

June 4, 2001

MEMORANDUM

TO: The Finance Committee:

William H. Goodwin, Jr., Chair
Thomas F. Farrell, II Thomas A. Saunders, III
Charles L. Glazer Joseph E. Wolfe
Timothy B. Robertson John P. Ackerly, III, Ex Officio

and

The Student Affairs and Athletics Committee:

Gordon F. Rainey, Jr., Chair Elsie Goodwyn Holland
Charles M. Caravati, Jr. Benjamin P.A. Warthen
Thomas F. Farrell, II Sasha L. Wilson
Charles L. Glazer John P. Ackerly, III, Ex Officio

and

The Remaining Members of the Board:

Thomas J. Bliley, Jr. T. Keister Greer
William G. Crutchfield, Jr. Terence P. Ross
Elizabeth A. Twohy

FROM: Alexander G. Gilliam, Jr.

RE: Correction to the Minutes of the Joint Meeting of the
Student Affairs and Athletics Committee and the Finance
Committee on June 4, 2001

The last sentence on the first page of the Minutes should be corrected to read: "Timothy B. Robertson and Charles M. Caravati, Jr., M.D., were hooked up by telephone but did not participate."

The first paragraph on page 2 should be changed to read: "Also present were John T. Casteen, III, Leonard W. Sandridge,

Joint Meeting of the Finance - June 4, 2001 - 2.
and Student Affairs & Athletics
Committees

Alexander G. Gilliam, Jr., Paul J. Forch, Craig Littlepage, and
Gordon C. Burris."

AGG:jb

Copies to: Mr. John T. Casteen, III
Mr. Gene D. Block
Dr. Robert W. Cantrell
Mr. George E. Culbertson
Mr. Paul J. Forch
Mr. William W. Harmon
Mr. Craig Littlepage
Mr. Peter W. Low
Dr. Robert E. Reynolds
Mr. Leonard W. Sandridge
Ms. Colette Sheehy
Mr. Robert D. Sweeney
Ms. Louise Dudley

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The Remaining Members of the Board:

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Elizabeth A. Twohy

FROM: Alexander G. Gilliam, Jr.

RE: Minutes of the Joint Meeting of the Finance Committee
and the Student Affairs and Athletics Committee on
June 4, 2001

The Finance Committee and the Student Affairs and Athletics Committee of the Board of Visitors of the University of Virginia, met in joint and Open Session at 4:35 pm, Monday, June 4, 2001, in the offices of Hunton & Williams, 931 East Byrd Street, Richmond; William H. Goodwin, Jr., Chair of the Finance Committee, presided. Charles L. Glazer, Gordon F. Rainey, Jr., Thomas A. Saunders, III, Benjamin P.A. Warthen, and Ms. Sasha L. Wilson were present. Timothy B. Robertson was hooked up by telephone but did not participate.

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and Student Affairs & Athletics
Committees

Also present were John T. Casteen, III, Leonard W. Sandridge, Jr., Alexander G. Gilliam, Jr., Craig Littlepage, and Gordon C. Burris.

Reminding the Committees that the meeting had been called to discuss the Report of the Athletics Task Force given to the Board of Visitors at the April Board meeting, the Chair asked Mr. Rainey to report.

Mr. Rainey reviewed the history of the Task Force's work and the Board's response to the Task Force's report. He reminded the Committees of the Board's resolution of April 7th, which charged the two Committees with evaluating the Report. A draft plan of how to do this has been devised, and Mr. Glazer and Mr. Robertson have agreed to be particularly involved in this work.

Mr. Rainey distributed copies of the draft and observed that the Board of Visitors should not be managing athletics.

Mr. Littlepage, the Interim Director of Athletics, said he wanted to draw Members' attention to the academic aspects of the Task Force's report. These points are all agreed upon and should be accepted now. Mr. Rainey said that many good things in the Report had been obscured by the Task Force's comments on tierings and its recommended elimination of some teams.

After further discussion, the Committees adopted the following motion permitting the meeting to be conducted in Executive Session.

That the Finance Committee and the Student Affairs and Athletics Committee go into Executive Session to discuss performance of specific University personnel, and to consider and consult with legal counsel on private gifts and fund-raising activities and strategies and our legal obligations with respect to funding athletic opportunities, as provided for in Sections 2.1-344 (A) (1), (7), and (8) of the Code of Virginia.

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and Student Affairs & Athletics
Committees

The meeting went into Executive Session at 5:05 p.m., and resumed in Open Session at 6:10 p.m.

On motion, the Committees approved the proposed work plan and adopted the necessary resolution of approval. Both the work plan and the resolution will be reported to the full Board at its next meeting, June 14-16, but neither requires the approval of the full Board.

JOINT PLAN OF THE FINANCE COMMITTEE
AND THE STUDENT AFFAIRS & ATHLETICS COMMITTEE

At its meeting in April, the BOV adopted a resolution assigning to the Finance Committee and the Student Affairs & Athletics Committee joint responsibility for evaluating the 2020 Task Force Report on Athletics.

The Chairs of the two Committees have developed the following plan of action, which has been approved by the Rector and the Executive Vice President:

- With staff support from Leonard Sandridge's office and the Athletics Department, the two Committees, jointly under direction of the two Chairs, will undertake an independent evaluation of the financial situation facing the two programs.
- The Finance Committee will be responsible for analyzing expense projections and potential efficiencies in the Athletics Department.
- The Student Affairs & Athletics Committee will perform an independent evaluation of (a) the opportunities for revenue enhancement over the next two to three years, and (b) the current level of scholarships and funding per sport. The revenue enhancement study will be led by Charlie Glazer under direction of the Chairs. Tim Robertson will be asked to assist in evaluating existing marketing programs and marketing and licensing opportunities. Gordon Rainey will take the lead on evaluating the current level of scholarships and funding per sport.
- The Chairs will meet with the leadership of the Virginia Student Aid Foundation to obtain their advice and verify their commitment to the longer term funding goals recommended by the Task Force.

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- The University soon will be engaged in a national search for a new Athletic Director. The Chairs believe it is important for the BOV to set the objectives for Athletics and for those objectives to be implemented by the new AD.
- The foregoing evaluations will be completed in time to enable the Finance Committee and the Student Affairs & Athletics Committee to report to the BOV this summer.

Approved by Board of Visitors' Committees
June 4, 2001

RESOLUTION

WHEREAS, the Board of Visitors received the report of the Task Force on Athletics in April 2001 (the Report); and

WHEREAS, the Student Affairs and Athletics and Finance Committees of the Board (the Joint Committees) express their appreciation for the outstanding and innovative work of the Task Force; and

WHEREAS, the report has focused the attention of the University community on the important challenges facing intercollegiate athletics programs across the nation; and

WHEREAS, the Joint Committees have developed a Joint Work Plan and have conducted a preliminary review of the findings and recommendations included in the Report; and

WHEREAS, the Joint Committees conclude that they wish to preserve the Board's longstanding commitment to both academic excellence and excellence in all intercollegiate sports at the University;

RESOLVED that the Joint Work Plan presented to the Joint Committees is hereby approved; and

RESOLVED FURTHER that the Joint Committees ask the President to develop options to the recommendations in the Report including the establishment of endowments and other fundraising for non-revenue sports, that will ensure the long-term financial stability of the intercollegiate athletics programs at the University without tiering or eliminating any sports; and

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RESOLVED FURTHER that the Joint Committees ask that the President provide on a regular basis reports to the Joint Committees on the Administration's progress in developing such options.

Approved by the Board of Visitors'
Finance and Student Affairs and
Athletics Committees
June 4, 2001

On motion, the meeting was adjourned at 6:15 p.m.

AGG:jb

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