

February 3, 2005

MEMORANDUM

TO: The External Affairs Committee:

W. Heywood Fralin, Chair  
G. Slaughter Fitz-Hugh, Jr.  
Glynn D. Key  
Lewis F. Payne  
Thomas A. Saunders, III  
Gordon F. Rainey, Jr., Ex Officio

and

The Remaining Members of the Board:

William G. Crutchfield, Jr.	Terence P. Ross
Susan Y. Dorsey	Warren M. Thompson
Thomas F. Farrell, II	E. Darracott Vaughan, Jr., M.D.
Mark J. Kington	Georgia M. Willis
Don R. Pippin	John O. Wynne
James W. Head	

FROM: Alexander G. Gilliam, Jr.

RE: Minutes of the Meeting of the External Affairs  
Committee on Thursday, February 3, 2005

The External Affairs Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 11:00 a.m., Thursday, February 3, 2005, in the East Oval Room of the Rotunda; W. Heywood Fralin, Chair, presided. G. Slaughter Fitz-Hugh, Jr., Ms. Glynn D. Key, Lewis F. Payne, Thomas A. Saunders, III, and Gordon F. Rainey, Jr., Rector, were present.

Also present were Thomas F. Farrell, II, Ms. Susan Y. Dorsey, Don R. Pippin, Terence P. Ross, and James W. Head.

Present as well were Leonard W. Sandridge, Alexander G. Gilliam, Jr., Robert D. Sweeney, Gene D. Block, Arthur Garson, Jr., M.D., R. Edward Howell, Ms. Patricia M. Lampkin, Robert E. Reynolds, M.D., Ms. Yoke San L. Reynolds, Ms. Colette Sheehy, Ernest H. Ern, Kennedy Kipps, and Ms. Jeanne Flippo Bailes.

BECAUSE OF A TOTAL MALFUNCTION IN THE RECORDING EQUIPMENT IN THE ROTUNDA, THESE MINUTES ARE A RECONSTRUCTION

The Chair asked Mr. Sweeney, Senior Vice President for Development and Public Affairs, to present the Agenda.

REPORT ON UNIVERSITY-RELATED FOUNDATIONS

Mr. Sweeney asked Ms. Reynolds, Vice President for Finance, to give her customary report on University-Related Foundations.

Ms. Reynolds reminded the Committee that according to the Policy on University-Related Foundations approved by the Board of Visitors on October 9, 1992, and refined at the October 2002 Board meeting, the Vice President for Finance is charged with general administrative oversight of the University-Related Foundations, together with responsibility for monitoring compliance with the Policy.

Each Foundation submits annual reports to the Vice President for Finance as specified in the Policy. In addition, the Board of Visitors' representatives on the Foundation boards give the Vice President annual reports on Foundation activities.

Using a table previously distributed to Members, Ms. Reynolds gave a brief summary of the Foundations' reports. She noted that during Fiscal Year 2004-05, the University of Virginia Investment Management Company (UVIMCO) became a University-Related Foundation, and another group, University of Virginia Ambulatory Surgery, Inc. (VASI), ceased to be a University-Related Foundation.

REPORT ON ALUMNI ENGAGEMENT

The Chair gave the Committee a report on the alumni engagement negotiations with the Alumni Association.

He reminded the Committee that Board of Visitors last June endorsed a number of the recommendations made by the Alumni Relations Task Force, and asked him to head a working group to discuss an organizational structure with the Alumni Association.

Using the structural models suggested by the Task Force, the Chair and his group and the Alumni Association developed a modified version of the Task Force language and drafted a memorandum of understanding - in other words, a letter of intent to enter into a new partnership agreement with the Alumni Association. The Executive Committee of the Board of Managers of the Alumni Association approved the memorandum of understanding on January 21<sup>st</sup>; the full board is expected to vote by telephone

on February 15<sup>th</sup>. If the memorandum of understanding is approved, a final partnership agreement will be worked out with the advice of counsel.

#### PHILANTHROPIC CASH FLOW

Mr. Sweeney reported that as of the end of December, the University has raised about \$111million since the fiscal year began on July 1, which means a 13% increase above the \$98million raised in the same period last year. Using material previously distributed to Members, he compared the sums raised to date in this fiscal year by each of the University-Related Foundations with the amounts they raised in the same period last year.

#### PROSPECT MANAGEMENT GUIDELINES

Explaining that as the Campaign progresses, it is important to establish a foundation for communication and coordination among development officers, Mr. Sweeney said a committee of development officers from across the University was established last fall to consider these questions. The committee met twice and recommended a set of guidelines listed in three categories: "Reporting," "Coordination," and "Compliance."

#### INTERACTIVE MEDIA/ON-LINE COMMUNITIES

Mr. Sweeney introduced Mr. Kennedy Kipps, Director of Communications for the College. Mr. Kipps described planning for a new version of the University's "on-line community" for alumni, parents and friends. The process of implementing this new service is well under way, and the service should start in June.

#### CAMPAIGN PROGRESS REPORT

Pointing out that the figures in the material previously distributed to the Committee are not final for the first six months of the current fiscal year, and thus will change a bit, Mr. Sweeney said that as of the end December, the University has raised \$566.2million. He pointed out that this sum represents 18.6% of the Campaign goal, with 12.5% of the Campaign time having lapsed. At this juncture in the Campaign, he said, "we are still tracking ahead of the curve, but we are likely to start dipping below relatively soon." He reminded the Committee that he has said previously he expects "we will track below the curve for much of the Campaign timeline, and will have a big push closer to the end to bring us up to the line."

CAMPAIGN VOLUNTEER LEADERSHIP STRUCTURE

Mr. Sweeney described briefly the proposed Campaign volunteer leadership structure, emphasizing three groups: the National Committee on University Resources, the Council of Chairs, and the Deans' Development Forum.

The first of these will have 100-150 existing and emerging volunteer leaders drawn from University alumni, parents and friends across the country. The Committee will meet annually in Charlottesville and periodically, as required, in different parts of the country. The Council of Chairs will include a representative from each of the major units at the University - e.g., the Law School, Arts & Sciences, etc. The Deans' Development Forum is envisioned as the central internal policy making committee to assure the coordination of fundraising initiatives on the Grounds.

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On motion, the meeting was adjourned at 12:00 noon.

AGG:jb

These minutes have been posted to the University of Virginia Board of Visitors website.

<http://www.virginia.edu/bov/externalminutes.html>