

**UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
EXTERNAL AFFAIRS COMMITTEE
OCTOBER 2, 2003**

EXTERNAL AFFAIRS COMMITTEE

Thursday, October 2, 2003

12:30 - 2:30 p.m.

Board Room, The Rotunda

Committee Members:

Thomas A. Saunders, III, Chair

Thomas J. Bliley, Jr.

Mark J. Kington

Lewis F. Payne

Gordon F. Rainey, Jr. Ex Officio

AGENDA

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UNIVERSITY OF VIRGINIA
CONSENT AGENDA

UNIVERSITY-RELATED FOUNDATION REPRESENTATIVES: Approves the Board of Visitors representatives to the University-Related Foundations. Each University-Related Foundation Board will include one member who serves as a Representative of the Board of Visitors as required by the Board's Policy on University-Related Foundations. The Board of Visitors will ratify new appointments of Representatives and confirm the list of exiting Representatives on an annual basis.

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

APPROVAL OF THE BOARD OF VISITORS REPRESENTATIVES TO THE GOVERNING BOARDS OF UNIVERSITY-RELATED FOUNDATIONS

RESOLVED that the following persons be ratified or confirmed as representatives of the Board of Visitors to the governing boards of the following University-Related Foundations:

<u>Foundation</u>	<u>Board of Visitors Representative</u>	<u>Term Ending</u>
Alumni Association of the University of Virginia	John O. Wynne	06/30/07*
Alumni Board of Trustees of the University of Virginia Endowment Fund	Robert V. Hatcher, Jr.	12/31/04
The College Foundation of the University of Virginia	Timothy B. Robertson	12/31/04
The University of Virginia's College at Wise Alumni Association and Foundation	Don R. Pippin	06/30/07*
Curry School of Education	Thomas A. Saunders, III	06/30/06
Darden School Foundation	Lemuel E. Lewis	12/31/04
Foundation of the State Arboretum at Blandy Experimental Farm	Rebecca D. Kneedler	12/31/04
Healthcare Partners, Inc.	E. Darracott Vaughan, Jr., M.D.	06/30/06
University of Virginia Health Services Foundation	Harry J.G. van Beek	12/31/04
Historic Renovation Corporation	David W. Carr	12/31/04

<u>Foundation</u>	<u>Board of Visitors Representative</u>	<u>Term Ending</u>
Law School Alumni Association and Foundation, University of Virginia	Gordon F. Rainey, Jr.	12/31/04
McIntire School of Commerce Foundation	Georgia M. Willis	06/30/07*
Medical School Alumni Association and Foundation, University of Virginia	Charles M. Caravati, Jr., M.D	12/31/04
Miller Center Foundation	Gordon F. Rainey, Jr.	06/30/07*
Patent Foundation, University of Virginia	Terence P. Ross	06/30/07*
University of Virginia Foundation and University Real Estate Foundation	John P. Ackerly, III	06/30/04
University of Virginia Host Properties, Inc. (subsidiary of the UVA Foundation)	Robert G. Butcher, Jr.	12/31/04
University of Virginia Health Foundation	E. Darracott Vaughan, Jr., M.D.	06/30/07*
Virginia Ambulatory Surgery, Inc.	John B. Hanks, M.D.	06/30/07*
Virginia Engineering Foundation	James E. Ryan, Jr.	12/31/04
Virginia Urologic Foundation	William D. Steers, M.D.	12/31/04
Virginia Athletic Foundation	Craig K. Littlepage	12/31/05
Virginia Tax Foundation, Inc.	Joseph E. Gibson	12/31/04
* Denotes ratification required by the Board of Visitors		

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: II. Creation of the University of Virginia
 School of Architecture Foundation

BACKGROUND: The University of Virginia's School of Architecture, with the support of University Development, requests the Board's approval to create a School of Architecture Foundation.

DISCUSSION: In preparation for the University of Virginia's upcoming campaign, the Dean of the School of Architecture, the School of Architecture Advisory Board, and the faculty members of the School's development committee have defined ambitious goals and aspirations for the School's future.

In the most recent Campaign for the University of Virginia, the School of Architecture launched its first campaign for private support and raised \$9.6 million. While state support is declining, private dollars are essential to the School of Architecture's ability to maintain its reputation as one of the premier institutions in the country. In order to achieve these ever-increasing private funding requirements, the School of Architecture must organize its fundraising efforts in a foundation dedicated exclusively to advancing the mission of the School and supporting its key disciplines: architecture, landscape architecture, architectural history, and urban and environmental planning.

In observing fundraising by other University entities, it is clear that foundation trustees often become donors of transformational gifts. A foundation dedicated to the School of Architecture will tie the passions of the School's donors directly to the needs of the faculty and students. The foundation will support the School's commitment to the democratic and intellectual principles of the University, while incorporating ethical design standards for the understanding of the built form.

Upon Board of Visitors' approval, the School of Architecture Development Office will implement steps to establish the foundation as a Virginia non-profit, non-stock 501(c)(3) corporation which will maintain its status as a tax-exempt charitable organization under the State and Federal income tax laws. The intent is to begin work as a foundation in January, 2004, recruiting a small

group of individuals - alumni, parents, friends, and philanthropists - who will be dedicated to nurturing meaningful relationships and stimulating local, national, and global support for the School of Architecture. All current Development staff will remain employees of the University. The foundation will work in close collaboration with the Office of University Development.

Local funds currently deployed to the School of Architecture Development Office will continue to provide development support. The University of Virginia Foundation will provide bookkeeping, accounting services, and will contract for the audit. The Office of University Development will provide gift accounting services. Fund management will be provided by UVIMCO. Efforts will be made to avoid duplication of administration and service and to keep costs at a minimum.

ACTION REQUIRED: Approval by the External Affairs Committee and by the Board of Visitors

APPROVAL OF THE CREATION OF THE UNIVERSITY OF VIRGINIA SCHOOL OF ARCHITECTURE FOUNDATION.

WHEREAS, The University Policy on University-Related Foundations requires that the creation of new University-Related Foundations be approved by the Board of Visitors; and

WHEREAS, the Senior Vice President for Development and Public Affairs recommends that the Board of Visitors approve the creation of a University-Related Foundation for the School of Architecture; and

WHEREAS, this new Foundation will adhere to the University's Policy on University-Related Foundations;

RESOLVED that the creation of a University-Related Foundation for the School of Architecture is approved.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III. Vice President's Remarks

DISCUSSION: The Senior Vice President for Development and Public Affairs will report on items of interest to the Committee.

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III.A. Philanthropic Cash Flow

BACKGROUND: Cash gifts received for Fiscal Year 2003, as well as those booked to date for Fiscal Year 2004, will be reviewed. Emphasis will also be placed on measuring performance for Fiscal Year 2002 (the latest year for which comparative data exists) against public and private peer institutions.

DISCUSSION: Philanthropic cash flow for Fiscal Year 2003 was the largest ever realized by the University. The \$261.9 million in cash raised greatly surpassed the year's goal of \$229 million. Discussion will focus on comparing progress against cash flow totals for previous fiscal years, measuring the University's performance against a benchmarking group of peers, and analyzing cash flow and philanthropic trends for Fiscal Year 2004.

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III.B. Departmental Accomplishments
and Goals

BACKGROUND: Annually, the University Development Office, the Health System Development Office, and University Relations assess their progress over the previous fiscal year in each of their departments, as measured against goals set for that year, and establish a series of departmental and office objectives for the coming year.

DISCUSSION: The Senior Vice President for Development and Public Affairs will highlight fundraising and programmatic achievements for Fiscal Year 2003 and objectives for Fiscal Year 2004 for all departments in his areas of purview.

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III.B. Campaign Planning

BACKGROUND: The University is putting in place the initial elements required to launch the quiet phase of the next campaign in January of 2004.

DISCUSSION: The Senior Vice President will review campaign planning efforts already underway and preview campaign-related activities envisioned for the coming year.

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III.B.1. Campaign Executive Committee
Enlistment

BACKGROUND: The first step toward launching the quiet phase of the next University campaign will be the enlistment of a core group of volunteer leaders to help shape campaign policies and strategies.

DISCUSSION: To date, seven members of the new Campaign Executive Committee have been recruited. Enlistments will be completed by the end of calendar year 2003, with a first meeting to be held in early 2004. As campaign leaders, the committee will be a diverse group representative of the broad University community, including women and minorities, as well as those who have the capacity to be major benefactors in the next campaign.

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III.B.2. Nucleus Fund Strategy

BACKGROUND: From the campaign which ended December 30, 2000, the University learned that success is driven by leadership gifts, especially those of one million dollars or above. In analyzing the leadership gifts required for the next campaign to reach its goal, the University has already determined that 550 gifts of one million dollars and above, including 133 gifts at five million dollars and above, will be required to reach the three billion dollar target.

DISCUSSION: University Development has already identified some 1,400 possible donor prospects for gifts at one million dollars or more. The Senior Vice President will report on prospect identification and qualification and the initial strategies for engaging potential donors in this range in a thorough and professional manner. The Principal Gifts program will be re-structured to ensure that a senior development leader is focused exclusively on stewardship and cultivation of leadership prospects for the next campaign

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III.B.3. Key Campaign Themes

BACKGROUND: For an undertaking of the magnitude of the new capital campaign to be successful, the University must be able to convey a compelling argument as to why it needs the kinds of support that would be more typical of an elite, private institution. This new prototype of self-sufficiency will include changes in tuition policies, as well as the creation of a private university funding model.

DISCUSSION: Unlike other campaigns, where special themes and messages are conveyed that are "campaign" messages, this fundraising effort will focus on the University's aspirations and strategic priorities that must resonate with every unit on the Grounds, as well as the institution as a whole. Some of the concepts - whether they are characterized by the phrase "self-sufficiency," "self-determination," or "privately financed public" are complex concepts that can easily be misinterpreted. The challenge will be to provide clarity of messages and arguments that convey a new kind of institutional message, one that resonates with University constituents and still reassures the public that the University is maintaining faith with its founding mandate as a public institution. Ms Carol Wood and Mr. Bill Sublette, who will lead the University's communications team in the next campaign, will report on behalf of the Senior Vice President.

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III.C. Alumni Affairs

BACKGROUND: The University continues a number of initiatives designed to engage and involve alumni in the life of this institution. Such programs strengthen the University's outreach support of important constituents.

DISCUSSION: Reports will focus on the Alumni Relations Task Force and the Women in Leadership and Philanthropy Project.

ACTION REQUIRED: None

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III.C.1. Alumni Relations Task Force

BACKGROUND: An Alumni Relations Task Force has been proposed to study current University relations efforts and recommend specific approaches to enhance the University's ability to consistently engage a broad and diverse body of alumni in meaningful ways.

DISCUSSION: Mr. Sweeney and Mr. Jack Syer will report on plans for the Task Force. Some specific objectives of the Task Force will be to reach consensus on the elements that constitute "alumni relations;" to catalog current programs and activities which could be harnessed as resources to expand the University's initiatives; to study alumni relations programs at the finest public and private institutions; to examine opportunities for broadening alumni engagement; and to recommend ways to organize, staff, and fund this new model of alumni engagement.

ACTION REQUIRED: None

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BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: October 2, 2003

COMMITTEE: External Affairs

AGENDA ITEM: III.C.2. Women in Leadership and Philanthropy

BACKGROUND: The project on Women in Leadership and Philanthropy is designed to identify and cultivate alumnae and women friends as University supporters and volunteer leaders. Through a variety of approaches, the project will increase the number of women serving on volunteer boards, raise the percentage and number of alumnae and women friends making gifts to the University, and strengthen the University's ties with this important constituency.

DISCUSSION: Ms. Jenny Wyss-Jones, who leads the project on behalf of the University, will report on goals, activities and progress of the Women in Leadership and Philanthropy Project.

ACTION REQUIRED: None