been underway to arrange a more appropriate long-term financing strategy for the Foundation. This strategy will lead to proposals to recognize the permanent nature of many of the non-interest bearing loans and the importance of financing certain income-producing properties through bank loans that do not rely on the credit of the Rector and Visitors of the University. To the extent that work is completed prior to the January meeting, one or more resolutions will be offered for the Board's consideration.

The University of Virginia Foundation operates the Fontaine and North Fork Research Parks. The mission statement of the University of Virginia Foundation Research Parks appears in the resolution on page 16-17. The Foundation has followed this mission statement for a number of years. The Foundation Board and the Rector believe it is appropriate for the Board of Visitors to concur with the mission statement. It is presented for the consideration of the Board of Visitors.

ACTION REQUIRED: Approval by the Finance Committee and the Board of Visitors.

RATIFICATION OF FINANCING ARRANGEMENTS WITH THE UNIVERSITY OF VIRGINIA FOUNDATION

Detailed resolution to be provided at the January 2001 meeting of the Board of Visitors.

APPROVAL OF MISSION STATEMENT OF UNIVERSITY OF VIRGINIA FOUNDATION RESEARCH PARKS

RESOLVED, the mission statement of the University of Virginia Foundation Research Parks, is approved as follows:

MISSION STATEMENT

THE UNIVERSITY OF VIRGINIA FOUNDATION RESEARCH PARKS

The mission of the University of Virginia Foundation Research Parks is to provide state-of-the-art facilities that serve as a catalyst for the creation and enhancement of research and business collaboration between the University of Virginia and the public and private sectors, for the economic and societal benefit of the Commonwealth of Virginia, the Central Virginia region and the nation.

This Research Park mission is validated by:

- Creating *faculty and student research projects* in partnership with research park entities.
- Fostering and enhancing *reciprocal consulting opportunities* benefiting University faculty as well as researchers and administrative leaders representing research park entities.
- Establishing *joint venture business opportunities and technology transfer* between the University, its faculty and students and the research parks.
- Providing *exciting employment opportunities for University of Virginia students* and members of the Central Virginia community, and in the process providing economic stimulus to the area.

- *Serving as a recruiting and retention tool for key University faculty* by providing cutting-edge research possibilities for faculty and employment opportunities for faculty spouses.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: January 19, 2001

COMMITTEE: Finance

AGENDA ITEM: III.A. Vice President's Remarks

ACTION REQUIRED: None

Governor's 2000-2002 Budget

BACKGROUND: On December 18, 2000, Governor Gilmore presented to the legislature his amendments to the 2000-02 biennial budget. The General Assembly will consider the Governor's amendments during its session, which began January 10, 2001. The University and the University of Virginia's College at Wise submitted requests for the Governor's consideration in October 2000.

DISCUSSION: Governor Gilmore's budget for higher education includes funding for faculty salaries and funding for 100 percent of true financial aid need and enrollment growth. The Governor's budget also includes budget reductions in the form of management savings initiatives and maintains the 20 percent tuition and fee rollback from 1999-2000. The amendments also provide \$295.6 million in new state support for maintenance reserve, infrastructure and capital outlay projects through a proposed bond bill. The Governor did not address the Institutional Performance Agreement in his budget.

The Governor has recommended that the base salary of full-time state employees be increased by an average of 3.5 percent on November 25, 2001, under the guidelines of the new performance-based compensation system. The Governor has included funding for full-time instructional faculty salary increases of 3.4 percent at the University and 0.7 percent at the College at Wise in the second year of the biennium. The University is currently at the 48th percentile of our benchmark salary group. It is anticipated that we will see a further decline in our ranking based on the methodology used to calculate the Governor's recommended increase. Professional and administrative faculty, part-time instructional faculty and graduate teaching assistants will receive on average 3.5 percent salary increases.

For the biennium, the Governor's new funding for the Academic Division includes general funds of \$90,942 for enrollment growth and \$50,000 for financial aid. Budget reductions in the form of management-savings initiatives total \$2.333 million in the biennium.

Capital projects of \$82.1 million (\$28.3 million GF, \$53.8 million NGF) are recommended for the Academic Division in 2000-02 as reflected in Appendix B on page 51.

The Medical Center received its requested non-general fund adjustment to bring its appropriation in line with actual expenditures. The Governor's budget also includes recommendations for \$23 million in capital projects for the Medical Center. These initiatives are also listed in detail in Appendix B.

For the biennium, the Governor's new funding for the College at Wise includes general funds of \$28,000 for enrollment growth and \$87,000 for financial aid. The Governor's budget also includes \$7.1 million in general fund capital projects for the College at Wise. Appendix B itemizes these recommendations.

2000-2002 Legislative Amendments

BACKGROUND: On January 10, 2000, the Buildings and Grounds Committee considered additional capital budget amendments to be submitted to the legislature that had not previously been approved by the Board. The Executive Committee of the Board met immediately thereafter to determine which amendments they will endorse for submission to the legislature. Some additional requests were made based on the original request to the Governor that was approved by the Board of Visitors on October 2, 2000.

DISCUSSION: The operating and capital budget requests submitted to the legislature are summarized in Appendix C on page 55. In addition to requests that impact the budget bill, the University has submitted two legislative proposals to the Governor. Both proposals involve Medical Center operations.

The hospital interest proposal would require the Medical Center to be credited with the imputed interest on its non-general operating cash balances (primarily patient care revenues), on deposit with the State Treasurer. The receipt of the resulting interest earnings relate directly to the Medical Center's goal of achieving a realistic operating margin,

specifically helping to offset losses resulting from the Balanced Budget Act of 1997. The Medical Center forecasts that by the year 2002, its Medicare revenues will decrease an average of more than \$25 million annually as compared to fiscal year 1997 for the same volume of services. The proposed legislation would allow the Medical Center to operate on a similar basis to the Medical College of Virginia Hospitals Authority and to private hospitals with regard to interest on cash balances. This is critical in the increasingly challenging environment of managed health care. The proposed change would modify Section 23-77.4 of the Code of Virginia.

The Medical Center codified autonomy proposal would allow the University to request an administrative waiver exempting the Medical Center from (i) any provision in Title 2.1 or Title 51.1, or in the Appropriation Act, governing state employee compensation or fringe benefits, and (ii) any provision of law in the Code of Virginia or the Appropriation Act specifically addressed to state agencies' procurement of goods, services, including professional services, and construction, unless the provision described in (i) or (ii) expressly and specifically applies to the Medical Center. The state agency charged with implementing the Code or Appropriation Act provision from which exemption is sought would be required to grant the waiver unless it determines that the Medical Center will not be at a competitive disadvantage without a waiver. The proposed change would require modification of Section 23-77.4 of the Code of Virginia and Section 4-11.00 of the Appropriation Act.

Preliminary 2001-2002 Budget Assumptions

BACKGROUND: Each year at this time, we develop preliminary budget assumptions that will be used to formulate the target budget for the subsequent fiscal year.

DISCUSSION: The following budget assumptions will be used in the development of the 2001-2002 budget, which will be presented to the Board of Visitors for action in June 2001:

1. Fiscal Year 2001-2002 will be a transition year as we move from our current accounting system to the new project-based Oracle accounting system. The 2001-2002 Academic Division budget will be developed using the existing budget system in the structure and format of the Oracle system that will be implemented on July 2, 2001.

2. The 2001-2002 state appropriation will reflect any budget increases or reductions as approved by the Governor and the 2001 General Assembly. The impact of these actions on the Academic Division's state appropriation will be reflected in the budget presented to the Board of Visitors in June.
3. Anticipated tuition increases will reflect the following as discussed at the October 2000 Board meeting:
 - It is expected that in-state undergraduate tuition and mandatory E&G fees will continue to be frozen by the General Assembly.
 - The Governor's budget recommendations will impact the extent to which the University will need to increase out-of-state undergraduate and graduate tuition.
 - The Darden School anticipates normal tuition increases for out-of-state students plus a \$1,500 surcharge on incoming out-of-state students to move the school closer to market-based tuition. In-state tuition will continue to be \$5,000 less than out-of-state tuition.
 - The Law School's in-state tuition plan will include a surcharge on incoming in-state students in order to move to a level of in-state tuition equivalent to 70 percent of out-of-state tuition. Out-of-state tuition will increase at a rate to reflect movement to financial self-sufficiency and approach the level of peer institutions.
 - The School of Medicine plans to continue its multi-year plan to raise its tuition rates for in-state and out-of-state students.
 - The current tuition surcharges used for financial aid will continue in 2001-2002.
4. New available resources will be allocated to meet institutional priorities, including those initiatives resulting from the findings of the Virginia 2020 Commissions.
5. Vice presidents may reallocate existing funding and positions among units within their areas of responsibility.
6. Implementation of a financial self-sufficiency model for the Darden School and the School of Law will continue in 2001-2002, with the final plan ready for approval by the Board of Visitors in April 2001.

7. The 2001-2002 state educational and general budget will reflect the following:
 - Overall departmental budgets will be increased or decreased based upon the actions of the Governor and General Assembly.
 - Faculty salary, faculty wage, classified salary and graduate teaching assistant base budgets (including fringe benefits) will be increased to fund the annual cost of the salary increases granted November 25, 2000.
 - State and local targets will be adjusted to reflect any changes in the fringe benefit rates that occur in 2001-2002.
 - A commitment is included to fund any classified and faculty salary increases effective November 25, 2001 based on the approved amendments to the 2000-2002 Appropriation.
 - Other than personal services base budgets will not be increased for inflation.
 - Recoveries and transfer budgets will be adjusted by varying amounts, depending on the budget assumptions applied to the items being recovered or transferred.
8. Revenue from endowment income is budgeted based upon the 2000-01 distribution rates approved by the Board of Visitors. Related expenditures are based upon historical spending patterns and will emphasize institutional and school priorities.
9. Revenue and related expenditures from private gifts and other sales and services are budgeted based upon historical revenue and spending patterns and will emphasize institutional and school priorities.
10. Revenue and related expenditures from sponsored programs are budgeted based upon prior year sponsored program awards.
11. Revenue and related expenditures from auxiliaries are budgeted based upon fees approved by the Board in January (dining) and April (housing and mandatory student fees) and anticipated activity.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: January 19, 2001

COMMITTEE: Finance

AGENDA ITEM: III.B.1. Investment Matters

ACTION REQUIRED: None

Market Value and Performance as of November 30, 2000

BACKGROUND: The Rector and Visitors of the University, particularly the University of Virginia Investment Management Company (UVIMCO), oversees the major component of the endowment that benefits the University. A report on the endowment is made at each Board of Visitors meeting.

DISCUSSION: Since June 30, 2000, the endowment grew by \$18 million to \$1.76 billion. Most of the growth in endowment is attributable to the appreciation of the Pooled Endowment Fund, the main investment pool for the endowment, representing 97 percent of total endowment investments.

Fiscal year to date, the Pooled Endowment Fund returned 2.5 percent, versus -2.3 percent on the target benchmark; -9.2 percent on stocks as measured by the S&P 500; and 6.4 percent on bonds, as measured by the Merrill Lynch 7-10 Year Government Bond Index.

The "Fund" is diversified across a broad spectrum of assets, with a targeted allocation of 20 percent domestic equities; 12.5 percent international equities; 40 percent alternative equity strategies, including hedge funds, private equity, oil and gas; 7.5 percent real estate; and 20 percent fixed income. These targets will be discussed at the January 8, 2001 meeting of the UVIMCO Board and most likely will be adjusted to increase the allocation to alternative equities and decrease the commitment to long-only strategies.

Marketable Alternatives (hedge funds), up 12.9 percent, and fixed income, up 4.7 percent, have been the Fund's best performing sectors this fiscal year. As expected, private equity returns have moderated, up 1.8 percent, following the extraordinary returns of last year. The domestic equity

portfolio is down slightly, -0.8 percent, in a market that returned a negative 9.2 percent. Details of the returns on the endowment through November 30, 2000, are reported on the following Investment Report.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: January 19, 2001

COMMITTEE: Finance

AGENDA ITEM: III.B.2. Investment Matters

ACTION REQUIRED: None

Actions of the Investment Management Company

BACKGROUND: The University of Virginia Investment Management Company (UVIMCO) Board meets regularly and reports all of its activities at the following meeting of the Finance Committee.

DISCUSSION: The UVIMCO Board held a retreat on November 14 & 15 in Charlottesville. The retreat was designed to discuss opportunities in the investment markets in a broad fashion and to deal with several issues of process. The Board confirmed the current manager selection process, asked staff to develop a watch list for managers with inferior performance or structural issues, discussed means of involving more alumni/ae at the Board level and asked for a review of the active/passive manager decision.

The Board also discussed the current asset allocation and outlined a road map for future allocations. In general, hedge funds were to command more assets than long-only managers, and private equity would continue to represent about 25 percent of the portfolio. A new category of opportunistic was created to take advantage of short-term dislocations in the markets. Staff was instructed to recast the current portfolio into the new structure which will be discussed at the January 8 meeting. Once the plan is approved, it will be revisited annually.

A report on the January 8 UVIMCO meeting will be provided at the January 19 Finance Committee meeting.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: January 19, 2001

COMMITTEE: Finance

AGENDA ITEM: III.C. Debt Capacity Policy

ACTION REQUIRED: None

BACKGROUND: The University has historically had conservative and sound debt management practices. The debt to revenue ratio has been well within benchmark levels. However, the University has not had a formal debt capacity policy.

DISCUSSION: Increased demands in the capital construction area and several large debt issues for the Darden School and the Stadium have prompted the need for a clear debt policy that can be used to guide management in its decisions regarding future capital construction and its financing. The University has formed a debt advisory committee and established certain guidelines for debt:

1. The University will strive to maintain a debt service to revenues ratio of four percent (80 percent of the Commonwealth's ratio of five percent).
2. The University will strive to maintain a fair allocation of debt capacity among areas of the University.

The committee will compute the debt capacity of the University on an annual basis. The debt capacity model calculates the maximum amount of debt that can be prudently issued in upcoming fiscal years. It does not constitute a recommendation to issue debt. Each year the committee will compute various ratios used by bond rating agencies to monitor our level of debt, noting significant trends. Senior management will use the work of the debt capacity committee in deciding among capital projects to put forward for approval by the Board of Visitors, Governor and General Assembly.

The University has, and will continue to have, a formal debt approval process.

This page intentionally left blank.

MISCELLANEOUS FINANCIAL REPORTS
Finance Committee
University of Virginia

January 19, 2001

ACADEMIC DIVISION
 ACCOUNTS AND LOANS RECEIVABLE AS OF SEPTEMBER 30, 2000

Summary of Accounts Receivable:

The University's Academic Division's total accounts receivable at September 30, 2000 were \$19,091,000 as compared to \$10,252,000 at June 30, 2000. The major source of receivables at September 30, 2000 is sponsored programs of \$10,469,000.

The past due receivables over 120 days old are \$977,000 at September 30, 2000 or 5.12 percent of total receivables, below the Commonwealth's management standard of 10 percent.

	<u>Student Accounts</u>	<u>Sponsored Programs</u>	<u>Other Receivables</u>	<u>Total</u>
Gross Accounts Receivable	\$3,903,000	\$10,469,000	\$4,719,000	\$19,091,000
Less: Allowance for Doubtful Accounts	<u>117,000</u>	<u>0</u>	<u>224,000</u>	<u>341,000</u>
Net Accounts Receivable	<u>\$3,786,000</u>	<u>\$10,469,000</u>	<u>\$4,495,000</u>	<u>\$18,750,000</u>
Accounts Receivable Greater than 120 Days Past Due	<u>\$15,000</u>	<u>\$736,000</u>	<u>\$226,000</u>	<u>\$977,000</u>

SOURCE: Bursar's Office
 DATE: December 7, 2000

ACADEMIC DIVISION
 ACCOUNTS AND LOANS RECEIVABLE AS OF SEPTEMBER 30, 2000

Summary of Loans Receivable:

The default rate for the Perkins Student Loan Program decreased by 4.70 percent to 1.82 percent. This is based on the cohort default rate calculation and is well below the 15 percent threshold set by federal regulations. The Health Professions Loan Program default rate remained unchanged at 0.00 percent. The Nursing Undergraduate Student Loan Program default rate increased by .13 percent to 1.69 percent. All medical loan programs are well below the 5 percent federal threshold. The University Loan Program default rate increased by .53 percent to 2.69 percent.

	<u>Gross Loans Receivable</u>	<u>Current Default Rate</u>	<u>Inc./ (Dec) From Last Quarter</u>
Perkins Student Loans	\$16,797,000	1.82%	(4.70)%
Health Professions Loans	1,226,000	0.00%	0.00%
Undergraduate Nursing Loans	532,000	1.69%	0.13%
University Loans	<u>11,031,000</u>	2.69%	0.53%
Total Student Loan Outstanding	<u>\$29,586,000</u>		

SOURCE: Bursar's Office
 DATE: December 7, 2000

UNIVERSITY OF VIRGINIA
CAPITAL CAMPAIGN GIFT REPORT

Cash and Pledges as of October 31, 2000 -- In Millions
All Units

	Expendable	Endowment	Future Support	Total
Pledges	146.6	39.6	0.0	186.4
Deferred Gifts	27.3	30.5	0.0	57.8
Cash & Securities	413.7	280.8	0.0	694.5
Private Grants	103.2	0.0	0.0	103.2
Gifts in Kind	80.5	0.0	0.0	80.5
Future Support	0.0	0.0	146.4	146.4
Subtotal	771.5	350.9	146.4	1268.8
Additional Amounts To Be Raised	-271.5	49.1	-46.4	-268.8
Total	500.0	400.0	100.0	1000.0

Cash and Pledges as of December 31, 2000 -- In Millions
Rector and Visitors ONLY

	Expendable	Endowment	Future Support	Total
Pledges	81.0	15.9	0.0	96.9
Deferred Gifts	18.1	18.9	0.0	37.0
Cash & Securities	218.1	104.5	0.0	322.6
Private Grants	103.0	0.0	0.0	103.0
Gifts in Kind	73.0	0.0	0.0	73.0
Future Support	0.0	0.0	98.4	98.4
Subtotal	493.2	139.3	98.4	730.9
Add'l Amounts To Be Raised	-143.2	139.7	1.6	-1.9
Total	350.0	279.0	100.0	729.0

SOURCE: Development Office
DATE: January 2, 2001

UNIVERSITY OF VIRGINIA
INTEGRATED SYSTEMS PROJECT IMPLEMENTATION STATUS

(Per October 1999 Board of Visitors resolution requesting that the Executive Vice President provide reports to the Finance Committee not less frequently than semi-annually describing progress on the project and compliance with the business plan.)

BACKGROUND: The Board approved the initiation of the Integrated Systems Project at the October 1999 meeting. The Board requested that progress reports be provided at each subsequent meeting.

DISCUSSION: The Integrated Systems Project has completed its first set of conference room pilots (CRPs) and is working toward integration testing of all applications.

The CRPs, scripted tests of the applications by users in the University community, were successful in validating the project's set up of the applications and identifying areas where either procedures or the set-up need to be modified. After addressing those issues, the teams are testing process flow between applications. This integration of applications will be tested by University users during a second set of CRPs in February.

To prepare the University for the transition to the Oracle system, all accounts from the current FAS system are being prepared for conversion into the Oracle account structure. University managers are now assigning Oracle "responsibilities" to all staff who will use the system. Those assigned responsibilities determine who will be trained to do particular transactions in the system.

The project team is working on establishing a reporting environment for the Oracle applications data. An Operational Data Store (ODS) will be in place to enable end users to do either structured or ad hoc queries. The ODS technical environment will be separate from the applications environment, thus protecting the overall performance of the system.

The technical team continues to build and test interfaces, conversions and modifications. As noted earlier, the project has been successful in limiting customization of the underlying Oracle software. The University has placed an order with Sun Corporation for the hardware necessary to create the production technical environment.

While the training team is completing procedural documentation and finalizing arrangements to conduct training, it is beginning overview and navigation sessions for all future users of the system. Training for central office staff and subject matter experts will begin in April.

SOURCE: ISP Office
DATE: December 1, 2000

UNIVERSITY OF VIRGINIA
INTERNAL LOANS TO UNIVERSITY DEPARTMENTS AND ACTIVITIES
As of January 31, 2001

(Per January 1990 Board of Visitors resolution changing Current Funds Guidelines to include investments in internal loans and the June 1994 Board of Visitors resolution authorizing internal loans to be made in the discretionary collateral account lending program [security lending program], both subject to approval by the Executive Vice President and Chief Operating Officer)

LIAB ACCT	PURPOSE	INTEREST ACCT	DATE OF LOAN	ORIGINAL LOAN AMOUNT	PRINCIPAL PAYMENTS TO DATE	OUTSTANDING PRINCIPAL	APPROX. FINAL PAYMENT
0-70828	CVC Football Facility	6-40404	12/22/98	3,000,000.00	768,385.24	2,231,614.76	Dec. 2002
0-71380	Intramurals & Rec. Sports	7-71380	06/21/96	451,000.00	210,000.00	241,000.00	June 2001
0-19272	Mail Services (3-31043)	3-31043	05/14/98	150,000.00	93,750.00	56,250.00	May 2002
0-70224	McCue Center	7-72570	06/29/98	332,000.00	249,000.00	83,000.00	Sept. 2001
0-70015	NRAO Addition	7-70015	Various	550,280.39	-	550,280.39	Apr. 2001
0-19231	Parking & Transportation	3-21015	03/25/98	1,000,000.00	625,000.00	375,000.00	March 2002
0-19026	Va. Neurological Inst. (1-91746)	1-91746	05/28/97	600,000.00	150,000.00	450,000.00	May 2001
0-71122	WTJU	6-41116	06/01/00	120,000.00	-	120,000.00	May 2005
GRAND TOTAL INTERFUND BORROWINGS APPLIED TO \$10MM BOV LIMIT (NOT TO EXCEED FIVE YEARS)				<u>\$6,203,280.39</u>	<u>\$2,096,135.24</u>	<u>\$4,107,145.15</u>	

Notes: This report does not include all uses of interfund borrowings, only those formal loan agreements that are approved by the Budget Office and administered by Investment and Tax Services.

The interest rate on all loans is the Federal Funds rate + 60 basis points.

SOURCE: Investment Management Company

DATE: December 6, 2000

MEDICAL CENTER
REPORT ON WRITE-OFF OF BAD DEBTS
AND INDIGENT CARE

(Per February 6, 1993, Board of Visitors resolution granting the Executive Vice President and Chief Operating Officer authorization to approve the write-off of bad debts and free service for the Medical Center.)

INDIGENT CARE:

Indigent care charges totaling \$11.4 million for the period August 1, 2000 through October 31, 2000 have been written off. For the first four months of the current fiscal year, \$13.7 million has been written off. Recoveries during this period amounted to \$.5 million or 3.6 percent of the amount written off and occurred primarily through Medicaid payments.

The estimated cost of indigent care in Fiscal Year 1999-2000 amounted to \$33.6 million all of which was funded through the Medicaid special disproportionate share payments. The cost of indigent care for Fiscal Year 2000-2001 is estimated to be \$46.0 million of which 88 percent will be funded through the Medicaid special disproportionate share payments. Based on actual experience through October and preliminary subsequent data, it is unlikely that indigent care costs will reach the estimated level in Fiscal Year 2001.

BAD DEBT:

Bad debt charges totaling \$4.5 million (including \$90,337 because of noncompliance with insurance information requirements) for the period August 1, 2000 through October 31, 2000 have been written off. Total write-offs for the first four months of Fiscal Year 2000-2001 amounted to \$5.2 million. During this same period, \$2.7 million was recovered through suits, collection agencies and Virginia refund set-off.

SOURCE: Medical Center Finance
DATE: December 8, 2000

MEDICAL CENTER
ACCOUNTS COMMITTEE REPORT
(Dollars in Thousands)

	Year to Date		<u>Annual Activity</u>	
	07/01/00		Estimated	Actual
<u>INDIGENT CARE (IC)</u>	<u>10/31/00</u>		<u>2000-01</u>	<u>1999-00</u>
Charge Write-Offs	13,680			
Recoveries	<u>(483)</u>			
Net Charge Write-Off	<u>13,197</u>		69,900	58,668
% of Net Write-Offs to Revenue	5.96%		10.50%	9.85%
Net IC Charges Factored to Cost	11,088		58,730	44,910
Medicaid Unreimbursed Cost	<u>(4,242)</u>		<u>(12,726)</u>	<u>(11,297)</u>
Total Indigent Care (TIC) Cost	<u>6,846</u>		<u>46,004</u>	<u>33,613</u>
State Appropriation	0		0	0
Medicaid Special DSA Payment				
(Note 1)	<u>13,538</u>		<u>40,615</u>	<u>36,465</u>
TIC Funding	<u>13,538</u>		<u>40,615</u>	<u>36,465</u>
TIC Funding as % of TIC Cost	198%		88%	108%
Unfunded Indigent Cost (UIC)	<u>(6,692)</u>		<u>5,389</u>	<u>(2,851)</u>
	Year to Date		<u>Annual Activity</u>	
	07/01/00		Estimated	Actual
<u>BAD DEBT</u>	<u>10/31/00</u>		<u>2000-01</u>	<u>1999-00</u>
Charge Write-Offs	5,164			18,660
Recoveries	<u>(2,676)</u>			<u>(9,675)</u>
Net Charge Write-Offs	<u>2,488</u>		12,649	8,986
% of Net Write-Offs to Revenue	1.12%		1.90%	1.48%

Notes:

- DSA-Disproportionate Share Adjustment
- Both years include the additional \$1.3 million payment which will be transferred to the School of Medicine. Fiscal Year 2001 also includes the \$4.15 million, which will be transferred to the School of Medicine. These amounts have been exactly offset in the Total Indigent Care Cost line.

SOURCE: Medical Center Finance
DATE: December 6, 2000

UNIVERSITY OF VIRGINIA
QUARTERLY BUDGET REPORT

as of September 30, 2000

This report compares, on a quarterly basis, the approved annual budget with year-to-date actual revenues and expenditures for the Academic Division. Enclosed is the report as of the first quarter ended September 30, 2000.

At the end of the first quarter of Fiscal Year 2000-01, revenues collected totaled 44.0 percent of budgeted revenues; actual expenditures totaled 26.7 percent of budgeted expenditures. It is important to note that revenue collections and expenditures are not evenly distributed throughout the year.

A definition of terms is included to explain the sources of revenues and the purposes of expenditures.

SOURCE: Budget Office
DATE: December 18, 2000

UNIVERSITY OF VIRGINIA ACADEMIC DIVISION
2000-2001 REVENUE BUDGET SUMMARY
As of September 30, 2000

	2000-2001 Original Budget	09/30/00 Actual Revenues	Uncollected Budget Balance	9/30/00 Percentage Collected	9/30/99 Percentage Collected
Revenue Projections					
Educational & General					
Tuition & Fees	\$150,397,018	\$ 44,966,154	105,430,864	29.9%	29.4%
State Appropriations	160,730,925	157,234,961	3,495,964	97.8%	96.3%
Endowment Income	35,760,893	5,028,876	30,732,017	14.1%	15.9%
Gifts	59,358,122	19,367,652	39,990,470	32.6%	27.9%
Spons. Pgms & Ind. Cost Recoveries	186,678,000	54,188,734	132,489,266	29.0%	29.9%
Sales, Services & Other	19,478,585	4,933,512	14,545,073	25.3%	25.0%
Total Educational and General	612,403,543	285,719,889	326,683,654	46.7%	46.4%
Student Financial Assistance					
State Appropriations	5,418,047	165,173	5,252,874	3.0%	3.5%
Transfer from Tuition	8,433,543	117,596	8,315,947	1.4%	2.0%
Spons. Pgms & Ind. Cost Recoveries	14,007,000	1,712,479	12,294,521	12.2%	11.4%
Gifts & Endowment Income	19,014,909	1,876,095	17,138,814	9.9%	7.4%
Other Income	1,422,200	106,224	1,315,976	7.5%	1.9%
Total Student Financial Assistance	48,295,699	3,977,567	44,318,132	8.2%	7.3%
Auxiliary Enterprises					
Athletics & Related Activities	23,126,367	9,488,447	13,637,920	41.0%	27.6%
Dining Services	3,540,000	5,204,323	(1,664,323)	147.0%	137.5%
Housing	19,656,500	9,074,282	10,582,218	46.2%	48.2%
Newcomb Hall & Related Activities	3,840,345	1,641,793	2,198,552	42.8%	48.0%
University Bookstores	21,410,000	9,329,500	12,080,500	43.6%	43.9%
Parking & Transportation	7,324,000	2,122,004	5,201,996	29.0%	32.9%
Student Health	6,684,038	2,452,387	4,231,651	36.7%	53.0%
Other Auxiliary Activities	6,321,045	2,339,616	3,981,429	37.0%	41.4%
Total Auxiliary Enterprises	91,902,295	41,652,352	50,249,943	45.3%	44.2%
Total Revenues	\$752,601,537	\$331,349,808	\$421,251,729	44.0%	43.3%

**UNIVERSITY OF VIRGINIA ACADEMIC DIVISION
2000-2001 EXPENDITURE BUDGET SUMMARY
As of September 30, 2000**

	2000-2001 Original Budget	09/30/00 Actual Expenditures	Unexpended Budget Balance	9/30/00 Percentage Expended	9/30/99 Percentage Expended
Expenditure Projections					
Educational & General					
Instruction	\$213,400,226	\$ 44,554,364	\$168,845,862	20.9%	24.4%
Research	16,677,773	4,874,081	11,803,692	29.2%	28.9%
Public Service	19,192,145	6,223,500	12,968,645	32.4%	37.6%
Academic Support	83,627,218	26,985,137	56,642,081	32.3%	29.6%
Student Services	15,095,193	5,045,054	10,050,139	33.4%	33.9%
Institutional Support	53,086,432	16,969,135	36,117,297	32.0%	30.6%
Operational & Mtn of Physical Plant	37,110,963	11,065,920	26,045,043	29.8%	27.7%
Spons. Pgms & Ind. Cost Recoveries	174,213,593	48,559,900	125,653,693	27.9%	27.7%
Total Educational and General	612,403,543	164,277,091	448,126,452	26.8%	27.5%
Student Financial Assistance	48,295,699	5,206,551	43,089,148	10.8%	9.4%
Auxiliary Enterprises					
Athletics & Related Activities	22,990,367	8,611,952	14,378,415	37.5%	28.0%
Dining Services	3,525,800	709,507	2,816,293	20.1%	34.5%
Housing	19,515,027	5,702,199	13,812,828	29.2%	23.0%
Newcomb Hall & Related Activities	3,867,180	1,419,923	2,447,257	36.7%	31.5%
University Bookstores	21,355,372	9,829,199	11,526,173	46.0%	40.6%
Parking & Transportation	7,324,000	1,153,917	6,170,083	15.8%	18.1%
Student Health	6,684,038	1,809,358	4,874,680	27.1%	31.8%
Other Auxiliary Activities	6,066,892	2,420,830	3,646,062	39.9%	(92.9%)
Total Auxiliary Enterprises	91,328,676	31,656,885	59,671,791	34.7%	21.3%
Total Expenditures	\$752,027,918	\$201,140,527	\$550,887,391	26.7%	25.5%

DEFINITION OF TERMS

Educational and General - those activities which embrace the three programs directly related to the higher education mission: (1) instruction, (2) research, and (3) public service. These activities also encompass the support programs: academic support, institutional support, and maintenance and operation of physical plant; and sponsored programs associated with instruction, research, and public service.

Student Financial Assistance - those activities which promote student accessibility to the University through scholarships and fellowships. Student loans, student wages and aid from third parties are not included.

Auxiliary Enterprises - those activities which are supported entirely through fees charged to users, such as housing, athletics, dining services, the telephone system and the bookstore.

Sponsored Programs and Indirect Cost Recoveries -- primarily research projects, but also includes activities restricted to institutional and service programs.

Instruction -- expenditures for the primary mission of the University, which includes teaching faculty, support staff, instructional equipment, and related routine operating costs.

Research -- includes expenditures for activities such as support for research faculty, but does not include sponsored research. Activities include the Center for Public Service, the State Climatologist, and the Center for Liberal Arts.

Public Service -- includes activities such as the Miller Center of Public Affairs, the Virginia Foundation for the Humanities and Public Policy, and that portion of the medical school's clinical physicians salaries and fringe benefits related to patient care.

Academic Support -- the program which encompasses the libraries, the activities of the deans of the schools, and other related expenditures.

Student Services -- activities whose primary purpose is to contribute to the students' emotional and physical well-being and to their intellectual, cultural, and social development outside the classroom.

Institutional Support -- primarily includes the financial, administrative, logistical, and development activities of the University.

Operation and Maintenance of Plant -- includes expenditures for activities related to the operation and maintenance of the physical plant, net of amounts charged to auxiliary enterprises and the Medical Center.

UNIVERSITY OF VIRGINIA
QUASI-ENDOWMENT ACTIONS

August 1, 2000 - October 31, 2000

(Per October 1990 and June 1996 Board of Visitors resolutions granting the Executive Vice President and Chief Financial Officer authority to approve selected quasi-endowment transactions, including establishments and disinvestments, of less than \$2,000,000.)

<u>Additions</u>	<u>Amount</u>
Byers, David R. III Architecture Library Fund	50,000.00
Epstein, Robert M. Professorship	300,000.00
Frantz, Ray W. Jr. 19 th Century British Literature	1,800.00
Hook, Edward Watson Professorship in Internal Medicine*	100,000.00
Marks, Helen D. Scholarship Quasi Endowment*	130,000.00
Roberts, Robert J. Professorship in Pediatrics	250,000.00
Runge, William H. Memorial for Southern History Restricted Quasi Endowment*	5,309.30
Runge, William H. Memorial for Southern History Unrestricted Quasi Endowment*	4,700.00
University Quasi Endowment Fund (1)	67,452.00
Total Additions to Quasi Endowments	909,261.30

Divestments

Carlson Psychiatry Research Fund	150,000.00
Thaler, Miles H. Quasi Endowment for HIV Research	12,497.00
Real Estate Foundation Fund	34,175.90
Total Divestments from Quasi Endowments	196,672.90

Endowment Income Capitalizations

AT&T Professorship in Engineering Quasi Endowment	28,584.00
BP America Professorship Quasi Endowment	5,000.00
Calcott, W.S. Professorship Quasi Endowment*	15,000.00
Digges, Thomas G. Professorship Quasi Endowment	5,000.00
Forsyth, Harry D. Chair Restricted Quasi Endowment	5,000.00
Gordon, Douglas Huntly, Jr. Professorship in French Literature	32,310.55
Hamilton, Janet S. and John D. Quasi Endowment*	30,606.00
Henderson, Charles Professorship Quasi Endowment	24,569.00
Johnson, Wills Engineering Quasi Endowment	50,000.00
Kinnier, Henry L. Professorship Quasi Endowment	25,537.00

Lacy, L.A. Distinguished Professorship Quasi Endowment	5,000.00
Linville, Thomas M. Restricted Quasi Endowment	10,000.00
Morse, Frederick Chair Quasi Endowment*	10,000.00
Munster, W.S. Professorship Restricted Quasi Endowment	15,000.00
Newcomb, Jon L. Chair Restricted Quasi Endowment	5,000.00
Oglesby, Earnest J. Professorship Quasi Endowment	5,000.00
Olsson, Anne Shirley Carter Quasi Endowed Professorship	10,241.00
Perry, Ferman W. Professorship Restricted Quasi Endowment	5,000.00
Quarles, Lawrence Chair Restricted Quasi Endowment	5,000.00
Quarles, Lawrence Professorship (NES)	25,000.00
Starke, Edgar A. Research Professorship Quasi Endowment*	10,000.00
Stone, Whitney Chair Restricted Quasi Endowment	5,000.00
Wade, Mac Professorship Restricted Quasi Endowment	3,000.00
Wilsdorf, Heinz & Doris Professorship Quasi Endowment	15,000.00
Wilson, Alice & Guy Professorship Restricted Quasi Endowment	<u>10,000.00</u>
Total Endowment Income Capitalizations	359,847.55

*Quasi-endowment newly established or originally funded since July 31, 2000.

(1) Includes current unrestricted gifts to the University which, under a standing Board of Visitors resolution, are required to be added to the University's Unrestricted Endowment Fund.

SOURCE: Financial Administration
DATE: December 6, 2000

UNIVERSITY OF VIRGINIA
SUMMARY OF SPONSORED PROGRAMS RESTRICTED GRANTS & CONTRACTS

July 1, 1999 - December 5, 2000

For the just over five months ended December 5, 1999 the University received sponsored program awards totaling \$111.3 million. This was an approximately three-percent increase over the December 31, 1999 total of \$108.13 million. Awards received included \$24.0 million for indirect costs, a five-percent increase over the December 31, 1999 total of \$22.8 million.

The Department of Health and Human Services continued as the University's single largest sponsor of awards, accounting for 50 percent of the total. The Medical School received approximately 59 percent of awards, followed by Arts & Sciences at 17 percent, and Engineering at 14 percent.

SOURCE: Office of Sponsored Programs
DATE: December 6, 2000

RESTRICTED GRANTS & CONTRACTS FOR THE PERIOD
7/1/00-12/05/00
In Millions

SCHOOL	DE	DOD	DOE	Non Federal	DHHS	NASA	NSF	Other Federal	State	Total 99-00	Total 98-99	% Inc./ (Dec.)
Architecture				0.25				0.06	0.08	0.39	0.15	160%
Arts & Scs.	0.97	0.90	0.79	2.50	6.38	0.88	3.68	2.96	0.09	19.15	16.61	15%
Education	0.76			1.25	0.08		0.54		0.48	3.11	5.02	-38%
Engineering		2.25	0.52	4.36	0.25	0.54	6.32	0.62	0.73	15.59	12.87	21%
Law				0.07					0.11	0.18	0.79	-77%
Medicine		0.59	0.01	13.32	48.45	0.06	0.70	1.16	1.20	65.58	64.46	2%
Nursing				0.07	0.72			0.09		0.88	1.90	-54%
Other*	4.70			0.29				0.67	0.74	6.40	6.33	1%
Total 00-01	6.43	3.74	1.41	22.11	55.88	1.48	11.24	5.56	3.43	111.28	108.13	3%
Total 99-00	7.18	3.47	1.14	21.22	47.43	2.49	7.19	14.19	3.82	108.13		
% Inc./Dec.	-10%	8%	24%	4%	18%	-41%	56%	-61%	-10%	3%		

Notes: Totals may be off slightly due to rounding. Fiscal Year 2001 figures are based on a five-month period from 7/1/00 to 12/5/00 instead of a six-month period from 7/1/99 to 12/31/99 for Fiscal Year 2000. This makes the Fiscal Year 2001 figures lower than they would be for a six-month period.

*Includes Alderman Library, Vice President for Research and Public Service, School of Commerce, Continuing Education, Cooper Center for Public Service, Financial Aid, Graduate School of Business Administration, Health Sciences Library, University Police, UVa College at Wise, and Vice President and Provost.

SOURCE: Office of Sponsored Programs
DATE: December 6, 2000

This page intentionally left blank.

APPENDICES

FIRST AMENDMENT TO THE COMMONWEALTH OF VIRGINIA
MATCHING CONTRIBUTION RETIREMENT PLAN FOR SALARIED
EMPLOYEES OF THE UNIVERSITY OF VIRGINIA AND
THE UNIVERSITY OF VIRGINIA MEDICAL CENTER

WITNESSETH:

WHEREAS, the Plan was established April 1, 2000; and

WHEREAS, Section 2.1 of the Plan currently requires 12 months of service at the University prior to participation in the Plan; and

WHEREAS, other Commonwealth institutions of higher education require only 12 months of service at any state agency prior to participation in their cash match plans; and

WHEREAS, the University desires to amend the plan to allow participants to count a month of service performed at any Commonwealth agency toward the 12-month waiting period in order to remain competitive in the employment market; and

WHEREAS, Section 7.1 permits the University to amend the Plan;

NOW, THEREFORE, the Plan is amended to read as follows effective upon execution of this First Amendment:

1. Section 1.16 of the Plan shall be amended to read as follows:

1.16 Month of Service

Each month for which an Eligible Employee is entitled to an employer contribution to a Commonwealth- or Commonwealth agency-sponsored retirement plan, including but not limited to the VRS, the Defined Contribution Retirement Plan for the General Faculty of the University of Virginia, or the Defined Contribution Retirement Plan for Employees of the University of Virginia Medical Center.

2. Section 2.1 of the Plan shall be amended to read as follows:

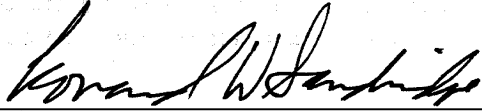
2.1 Participants

Any Eligible Employee who completed at least twelve (12) consecutive Months of Service.

IN WITNESS WHEREOF, the University has caused this FIRST AMENDMENT TO THE COMMONWEALTH OF VIRGINIA MATCHING CONTRIBUTION RETIREMENT PLAN FOR SALARIED EMPLOYEES OF THE UNIVERSITY OF VIRGINIA AND THE UNIVERSITY OF VIRGINIA MEDICAL CENTER to be executed by its duly authorized officer, this 19th day of January, 2001.

THE UNIVERSITY OF VIRGINIA

By:



Leonard W. Sandridge, Jr.
Executive Vice President and
Chief Operating Officer

SUMMARY OF BUDGET REQUESTS AND GOVERNOR'S BUDGET BILL

	2000-01		2001-02	
	Request	Governor's Budget	Request	Governor's Budget
Academic Division: Operating				
ERP System (GF)	\$ -	\$ -	\$4,000,000	\$ -
Scientific Research Investment (GF)	-	-	4,000,000	-
Indigent Care (\$2,000,000 GF and \$2,150,239 NGF)	-	-	4,150,239	-
Maintain New Facilities (GF)	-	-	897,497	-
General Liability Ins. Premiums (GF)	300,000	-	300,000	-
Clinical Nursing Faculty (GF)	-	-	250,000	-
Deferred Maintenance Backlog (GF)	-	-	1,100,000	-
Access to Tech in Classrooms (GF)	-	-	500,000	-
Disadvantaged/Under-represented Students (GF)	-	-	210,000	-
Eminent Scholar Appropriation (NGF)	200,000	-	200,000	-
Management Savings (GF)	-	(324,447)	-	(2,008,579)
Faculty Salaries (GF)	-	-	-	2,949,680
Enrollment Growth (GF)	-	-	-	90,942
Student Financial Aid (GF)	-	-	-	50,000
Premium Holidays (GF)	-	-	-	(68,745)
TOTAL Academic Division Operating	\$500,000	(\$324,447)	\$15,607,736	\$1,013,298

APPENDIX B (continued)

SUMMARY OF BUDGET REQUESTS AND GOVERNOR'S BUDGET BILL

	2000-01		2001-02	
	Request	Governor's Budget	Request	Governor's Budget
Academic Division: Capital				
Medical Research Building (MR-6) Request: \$25 mill GF/\$21 mill NGF; Received: \$15 mill GF/\$31 mill NGF	\$46,000,000	\$46,000,000	-	-
Engineering Research Center (GF)	7,000,000	7,000,000	-	-
Campbell Hall Chiller (GF)	2,300,000	-	-	-
Fayerweather Hall Renovation (GF)	4,600,000	-	-	-
Storm Water Management (GF)	1,400,000	-	-	-
Cocke Hall Renovation (GF)	5,000,000	5,000,000	-	-
Eng/Info Technology Building (\$12.5 mill GF/\$12.5 mill NGF)	25,000,000	-	-	-
Garrett Hall Renovation (NGF)	1,500,000	1,500,000	-	-
Lambeth Housing (NGF)	9,000,000	-	-	-
Neurosurgery Offices (NGF)	1,300,000	1,307,000	-	-
Campbell Hall Addition (NGF)	1,000,000	1,000,000	-	-
Monroe Hall Addition, Phase I (NGF)	15,000,000	15,000,000	-	-
Farm Vivarium Facility (NGF)	4,000,000	4,000,000	-	-
HSC Parking Structure (NGF)	10,800,000	-	-	-
AFC Addition (NGF)	3,000,000	-	-	-
SOM Fontaine Research Building (NGF)	17,000,000	-	-	-
Maintenance Reserve (GF)	-	-	-	1,320,411
TOTAL Academic Division Capital	\$153,900,000	\$80,807,000	\$ -	\$1,320,411

APPENDIX B (continued)

SUMMARY OF BUDGET REQUESTS AND GOVERNOR'S BUDGET BILL

	2000-01		2001-02	
	Request	Governor's Budget	Request	Governor's Budget
Medical Center: Operating				
Interest on Operating Balances (NGF)	\$4,400,000	\$ -	\$4,400,000	\$ -
Outpatient Clinics Increase (NGF)	27,000,000	27,000,000	27,000,000	27,000,000
Renal Services Increase (NGF)	1,800,000	1,800,000	1,800,000	1,800,000
TOTAL Medical Center Operating	\$33,200,000	\$28,800,000	\$33,200,000	\$28,800,000
Medical Center: Capital				
Surgery Clinic Renovation (NGF)	\$2,525,000	\$2,525,000	\$ -	\$ -
Breast Health Center (NGF)	3,337,000	3,337,000	-	-
Transitional Nursery (NGF)	2,200,000	2,200,000	-	-
Intensive Care Units (NGF)	3,500,000	3,500,000	-	-
Cosmetic Surgery Center (NGF)	2,700,000	2,700,000	-	-
University Hospital Expansion (NGF)	1,757,000	1,757,000	-	-
Medical Office Acquisition (NGF)	3,000,000	3,000,000	-	-
West Radiation Therapy Center (NGF)	2,000,000	2,000,000	-	-
Blanket (NGF)	2,000,000	2,000,000	-	-
TOTAL Medical Center Capital	\$23,019,000	\$23,019,000	\$ -	\$ -

APPENDIX B (continued)

SUMMARY OF BUDGET REQUESTS AND GOVERNOR'S BUDGET BILL

	2000-01		2001-02	
	Request	Governor's Budget	Request	Governor's Budget
College at Wise: Operating				
Center for Teaching Excellence (GF)	\$ -	\$ -	\$ 300,000	\$ -
Technology Initiative (GF)	-	-	2,045,000	-
Wireless Technology (GF)	-	-	500,000	-
Management Savings (GF)	-	(35,728)	-	(112,423)
Faculty Salaries (GF)	-	-	-	52,312
Enrollment Growth (GF)	-	-	-	28,035
Student Financial Aid (GF)	-	-	-	86,970
Premium Holidays (GF)	-	-	-	(2,977)
TOTAL College at Wise Operating	\$ -	(\$35,728)	\$2,845,000	\$51,917
College at Wise: Capital				
Crockett Hall (GF)	\$4,325,000	\$4,325,000	\$ -	\$ -
Drama (GF)	6,490,000	-	-	-
Access Road/Stormwater (GF)	2,000,000	-	-	-
Maintenance Reserve (GF)	-	-	-	2,781,994
TOTAL College at Wise Capital	\$12,815,000	\$4,325,000	\$ -	\$2,871,994

**UNIVERSITY OF VIRGINIA - ACADEMIC DIVISION
2000-02 LEGISLATIVE AMENDMENTS**

	2000-01		2001-02		TOTAL REQUEST	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
Operating						
1. Base Budget Adequacy	\$ -	-	\$4,600,000	\$ -	\$4,600,000	\$ -
2. Funding for Indigent Care by Physicians	-	-	2,300,000	2,300,000	2,300,000	2,300,000
3. New Facilities Maintenance	-	-	897,497	-	897,497	-
Capital						
1. Lambeth Housing	-	9,000,000	-	-	-	9,000,000
2. Health Sciences Center Parking	-	10,800,000	-	-	-	10,800,000
3. Aquatics & Fitness Center Addition	-	3,000,000	-	-	-	3,000,000
4. School of Medicine Fontaine Research Building	-	17,000,000	-	-	-	17,000,000
5. Clark Hall Addition & Renovation	5,000,000	2,700,000	-	-	5,000,000	2,700,000
6. Studio Art Building	-	3,500,000	-	-	-	3,500,000
7. Science/Engineering Laboratories	-	8,000,000	-	-	-	8,000,000
8. Withers Brown Hall Renovation	-	2,100,000	-	-	-	2,100,000
9. Steam Tunnel Repair	-	3,500,000	-	-	-	3,500,000
10. SEAS Research Bldg	-	13,000,000	-	-	-	13,000,000
11. Materials Science Building	-	14,000,000	-	-	-	14,000,000
TOTAL	\$5,000,000	\$86,600,000	\$7,797,497	\$2,300,000	\$12,797,497	\$88,900,000

UNIVERSITY OF VIRGINIA'S COLLEGE AT WISE
 2000-02 LEGISLATIVE AMENDMENTS

	2000-01		2001-02		TOTAL REQUEST	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
Operating						
1. Center for Teaching Excellence	\$ -	\$ -	\$300,000	\$ -	\$300,000	\$ -
2. ERP System	295,000	-	295,000	-	590,000	-
3. Technology Initiative	-	-	1,022,500	-	1,022,500	-
4. Wireless Technology	-	-	500,000	-	500,000	-
Capital						
1. Drama Building Renovation & Addition	\$6,490,000	-	-	-	6,490,000	-
2. New Access Road/ Pedestrian Safety	2,000,000	-	-	-	2,000,000	-
3. Convocation Center Feasibility Study	350,000	-	-	-	350,000	-
TOTAL	\$9,135,000	\$ -	\$2,117,500	\$ -	\$11,252,500	\$ -

**Patrons: Senator William C. Wampler, Jr.
 Delegate Clarence E. Phillips**