

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS  
MEETING OF THE  
FINANCE COMMITTEE  
APRIL 15, 2004**

FINANCE COMMITTEE

Thursday, April 15, 2004  
12:00 - 2:00 p.m.

Room 407, Main Floor, Clemons Library

Committee Members:

Thomas A. Saunders, III, Chair  
Thomas F. Farrell, II  
W. Heywood Fralin  
Mark J. Kington

Warren M. Thompson  
Georgia M. Willis  
John O. Wynne  
Gordon R. Rainey, Ex Officio

AGENDA

	<u>PAGE</u>
I. CONSENT AGENDA (Mr. Sandridge)	
A. University of Virginia Faculty and Staff Housing Rates, 2004-2005	1
B. Land Transfer from BB&T Bank to UVa	3
• Fiscal Impact Statement	5
C. Disposition of Property at the Kluge Children's Rehabilitation Center	7
• Fiscal Impact Statement	9
II. ACTION ITEMS (Mr. Sandridge)	
A. Contract Rates for Dining Services, 2004-2005 (Mr. Sandridge to introduce Yoke San L. Reynolds; Ms. Reynolds to report)	11
1. University of Virginia	
2. The University of Virginia's College at Wise	
B. Tuition and Required Fees, 2004-2005 Academic Year and 2005 Summer Session (Mr. Sandridge to introduce Colette Sheehy; Ms. Sheehy to report)	13
1. University of Virginia	
2. The University of Virginia's College at Wise	
III. REPORTS BY THE EXECUTIVE VICE PRESIDENT AND CHIEF OPERATING OFFICER (Mr. Sandridge)	
A. Vice President's Remarks	14
B. Investment Matters	
1. Endowment Report - Market Value and Performance as of February 29, 2004	15
2. Actions of the Investment Management Company, March 16, 2004 (Mr. John O. Wynne to report)	18
C. 2004 General Assembly Report (Ms. Sheehy to report)	19
D. University Debt Policy Report	20

E.	Miscellaneous Financial Reports	
1.	Academic Division Accounts and Loans Receivable	21
2.	Endowment/Investments for UVa and Related Foundations	23
3.	Internal Loans to University Departments and Activities	24
4.	Quasi-Endowment Actions Report	25
5.	Quarterly Budget Report	27

III. EXECUTIVE SESSION

- Discussion of the acquisition of real property for University purposes, and of the disposition of real property held by the University, where discussion in an open meeting would adversely affect the negotiating strategy of the University as provided in § 2.2-3711 (A)(3) of the Code of Virginia.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS CONSENT AGENDA

**A. FACULTY AND STAFF HOUSING RATES, 2004-2005: Approves rates for faculty and staff residences for 2004-2005.**

The University operates 93 faculty and staff housing units, including individual houses, cottages, Lawn Pavilions, townhouses and apartments. State policy requires that rents charged by the University for faculty and staff housing reflect the market rate for similarly sized and equipped properties.

University faculty and staff housing rates are proposed to increase by an average of 6.38 percent from the 2003-2004 rates. The increase is due to both an increase in operating costs and ongoing attention to ensuring that the rates reflect market rates.

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

**APPROVAL OF PROPOSED INCREASE IN FACULTY AND STAFF HOUSING RATES FOR 2004-2005**

RESOLVED that the faculty and staff housing rates be approved as indicated, effective July 1, 2004. The Executive Vice President and Chief Operating Officer is authorized to increase the rates to market level when a property is vacated.

**ACADEMIC DIVISION**

<u>Properties</u>	<u>Utilities Furnished</u>	<u>Rents 2003-2004 Per Month</u>	<u>Amount Increase</u>	<u>Proposed Rents Percent Increase</u>	<u>2004-2005 Per Month</u>	<u>Utilities Paid By Occupant</u>
<b>Piedmont Estates</b>						
1 Bedroom Apt. (7)(F)	WS,E,G,C,T	\$558	\$35	6.27%	\$593	
2 Bedroom Apt. (16)	WS,E,G,C,T	\$675	\$43	6.37%	\$718	
Houses (3BR) (16) (E)	WS,C,T	\$972	\$58	5.97%	\$1,030	E,G
Townhouses (3BR) (5) (E)	WS,C,T	\$972	\$58	5.97%	\$1,030	E,G
Farmhouse Apt. 1 (1BR) (F) <sup>1</sup>	WS,E,G,C,T,AC	\$614	\$37	6.03%	\$651	
Farmhouse Apt. 2 (3 BR)	WS,E,G,C,T	\$634	\$38	5.99%	\$672	
Farmhouse Apt. 3 (1 BR)	WS,E,G,C,T	\$525	\$35	6.67%	\$560	
Farmhouse Apt. 4 (2 BR) (F) <sup>1</sup>	WS,E,G,C,T,AC	\$694	\$42	6.05%	\$736	
<b>Sundry</b>						
Vyssotsky Cottage (3BR) (E)	WS,T,A/C	\$773	\$52	6.73%	\$825	E,G
McGuffey Cottage (Eff)	WS,E,V,T,A/C	\$471	\$36	7.64%	\$507	
Upper Mews (1BR) (F) <sup>1</sup>	WS,E,HP,C,T,A/C	\$668	\$40	5.99%	\$708	
Lower Mews (1BR) (F) <sup>1</sup>	WS,E,HP,C,T,A/C	\$566	\$34	6.01%	\$600	
Monroe Hill Range (1BR)	WS,E,HVAC,T,V	\$717	\$43	6.00%	\$760	

<u>Properties</u>	<u>Utilities Furnished</u>	<u>Rents</u>	<u>Proposed Rents</u>		<u>2004-2005 Per Month</u>	<u>Utilities Paid By Occupant</u>
		<u>2003-2004 Per Month</u>	<u>Amount Increase</u>	<u>Percent Increase</u>		
Brown College Apts. (2BR)	WS,E,HVAC,T,V	\$620	\$49	7.90%	\$669	
Hereford Coll. Apts. (2BR)	WS,E,HVAC,T,V	\$735	\$45	6.12%	\$780	
Hereford Coll. Prin. Res. (3BR) <sup>1</sup>	WS,E,HVAC,T,V	\$917	\$55	6.00%	\$972	
102 Cresap Fac Apt. (1BR) (F) <sup>1</sup>	WS,E,G,T,HVAC, V	\$684	\$41	5.99%	\$725	
Hedge House (2BR) (F)	WS,C,T,A/C	\$729	\$44	6.04%	\$773	E,G
Orchard House (5RMS) (F)	WS,E,G,C,T,A/C	\$351	\$21	5.98%	\$372	
118 Oakhurst, Upper (2BR)	WS,G,C	\$638	\$42	6.58%	\$680	E,T
118 Oakhurst, Lower (2BR)	WS,G,C	\$638	\$42	6.58%	\$680	E,T
409 Valley Road, (2BR) (F)	WS,E,G,C,A/C	\$906	\$54	5.96%	\$960	T
411 Valley Road, (2BR) (F)	WS,E,G,C,A/C	\$906	\$54	5.96%	\$960	T
503 Valley Road, (1BR)	C	\$509	\$35	6.88%	\$544	WS,E,G,T
	WS,E,G,C,HVAC, V	\$648	\$45	6.94%	\$693	
424 MLLH, (1BR)	WS,E,G,C,HVAC, V	\$752	\$57	7.58%	\$809	
423 MLLH, (2BR)	V					
<b>Birdwood Properties</b>						
Cottage (1BR)	WS,C,T	\$523	\$31	5.93%	\$554	E
Garage Apt.(2BR)	WS,C,T	\$740	\$52	7.03%	\$792	E,G
Cash House (3BR) (E)	WS,C,T,AC	\$950	\$63	6.63%	\$1,013	E,G
Middleton House (4BR)	WS,C,T,AC	\$1,123	\$67	5.97%	\$1,190	E,G
<b>E &amp; G Properties</b>						
Montebello, (3 BR/Garage)	WS,E,G,A/C	\$704	\$41	5.82%	\$745	C,T
Big Morea (4 BR) (F)	WS,E,G,A/C,T	\$987	\$55	5.57%	\$1,042	C
Little Morea (2BR) (F)	WS,E,G,A/C,T	\$759	\$41	5.40%	\$800	C
Sunnyside (4BR)	WS,E,O,A/C	\$1,570	\$63	4.01%	\$1,633	C
Monroe Hill House (4BR)	WS,E,HVAC,T,V	\$913	\$51	5.59%	\$964	C
Buckingham Palace (Eff)	WS,E,HP,A/C,T	\$337	\$20	5.93%	\$357	C
Pavilion I (5BR)	WS,E,HVAC,T,V	\$831	\$47	5.66%	\$878	C
Pavilion II (5BR)	WS,HP,T,V	\$614	\$36	5.86%	\$650	C
Pavilion III (5BR)	WS,E,HVAC,T,V	\$831	\$47	5.66%	\$878	C
Pavilion IV (5BR)	WS,HP,T,V	\$614	\$36	5.86%	\$650	C
Pavilion V (5BR)	WS,E,HVAC,T,V	\$831	\$47	5.66%	\$878	C
Pavilion VI (5BR)	WS,E,HVAC,T,V	\$831	\$47	5.66%	\$878	C
Pavilion VIII Upper (3BR)	WS,E,HVAC,T,V	\$534	\$32	5.99%	\$566	C
Pavilion VIII Lower (1BR)	WS,E,HVAC,T,V	\$281	\$17	6.05%	\$298	C
Pavilion IX (5BR)	WS,E,HVAC,T,V	\$831	\$47	5.66%	\$878	C
Pavilion X (5BR)	WS,E,HP,T,V	\$614	\$36	5.86%	\$650	C
<b>Blandy Farm</b>						
Curator's House	WS	\$0	\$0	0.0%	\$0	E,O
Green Farm House	WS	\$65	\$0	0.0%	\$65	E,O
<b>Notes:</b>						
<sup>1</sup> Units brought to market this year. In total, 6 units were brought to market and 6 remain below market.						
"E" designates enhanced properties; "F" designates furnished properties.						
Utility abbreviations: WS (water, sewer), E (electric), G (gas), O (oil), HP (heating plant), HVAC (heating, venting, and air conditioning system), A/C (window air conditioning), C (cable TV), V (voice and data), and T (trash).						

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS CONSENT AGENDA

B. LAND TRANSFER FROM BB&T CORPORATION TO UVA: Approves the gift of property at the northeast corner of the Ivy Road/Copeley Road intersection from BB&T Corporation.

The traffic study for the Emmet Street Parking Garage recommended the widening of Copeley Road at the Ivy Road/Copeley Road intersection to increase the maneuvering space for buses turning right onto the northbound lane of Copeley Road from the westbound lane of Ivy Road. Currently, just before the intersection, the alignment of Copeley Road begins to turn in a westerly direction. As a result, it intersects Ivy Road at angle, which forces westbound Ivy Road traffic to make a turn in excess of 90 degrees as it turns right onto Copeley Road. Given the narrow width of Copeley Road, it is difficult for buses to stay within the lanes. Although this recommendation is not considered to be required as a result of the construction of the garage, the University believes it will be helpful for the bus transportation system.

While we originally considered widening both sides of Copeley Road, an engineering study determined that the acquisition of approximately 737 square feet of land at the northeast corner of the intersection would greatly improve the turning movements of buses and other large vehicles. The acquisition would not only support widening the northbound lane on Copeley Road, but also would provide sufficient space to realign the east curb of Copeley Road so that it intersects Ivy Road at a 90 degree angle. The land at this corner of the intersection is owned by BB&T Corporation. When the University approached BB&T about acquiring it, the corporation offered to give the land to the University if the University paid for all costs associated with the transfer. In addition to the land, BB&T also agreed to give the University two easements, one for drainage and one for a traffic control light. These easements will be presented to the Buildings & Grounds Committee for its consideration. It is estimated that the legal costs associated with the land transfer will be approximately \$4,000. These costs and the intersection improvements will be funded by the Emmet Street Parking Garage project.

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

APPROVAL OF THE GIFT OF PROPERTY AT THE NORTHEAST CORNER OF THE  
IVY ROAD/COPELEY ROAD INTERSECTION FROM BB&T CORPORATION

WHEREAS, the traffic study conducted as a part of the Emmet Street Parking Garage project demonstrated the benefits of widening Copeley Road at the Ivy Road intersection; and

WHEREAS, an engineering study indicated that the acquisition of approximately 737 square feet of land at the northeast corner of the Ivy Road/Copeley Road intersection would allow the sufficient widening of Copeley Road to greatly improve the turning movements of buses and other large vehicles from the westbound lane of Ivy Road onto Copeley Road; and

WHEREAS, BB&T Corporation, the owner of the land, has agreed to give the property to the University, along with two easements needed for drainage and a traffic control light, provided the University pays for all of the costs associated with the land transfer.

RESOLVED that the gift of the aforesaid property consisting of approximately 737 square feet, and located adjacent to Copeley Road at the northeast corner of the Ivy Road/Copeley Road intersection, from BB&T Corporation is approved; and

RESOLVED FURTHER that the Executive Vice President and Chief Operating Officer of the University of Virginia is authorized to execute any and all contracts and other documents pertaining to the gift of the aforesaid property as he may deem necessary or appropriate.

UNIVERSITY OF VIRGINIA  
FISCAL IMPACT STATEMENT

PROJECT/PROPOSED BOARD OF VISITORS ACTION: Approve property acquisition from BB&T Corporation at the intersection of Ivy Road and Copeley Road.

DESCRIPTION: The University seeks to acquire approximately 737 square feet of property at the intersection of Ivy and Copeley Roads. The purpose for this transaction is to provide a widened lane and improved access to Copeley Road, principally to accommodate University Transit Service vehicles. UTS changed the routes following the completion of the Emmet Street garage, and buses are now required to turn northbound onto Copeley Road. Large vehicles cannot easily negotiate this intersection in its present configuration.


This small strip of land is currently owned by BB&T for one of its branch locations.

FISCAL IMPACT: BB&T has agreed to provide this land and certain easement rights to the University as a gift, so there is no actual cost for the acquisition; however, the corporation has requested that the University pay for all legal and closing costs of the transaction. The total amount will be approximately \$4,000. In addition, the University will have to pay for the project expenses to reconfigure the intersection in accordance with traffic engineering study recommendations. There are sufficient funds in the Emmet Street Garage project to pay for these costs.

The alternative to this proposal, not acquiring this property, could result in higher costs due to operating delays for UTS buses as well as an increased probability for accidents and property damage.

CONCLUSION: The Board of Visitors should approve the acquisition of property from BB&T Corporation.

RECOMMEND APPROVAL OF BOARD ACTION:



Leonard W. Sandridge  
April 15, 2004

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UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS CONSENT AGENDA

**C. DISPOSITION OF PROPERTY AT THE KLUGE CHILDREN'S REHABILITATION CENTER:** Approves the sale of the Spring House property located behind the Kluge Children's Rehabilitation Center to Weather Hill Homes, Ltd.

Weather Hill Homes recently purchased 6.5 acres behind the Kluge Children's Rehabilitation Center for the development of 22 townhouses. To support this development Weather Hill Homes has approached the University about 1) selling a small, narrow section of University property, which extends into the Weather Hill Home's property and contains two spring houses and 2) granting an easement for the widening and upgrade of Boulder Road. In exchange for the land and easement, Weather Hill Homes has proposed to 1) pay fair market value for the land, 2) maintain a buffer between its development and University property, and 3) improve and extend utility service to the Cochran House, a separate University property located behind the rehabilitation center and housing the Infant and Toddler Connection of the Blue Ridge.

The land requested by Weather Hill is approximately 42 feet wide and 163 feet deep. The two spring houses located on the land at one time served as water sources, but are no longer used. The Cochran House is a ranch house built in the 1940s, and is in need of a utility upgrade. For example, it is currently on a septic system. The developer proposes to provide new electrical and water lines and to hook up the building to the county sewer system. Boulder Road is a narrow, primarily gravel, drive that serves the Cochran House and a private residence located behind the Cochran House. The developer proposes to widen, pave, and maintain this road. Given the configuration and size of the land, the condition of the Cochran House's utilities, and the condition of Boulder Road, the University recommends that the land be sold and the easement for Boulder Road be approved. The easement will be presented to the Buildings & Grounds Committee for its consideration.

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

APPROVAL OF THE DISPOSITION OF THE SPRING HOUSE PROPERTY LOCATED  
BEHIND THE KLUGE CHILDREN'S REHABILITATION CENTER TO WEATHER HILL  
HOMES, LTD.

WHEREAS, certain property and improvements ("Kluge Children's Rehabilitation Center Spring House property") containing approximately 6,850 square feet are located behind the Kluge Children's Rehabilitation Center on Route 250 West in Albemarle County; and

WHEREAS, the University has determined that due to its size, location, and configuration this land is of nominal use; and

WHEREAS, the Weather Hill Homes, Ltd. has offered to buy this property at a fair market value, provide a vegetative buffer between its property and the Kluge Children's Rehabilitation Center, provide new utility service to the University's Cochran House, which is located behind the Kluge Children's Rehabilitation Center, and improve and maintain Boulder Road, which is located between the Kluge Children's Rehabilitation Center and the Cochran House property.

RESOLVED that the disposition of the Kluge Children's Rehabilitation Center Spring House property on Route 250 West in Albemarle County, Virginia, consisting of approximately 6,850 square feet, is approved; and

RESOLVED FURTHER that the Executive Vice President and Chief Operating Officer of the University of Virginia is authorized to approve the final terms of the sale, convey the property, and to execute any and all contracts and other documents pertaining to the disposal of the aforesaid property as he may deem necessary or appropriate.

UNIVERSITY OF VIRGINIA  
FISCAL IMPACT STATEMENT

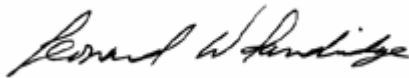
PROJECT/PROPOSED BOARD OF VISITORS ACTION: Disposition of Property at the Kluge Children's Rehabilitation Center

DESCRIPTION: A private development firm, Weather Hill Homes, has approached the University about purchasing a small parcel of land at the Kluge Children's Rehabilitation Center (KCRC). As part of the transaction the developer also seeks easement rights which will allow them to widen and improve Boulder Road. This largely gravel road will be paved and reconfigured to provide a proper access route to the new townhouse project. The subject property contains two spring houses, which at one time served as water sources. This is no longer the case and their removal, should the Board assent to this proposal, will have no functional consequence. Furthermore, as this property is narrow and unconventionally shaped, the Medical Center has agreed that the transfer will not adversely affect any planned capital improvements or operational changes at the KCRC.

FISCAL IMPACT: The development firm has agreed to pay "fair market value" for the approximately 6,850 square feet of land, or \$10,000. For purposes of context, this sales price translates to roughly \$63,600 per acre. A formal appraisal will be performed before the transaction is finalized. In addition, in exchange for the land and the easement the firm will provide enhanced electrical, sewer, and water utilities to the Cochran House, a University-owned property adjacent to Boulder Road. This work has been put out to bid and a cost estimate is not yet available; however the existing electrical service is very dated and in need of an upgrade. Likewise, the septic field is in poor condition. Weather Hill Homes has agreed to connect the Cochran House to the county sewer lines. Lastly, the developer agrees to maintain a vegetative buffer, at its expense, between the subject property and KCRC.

CONCLUSION: The Board of Visitors should approve the sale of property to Weather Hill Homes.

RECOMMEND APPROVAL OF BOARD ACTION:



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Leonard W. Sandridge  
April 15, 2004

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UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 15, 2004

COMMITTEE: Finance

AGENDA ITEM: II.A. Contract Rates for Dining Services,  
2004-2005

BACKGROUND: The University provides a variety of contract meal plans for students, ranging from unlimited dining to three banquets per semester. Revenues received from contract dining, retail operations, vending, concessions, and catering must cover all operating costs, including food, labor, capital, and indirect costs. The University contracts with ARAMARK for dining services. The College at Wise contracts with Chartwells for these services.

DISCUSSION: Proposed University meal plan rate increases for 2004-2005 range from 2.5 percent to 4.5 percent, with an average increase of 3.4 percent. In 2003-2004, approximately 7,200 University students purchased contract meal plans.

The College at Wise meal plans are proposed to increase by 4.0 percent to reflect increases in operating costs, including a 2.8 percent increase from the service provider (Chartwells). The University's College at Wise serves approximately 570 students on contract meal plans.

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

APPROVAL OF PROPOSED CONTRACT RATES FOR DINING SERVICES FOR 2004-2005 FOR THE ACADEMIC DIVISION AND THE UNIVERSITY OF VIRGINIA'S COLLEGE AT WISE

RESOLVED that the student contract rates for dining services be approved as shown below, effective beginning with the 2004-2005 session:

ACADEMIC DIVISION

	<u>Actual 2003-2004</u>	<u>Amount of Increase</u>	<u>Percent Increase</u>	<u>Proposed 2004-2005</u>
Regular (1,2)				
Unlimited Entry w/ \$150 Plus Dollars	\$2,880	\$110	3.8%	\$2,990
15 Meals per week w/ \$400 Plus Dollars	2,880	110	3.8%	2,990
13 Meals per week w/ \$500 Plus Dollars	2,880	110	3.8%	2,990

	<u>Actual 2003-2004</u>	<u>Amount of Increase</u>	<u>Percent Increase</u>	<u>Proposed 2004-2005</u>
10 Meals per week (first year) w/ \$790 Plus Dollars	\$2,880	110	3.8%	\$2,990
10 Meals per week (upperclass) w/ \$350 Plus Dollars	2,440	110	4.5%	2,550
100 Meals per semester w/ \$350 Plus Dollars	1,640	50	3.0%	1,690
80 Meals per semester w/ \$350 Plus Dollars	1,420	50	3.5%	1,470
50 Meals per semester w/ \$390 Plus Dollars	1,080	30	2.8%	1,110
<u>Residential Colleges/Language Houses (1,2,3)</u>				
Unlimited Entry w/ \$150 Plus Dollars	\$2,990	\$110	3.7%	\$3,100
15 Meals per week w/ \$400 Plus Dollars	2,990	110	3.7%	3,100
13 Meals per week w/ \$500 Plus Dollars	2,990	110	3.7%	3,100
10 Meals per week (first year) w/ \$790 Plus Dollars	2,990	110	3.7%	3,100
10 Meals per week (upperclass) w/ \$350 Plus Dollars	2,550	110	4.3%	2,660
100 Meals per semester w/ \$350 Plus Dollars	1,750	50	2.9%	1,800
80 Meals per semester w/ \$350 Plus Dollars	1,530	50	3.3%	1,580
50 Meals per semester w/ \$390 Plus Dollars	1,190	30	2.5%	1,220
<u>Athletics</u>				
Unlimited Entry w/ \$150 Plus Dollars	\$2,990	\$110	3.7%	\$3,100
15 Meals per week w/ \$400 Plus Dollars	2,990	110	3.7%	3,100
13 Meals per week w/ \$500 Plus Dollars	2,990	110	3.7%	3,100
10 Meals per week (first year) w/ \$790 Plus Dollars	2,990	110	3.7%	3,100
10 Meals per week (upperclass) w/ \$350 Plus Dollars	2,550	110	4.3%	2,660
100 Meals per semester w/ \$350 Plus Dollars	1,750	50	2.9%	1,800
80 Meals per semester w/ \$350 Plus Dollars	1,530	50	3.3%	1,580
<u>Other</u>				
Law School Meal Plan	400	0	0.0%	400
<b><u>THE UNIVERSITY OF VIRGINIA'S COLLEGE AT WISE</u></b>				
19 Meal Plan	\$2,482	\$100	4.0%	\$2,582
12 Meal Plan	2,232	90	4.0%	2,322
<b><u>NOTES:</u></b>				
(1) Plus Dollars are credited to a student's identification card and may be used in the same manner as cash at any board dining hall and/or retail operation.				
(2) First-year students are required to purchase a 13-, 15- or unlimited-meal plan during their first semester. During their second semester they may switch to the 10-meal plan with \$790 Plus Dollars.				
(3) Some residential colleges and language houses have a dining requirement as part of their program.				

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 15, 2004

COMMITTEE: Finance

AGENDA ITEM: II.B. Tuition and Required Fees, 2004-2005  
Academic Year and 2005 Summer Session

BACKGROUND: Because of the current impasse on the State Budget, the University must be flexible in adjusting the tuition proposal to be presented to the Board, should the General Assembly reach a compromise budget before the April 15<sup>th</sup> meeting of the Finance Committee. Details about a recommended tuition proposal for the Academic Division and for The University of Virginia's College at Wise therefore are not included in this mailing. A tuition proposal will be presented to the Committee for consideration at its April 15<sup>th</sup> meeting.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 15, 2004

COMMITTEE: Finance

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

ACTION REQUIRED: None

BACKGROUND: The Executive Vice President and Chief Operating Officer will inform the Board of recent events that do not require formal action, but of which it should be made aware.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 15, 2004

COMMITTEE: Finance

AGENDA ITEM: III.B. Investment Matters

ACTION REQUIRED: None

Market Value and Performance as of February 29, 2004

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: As of the end of February, eight months into the fiscal year, the total return on the endowment was 11.8 percent. Equity markets continued to perform well during this period with domestic stocks (Russell 3000) up 20.3 percent and international stocks (MSCI All Country World ex. United States) up 32.6 percent. The markets seem to be feeling the effects of an election year, secure in the knowledge that the current administration will keep the economy on an even keel. In the wake of this optimism, however, the bond market continues to struggle (Merrill Lynch 7-10 Year Government) up just 0.5 percent for the fiscal-year-to-date. With 57 percent of the Pooled Endowment Fund in hedge funds, the endowment has not fully participated in the equity market rally as evidenced by the hedge fund portfolio return of 9.8 percent. The fund's more modest allocations to domestic and international equities outpaced their benchmarks with returns of 22.7 percent and 47.5 percent, respectively. The outstanding international equity performance is primarily due to the decision to place those assets with emerging markets managers. The allocation to private equity, up 8.7 percent for the period, also served as a drag on performance. The robust public equity market performance is a positive for the private equity portfolio, but this positive impact is typically not reflected immediately in valuations.

Performance as of March 31, 2004 will be presented and discussed at the April 15, 2004 meeting.

PRELIMINARY

UNIVERSITY OF VIRGINIA INVESTMENT REPORT  
SUMMARY PERFORMANCE REPORT - February 29, 2004

CONFIDENTIAL

MKT VAL* (\$000's)	Asset Allocation		Current				Historical			Annualized		
	Fund	Target	MO	3MO	CYTD	FYTD	FY03	FY02	FY01	3Y	5Y	10Y

<b>DOMESTIC EQUITY</b>	151,743	6.5%	5.0%	1.4	9.6	4.6	22.7	4.0	(12.0)	4.8	4.3	5.3	11.1
<i>Russell 3000</i>				1.3	8.2	3.5	20.3	0.8	(17.2)	(13.9)	0.1	1.1	11.1

<b>INTERNATIONAL EQUITY</b>	173,075	7.5%	10.0%	4.1	16.5	6.9	47.5	7.6	(7.7)	(21.5)	12.6	12.4	7.0
<b>EMERGING MARKETS</b>	173,075	7.5%	10.0%	4.1	16.5	6.9	47.5	7.6	12.5	(10.8)	23.4	23.2	5.2

*MSCI AC World Free Ex-U.S.*  
*MSCI Emerging Markets Free*

<b>HEDGE FUNDS</b>	1,325,172	57.0%	57.5%	1.9	5.2	3.7	9.8	9.8	7.7	18.6	9.7	15.7	10.6
<b>LONG/SHORT</b>	980,736	42.2%	32.5%	2.1	4.9	3.8	9.3	--	--	--	--	--	--
<b>INTERNATIONAL</b>	45,402	2.0%	5.0%	2.7	9.1	2.4	20.4	--	--	--	--	--	--
<b>MACRO</b>	161,222	6.9%	12.5%	1.9	7.4	4.2	10.0	--	--	--	--	--	--
<b>ABSOLUTE RETURN</b>	137,812	5.9%	7.5%	0.8	4.0	2.6	11.0	--	--	--	--	--	--

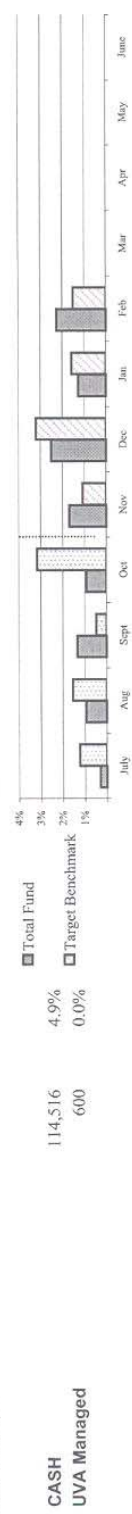
*Uva Hedge Fund Blended Index †*

<b>PRIVATE EQUITY</b>	325,341	14.0%	19.5%	2.7	6.0	2.1	8.7	11.1	(10.7)	(23.2)	(2.4)	32.8	23.1
<b>DOMESTIC BUYOUTS</b>	210,074	9.0%	12.0%	6.1	8.9	4.2	13.7	37.3	(0.5)	(22.4)	16.0	17.6	8.9
<b>INTERNATIONAL BUYOUTS</b>	44,402	1.9%	2.5%	(4.3)	(0.6)	(5.3)	2.6	1.8	21.5	5.1	1.9	20.2	--
<b>VENTURE CAPITAL</b>	70,865	3.1%	5.0%	(2.2)	2.1	1.3	(0.9)	(27.9)	(27.6)	(33.3)	(28.3)	34.1	32.1

*Uva Private Equity Blended Index †*  
*Russell 3000 + 400 bp*  
*MSCI AC World ex. U.S. Free + 400 bp*

<b>REAL ASSETS</b>	51,440	2.2%	3.0%	0.8	4.2	1.0	9.2	(8.2)	(12.6)	11.7	(3.4)	2.1	8.0
<b>REAL ESTATE/TIMBER</b>	51,440	2.2%	3.0%	0.8	4.2	1.0	9.2	(8.2)	(19.4)	8.8	(5.7)	0.5	7.1
<i>91 Day T Bills + 500 bp</i>				0.5	1.5	1.0	4.0	6.6	7.6	10.9	7.2	8.6	9.4

<b>FIXED INCOME</b>	181,180	7.8%	5.0%	2.1	2.8	2.0	3.6	17.1	10.4	10.3	9.7	8.9	7.8
<i>ML 7-10 Yr Govt</i>				1.6	3.6	2.7	0.5	14.0	9.7	10.9	7.8	7.5	7.5



<b>TOTAL FUND</b>	2,323,067	100%		2.3	6.1	3.5	11.8	9.2	(0.1)	2.0	6.2	16.1	13.9
<i>Target Benchmark</i>				1.5	6.4	3.1	14.6	4.2	(6.2)	(3.3)	4.0	5.0	8.9
<i>Spending + Inflation</i>				0.2	1.4	1.1	3.9	7.0	5.6	7.6	6.4	7.1	7.0

**PRELIMINARY**

**UNIVERSITY OF VIRGINIA INVESTMENT REPORT  
SUMMARY ENDOWMENT REPORT - February 29, 2004**

**CONFIDENTIAL**

MKT VAL (\$000's)	Current				Historical			Annualized		
	MO	3MO	CYTD	FYTD	FY03	FY02	FY01	3Y	5Y	10Y
<b>CURRENT FUNDS</b>										
Investment in Aggregate Cash	1.1	3.2	1.9	5.8	5.7	4.8	9.4	7.1	6.8	6.4
PEF Investment	0.2	0.9	0.5	1.2	3.1	4.8	9.4	4.9	5.5	5.7
	2.3	6.1	3.5	11.8	9.2	--	--	--	--	--
<b>AGGREGATE CASH</b>										
Current Funds	0.2	1.0	0.6	--	--	--	--	--	--	--
Endowment Cash Reserves**	0.2	0.9	0.5	1.2	3.1	4.8	9.4	4.9	5.5	5.7
Medical Insurance Fund	0.2	1.1	0.6	1.8	2.1	--	--	2.7	0.6	3.8
	0.2	1.0	0.6	1.4	4.4	4.2	6.7	3.8	4.9	--
<i>Current Funds Blend*</i>	0.2	0.7	0.4	0.9	2.8	4.2	7.1	3.2	4.3	4.9
<i>9/ Day T Bills</i>	0.1	0.3	0.2	0.7	1.5	2.6	5.9	2.1	3.6	4.4
<b>CHARITABLE REMAINDER TRUSTS</b>										
Non-Pool Trust Assets										
UVA Pooled Endowment Fund	2.3	6.1	3.5	11.8	9.2	--	--	--	--	--
UVA Core Equity Fund	2.3	6.7	4.3	13.6	9.8	(0.3)	(4.0)	7.4	7.4	--
UVA Bond Fund	2.0	3.9	3.2	4.6	15.0	10.5	10.1	9.9	8.3	--
<b>TOTAL FUND</b>										
Current Funds (Agg. cash)	2,323,067									
Medical Insurance Fund (Agg. cash)	218,724									
UVA Administered Endowment	14,581									
Non-Pool Trust Assets	16,165									
Pending Funds	2,949									
<b>TOTAL ASSETS MANAGED</b>	<u>2,596,191</u>									
<b>TOTAL FUND</b>										
Less: Liabilities & Current Funds	2,323,067									
Less: Trusts	(356,954)									
	(32,791)									
<b>POOLED ENDOWMENT FUND</b>	<u>1,933,321</u>									
UVA Administered Endowment	16,165									
<b>TOTAL ENDOWMENT</b>	<u>1,949,487</u>									
<b>UNITIZATION</b>										
2/29/2004										
MV Per Share										
\$2,943.55										

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 met on March 16th to review performance. Since the last Board of Visitors meeting, the UVIMCO Board approved a \$50 million additional investment to the Boston Company, and confirmed the hiring of Standish Mellon for the internal bond portfolio and aggregate cash account.

Neither of these actions requires the approval of the Board of Visitors or the Finance Committee.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 15, 2004

COMMITTEE: Finance

AGENDA ITEM: III.C. 2004 General Assembly Report

ACTION REQUIRED: None

BACKGROUND: As of April 5, the 2004 General Assembly had not approved a budget for the 2004-2006 biennium. A special session was called on March 18<sup>th</sup> by Governor Warner for the two chambers to conclude their work on the budget. At the Finance Committee meeting, the Vice President for Management and Budget will provide the Board with an overview of recent actions regarding the General Assembly and the 2004-2006 Appropriations Act.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 15, 2004

COMMITTEE: Finance

AGENDA ITEM: III.D. University Debt Policy Report

ACTION REQUIRED: None

BACKGROUND: In October 2002 and January 2003, the Board received preliminary and final reports on the new debt-financing program proposed by the University. This new program would: (1) include floating-rate debt and mixed bond maturities as strategic tools and (2) establish a pool of various external instruments for the benefit of internal borrowers. With the issuance of bonds in March 2003, the new debt program was launched. Since then, the University also has issued commercial paper for interim financing.

DISCUSSION: An update will be provided on the University's current and projected debt position, as well as on debt trends in the higher education industry. In addition, there will be an initial discussion of components of the University debt policy. In particular, the proposal is to limit the reliance on variable rate debt to 40 percent of total debt financing. The Finance Committee will discuss the composition of variable rate debt in the University's debt portfolio.

**MISCELLANEOUS FINANCIAL REPORTS**

Finance Committee  
University of Virginia

April 15, 2004

ACADEMIC DIVISION

FINANCIAL REPORT

ACCOUNTS AND LOANS RECEIVABLE AS OF DECEMBER 31, 2003

Summary of Accounts Receivable:

The University's Academic Division's total accounts receivable at December 31, 2003 were \$56,460,000 as compared to \$24,926,000 at September 30, 2003. The major sources of receivables at December 31, 2003 were student accounts of \$39,780,000 and sponsored programs of \$10,205,000.

The past due receivables over 120 days old are \$1,495,000 at December 31, 2003, or 2.7 percent of total receivables, below the Commonwealth's management standard of ten percent.

	<u>Student Accounts</u>	<u>Sponsored Programs</u>	<u>Other Receivables</u>	<u>Total</u>
Gross Accounts Receivable	\$39,780,000	\$10,205,000	\$6,475,000	\$56,460,000
Less: Allowance for Doubtful Accounts	<u>125,000</u>	<u>650,000</u>	<u>270,000</u>	<u>1,045,000</u>
Net Accounts Receivable	<u>\$39,655,000</u>	<u>\$9,555,000</u>	<u>\$6,205,000</u>	<u>\$55,415,000</u>
Accounts Receivable Greater than 120 Days Past Due	<u>\$252,000</u>	<u>\$940,000</u>	<u>\$303,000</u>	<u>\$1,495,000</u>

SOURCE: Revenue & Collections  
DATE: March 11, 2004

ACADEMIC DIVISION

FINANCIAL REPORT

ACCOUNTS AND LOANS RECEIVABLE AS OF DECEMBER 31, 2003

Summary of Loans Receivable:

The default rate for the Perkins Student Loan Program increased by 3.06 percent to 5.40 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 increased by 0.0 percent. The Nursing Undergraduate Student Loan Program default rate increased by 0.38 percent to 2.32 percent. All medical loan programs are well below the 5 percent federal threshold. The University Loan Program default rate increased by 0.39 percent to 4.48 percent.

	<u>Gross Loans Receivable</u>	<u>Current Default Rate</u>	<u>Inc./ (Dec.) From Last Quarter</u>
Perkins Student Loans	\$16,995,000	5.40%	3.06%
Health Professions Loans	373,000	0.00%	0.00%
Undergraduate Nursing Loans	610,000	2.32%	0.38%
University Loans	<u>8,997,000</u>	4.48%	0.39%
Total Student Loans Outstanding	<u>\$26,975,000</u>		

SOURCE: Student Financial Services  
DATE: March 11, 2004

**ENDOWMENT/INVESTMENTS FOR UVA AND RELATED FOUNDATIONS\***  
**December 31, 2003**  
**(In Thousands)**

	R & V Funds Invested by UVIMCO	Related Foundation Funds Invested by UVIMCO	Related Foundation Funds Invested by Direction of Foundation Board	Funds Invested by Alumni Assoc	Total
University of Virginia Medical School and related foundations	\$467,174	\$5,040	\$19,495	\$3,532	\$495,241
Darden School and related foundation	80,239	35,309	139,103	0	254,651
College of Arts and Sciences and related foundations	221,827	8,230	8,379	12,646	251,082
University of Virginia Law School and related foundation	31,225	81,113	92,764	0	205,102
School of Engineering and related foundation	55,099	0	0	2,089	57,188
McIntire School of Commerce and related foundation	27,116	0	322	23,190	50,628
Graduate School of Arts and Sciences	30,483	0	0	0	30,483
School of Nursing	23,708	0	0	1,649	25,357
University of Virginia's College at Wise and related foundation	19,023	495	469	1,706	21,693
Curry School of Education and related foundation	8,644	5,269	63	11	13,987
School of Architecture	11,255	0	0	348	11,603
School of Continuing and Professional Studies	53	0	0	0	53
Alumni Association**	0	0	0	208,369	208,369
Athletics and related foundation	29,381	18,876	20,100	291	68,648
Miller Center and related foundation	38,416	2,000	0	1	40,417
Alumni Board of Trustees	0	0	28,447	8,255	36,702
University of Virginia Foundation and UVa Real Estate Foundation	0	23,335	3	0	23,338
All Other	928,971	16,184	0	0	945,155
	<u>\$1,972,614</u>	<u>\$195,851</u>	<u>\$309,145</u>	<u>\$262,087</u>	<u>\$2,739,697</u>

Notes: \* Excludes security lending.

\*\* Includes funds on deposit for other areas/schools not individually listed.

**SOURCE: Financial Administration**  
**DATE: March 11, 2004**

**INTERNAL LOANS TO UNIVERSITY DEPARTMENTS AND ACTIVITIES**  
**As of February 29, 2004**

(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.)

PROJECT	PURPOSE (INT PROJECT)	DATE OF LOAN	INTEREST RATE	ORIGINAL LOAN AMOUNT	PRINCIPAL PAYMENTS MADE TO DATE	OUTSTANDING PRINCIPAL	APPROX. FINAL PAYMENT
103812/ 118780	Wise Student Center	11/30/03	Blended Borrowing Rate (4.75%)	2,000,000.00	-	2,000,000.00	Jun 2007
103792	Clark Hall	11/01/03	Blended Borrowing Rate (4.75%)	2,575,000.00	1,500,000.00	1,075,000.00	Jan 2008
118600	columbarium	10/30/03	Blended Borrowing Rate (4.75%)	85,000.00	-	85,000.00	Oct 2008
115024	Baseball Stadium	06/14/02	Fed. Funds+60 pts.	1,525,000.00	1,416,935.23	108,064.77	Jun 2005
115608	ITC-Disk Hardware	02/01/02	Fed. Funds+60 pts.	130,000.00	86,666.00	43,334.00	Jul 2004
115567	ITC-Cincom	02/01/02	Fed. Funds+60 pts.	950,000.00	475,000.00	475,000.00	Jul 2005
107202	Keck Center	06/22/01	Fed. Funds+60 pts.	50,000.00	25,000.00	25,000.00	Jun 2005
103869	Gilmer Hall	06/22/01	Fed. Funds+60 pts.	45,147.96	25,000.00	20,147.96	Jun 2005
103947	WTJU	06/01/00	Fed. Funds+60 pts.	120,000.00	72,000.00	48,000.00	May 2005
N/A	UVA Medical Center	07/10/02	Fed. Funds+60 pts.	3,917,611.37	2,018,914.63	1,952,696.74	Jun 2006
103807	CVC Football Facility	12/22/98	Fed. Funds+60 pts.	3,000,000.00	1,285,772.18	1,714,227.82	Jun 2009

**Total Internal Loans Subject to \$15M Limit Established by BOV<sup>1</sup>**

**\$14,451,759.33    \$6,905,288.04    \$7,546,471.29**

**Other Internal Loans:**

103842	Scott Stadium Internal Construction Loan <sup>2</sup>	04/26/01	Fed. Funds+60 pts.	10,338,494.75	7,915,066.66	2,423,488.09	Apr 2006
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- NOTES: 1. Per April 2003 Board of Visitors resolution approving the expansion of the internal loan pool from \$10 million to \$15 million.  
2. Per June 2001 Board of Visitors resolution approving short-term construction loans of up to \$13 million.

SOURCE: Investment and Tax Services  
DATE: March 11, 2004

UNIVERSITY OF VIRGINIA  
QUASI-ENDOWMENT ACTIONS

December 1, 2003 - January 31, 2004

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

Per the delegated authority from the Executive Vice President and Chief Operating Officer, the Vice President for Management and Budget has approved the additions, divestments and capitalizations of the quasi-endowments listed below.

<u>Additions</u>	<u>Amount</u>
Faculty and Staff Undergraduate Scholarship UVA Match Quasi-Endowment	\$ 30.00
McCue, Frank C. III Professorship in Orthopaedic Hand Surgery and Sports Medicine*	50,000.00
McCue, Frank C. III Professorship in Orthopaedic Surgery*	50,000.00
Nursing Legacy Scholarship Fund Quasi-Endowment	5,075.00
Nursing Legacy Fellowship Fund Quasi-Endowment	4,228.34
Pediatrics Operational Quasi-Endowment Fund	375,663.56
University Quasi-Endowment Fund <sup>(1)</sup>	<u>354,787.02</u>
Total Additions to Quasi-Endowments	\$839,783.92
<u>Divestments</u>	
Jessup, Claude A. Fund	\$250,000.00
Total Divestments from Quasi-Endowments	\$250,000.00
<u>Endowment Income Capitalizations</u>	
Antrim, Lottie C. Income Capitalization	\$ 2,260.70
AT&T Professorship in Engineering Quasi-Endowment	16,537.07
Athletics General Operations Quasi-Endowment	64,697.59
Bogges, Margaret F. Memorial Fund	12,224.47
Bristol Laboratories Quasi-Endowment - Hecht	3,314.36
Chrysler, W. P. Fund for Engineering Library	918.73
Class of 1955 Endowment Fund	767.72
Class of 1956 Endowment Fund	2,613.51
Class of 1957 Endowment Fund	2,031.89
Class of 1958 Endowment Fund	2,583.22
Class of 1959 Endowment Fund	3,019.85
Class of 1960 Endowment Fund	2,545.45
Class of 1961 Endowment Fund	2,299.07
Class of 1962 Endowment Fund	\$ 3,355.60
Class of 1963 Endowment Fund	1,038.45
Class of 1964 Endowment Fund	2,043.93
Class of 1965 Endowment Fund	623.85
Dermatology General Investment Fund	12,277.49
Hamilton, Janet S. and John D. Quasi-Endowment	12,658.71
Hecht -- Cruachem Chemistry Quasi-Endowment	3,785.56
Hecht -- Cruachem Chemistry Quasi-Endowment #2	3,425.04
Hecht -- Cruachem Chemistry Quasi-Endowment #3	1,436.92

Endowment Income Capitalizations (Cont.)

Hughes Quasi-Endowment Income Capitalization	
Quasi-Endowment	1,616.48
Kinnier, Henry L. Professorship Quasi-Endowment	21,085.80
McIntyre, Howard Quasi-Endowment in Neurology	11,338.89
Miller, Mae W. Cancer Research Quasi-Endowment	2,382.85
Moyston Quasi-Endowment for Ophthalmology	9,888.51
Pediatrics Operational Quasi-Endowment Fund	40,390.99
Perry, Ferman W. Professorship Restricted Quasi-Endowment	18,590.33
Phase II Chemistry Building Unrestricted Quasi-Endowment	19,852.13
Plastic Surgery Quasi-Endowment Fund	24,146.07
Radiology Fund Special Diagnostic	1,730.30
School of Medicine Quasi-Endowment	31,894.82
Swortzel, Thelma R. Research Quasi-Endowment	6,792.36
Taylor, Henry N. Fund	127.42
Vaughan, Joseph L. Chair Restricted Quasi-Endowment	15,797.82
Virginia Quarterly Review Anonymous	220.26
Total Endowment Income Capitalizations	\$362,314.21

NOTES:

1. Quasi-endowment newly established or originally funded since December 1, 2003.
2. Includes current unrestricted gifts to the University that, under a standing Board of Visitors resolution, are required to be added to the University's Unrestricted Endowment Fund.

SOURCE: Financial Administration  
DATE: March 11, 2004

QUARTERLY BUDGET REPORT

As of December 31, 2003

This report compares, on a quarterly basis, the approved annual budget with year-to-date actual revenues and expenditures for the Academic Division. Enclosed are the reports as of the second quarter ended December 31, 2003.

At the end of the second quarter of fiscal year 2003-04, revenues collected totaled 63.5 percent of budgeted revenues; actual expenditures totaled 53.0 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: March 19, 2004

University of Virginia Academic Division  
 2003-2004 Revenue Budget Summary  
 As of December 31, 2003

	2003-2004 Original Budget	12/31/03 Actual Revenues	Variance Actual (Over)/Under Budget	12/31/03 Percentage Collected
<b>Revenue Projections</b>				
<b>Educational &amp; General</b>				
Tuition & Fees	\$209,868,915	\$134,456,279	\$75,412,636	64.1%
State General Fund Appropriation	115,565,302	111,910,833	3,654,469	96.8%
Sponsored Programs and Indirect Cost	228,670,040	142,598,831	86,071,209	62.4%
Endowment Income	52,811,127	14,696,032	38,115,095	27.8%
Gifts	51,410,141	24,949,237	26,460,904	48.5%
Sales, Services & Other	22,485,802	14,484,553	8,001,249	64.4%
<b>Total Educational and General</b>	<b>680,811,327</b>	<b>443,095,765</b>	<b>237,715,562</b>	<b>65.1%</b>
<b>Student Financial Assistance</b>				
Transfer from Tuition	28,771,500	14,022,118	14,749,382	48.7%
State General Fund Appropriation	5,526,064	2,795,795	2,730,269	50.6%
Sponsored Programs and Indirect Cost	15,489,200	9,318,734	6,170,466	60.2%
Endowment Income	15,247,388	8,266,750	6,980,638	54.2%
Gifts	14,500,000	8,334,795	6,165,205	57.5%
Investment Income and Other	598,462	249,597	348,865	41.7%
<b>Total Student Financial Assistance</b>	<b>80,132,614</b>	<b>42,987,789</b>	<b>37,144,825</b>	<b>53.6%</b>
<b>Auxiliary Enterprises</b>				
Athletics	26,832,167	16,830,637	10,001,530	62.7%
University Bookstores	30,139,800	19,370,577	10,769,223	64.3%
Housing and Conference Services	22,729,000	12,389,226	10,339,774	54.5%
Parking & Transportation	12,033,200	6,273,658	5,759,542	52.1%
Voice Communications	10,743,764	10,455,146	288,618	97.3%
Student Health	6,457,197	3,627,305	2,829,892	56.2%
Intramural/Recreational Sports	5,199,400	2,503,413	2,695,987	48.1%
Printing Services	4,395,700	2,517,171	1,878,529	57.3%
Newcomb Hall & Related Activities	4,334,967	2,263,567	2,071,400	52.2%
Dining Services	3,225,700	1,758,644	1,467,056	54.5%
Other Auxiliary Activities	8,475,707	4,580,989	3,894,718	54.0%
<b>Total Auxiliary Enterprises</b>	<b>134,566,602</b>	<b>82,570,333</b>	<b>51,996,269</b>	<b>61.4%</b>
<b>Total Revenues</b>	<b>\$895,510,543</b>	<b>\$568,653,887</b>	<b>\$326,856,656</b>	<b>63.5%</b>

University of Virginia Academic Division  
 2003-2004 Expenditure Budget Summary  
 As of December 31, 2003

	2003-2004 Original Budget	12/31/03 Actual Expenditures	Variance Actual (Over)/Under Budget	12/31/03 Percentage Expended
<b>Expenditure Projections</b>				
<b>Educational &amp; General</b>				
Instruction	\$234,500,759	\$95,798,768	138,701,991	40.9%
Research	39,044,450	19,281,426	19,763,024	49.4%
Public Service	13,462,280	8,106,783	5,355,497	60.2%
Academic Support	99,851,006	55,319,604	44,531,402	55.4%
Student Services	19,188,978	13,450,898	5,738,080	70.1%
Institutional Support	48,424,421	33,216,160	15,208,261	68.6%
Operation & Maintenance of Plant	50,639,433	29,995,928	20,643,505	59.2%
Sponsored Programs	175,700,000	110,860,875	64,839,125	63.1%
<b>Total Educational and General</b>	<b>680,811,327</b>	<b>366,030,442</b>	<b>314,780,885</b>	<b>53.8%</b>
<b>Student Financial Assistance</b>	<b>80,132,614</b>	<b>37,996,852</b>	<b>42,135,762</b>	<b>47.4%</b>
<b>Auxiliary Enterprises</b>				
Athletics	26,832,167	14,322,450	12,509,717	53.4%
University Bookstores	30,009,100	19,888,405	10,120,695	66.3%
Housing	22,631,400	10,544,168	12,087,232	46.6%
Parking & Transportation	12,033,200	5,032,244	7,000,956	41.8%
Voice Communications	10,743,764	4,552,934	6,190,830	42.4%
Student Health	6,457,197	3,796,777	2,660,420	58.8%
Intramural/Recreation Sports	5,175,400	2,175,581	2,999,819	42.0%
Printing Services	4,395,700	2,219,519	2,176,181	50.5%
Newcomb Hall & Related Activities	4,411,400	2,211,790	2,199,610	50.1%
Dining Services	3,178,135	1,742,673	1,435,462	54.8%
Other Auxiliary Activities	8,242,134	3,515,227	4,726,907	42.6%
<b>Total Auxiliary Enterprises</b>	<b>134,109,597</b>	<b>70,001,768</b>	<b>64,107,829</b>	<b>52.2%</b>
<b>Total Expenditures</b>	<b>\$895,053,538</b>	<b>\$474,029,062</b>	<b>\$421,024,476</b>	<b>53.0%</b>

## 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.

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