

RESOLUTIONS ADOPTED BY THE BOARD OF VISITORS

SEPTEMBER 24, 2005

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TENTATIVE MINUTES  
SUBJECT TO THE  
APPROVAL OF THE  
BOARD OF VISITORS

September 24, 2005

The Board of Visitors of the University of Virginia met, in Open Session, at 12:00 noon, Saturday, September 24, 2005, in the President's Conference Room at Madison Hall; Thomas F. Farrell, II, Rector presided. Alan A. Diamonstein, Ms. Susan Y. Dorsey, Ms. Georgia Willis Fauber, G. Slaughter Fitz-Hugh, Jr., Ms. Glynn D. Key, Vincent J. Mastracco, Jr., Lewis F. Payne, Gordon F. Rainey, Jr., Warren M. Thompson, and Ms. Catherine S. Neale were present.

Don R. Pippin participated by telephone.

Present as well were John T. Casteen, III, Leonard W. Sandridge, Alexander G. Gilliam, Jr., Paul J. Forch, Gene D. Block, R. Edward Howell, Ms. Colette Sheehy, and Ms. Jeanne Flippo Bailes.

The Rector asked Mr. Sandridge, Executive Vice President and Chief Operating Officer, to present the Agenda. Mr. Sandridge reminded the Board of the task at hand: a discussion of the Six-Year Plans that must be submitted to the State by October 1<sup>st</sup>. He asked Ms. Sheehy, Vice President for Management and Budget, to describe the two plans, one for the Academic Division and the Medical Center combined, and the other for The University of Virginia's College at Wise. Both plans are divided into four parts: narrative; response to goals set by the state; revenue and spending plan; and enrollment plan.

In response to the State's goals, the Plan for the Academic Division would fully implement AccessUVa, continue the newly instituted College Guide Program to provide advising to high school students and increase enrollment by 1500 students over ten years. The University will agree, among other responses to the State's goals, to introduce and "expand availability of new degree programs in high need areas," to maintain a "continuous assessment" of academic programs, to maintain our high graduation rate, to expand the Arts & Sciences advising fellows program, and to implement articulation agreements with all 23 community

colleges. As for research goals, the University would construct new facilities, hire "national academy" caliber faculty, and work to attain research expenditures of \$307million by 2012.

Ms. Sheehy next outlined several proposed revenue and spending plans.

As for the Medical Center, its strategic direction reflects the goals of the Medical Center Operating Board, agreed upon this past summer. It aims to continue to deliver superior medical care, while operating competitively, and to meet the needs of both the aging and growing population in the region. Its growth, however, is dependent on increasing the number of patient beds. The Medical Center's projected operating margin is 5% over this six year period.

Responding both to the State's goals and to the needs of Southwest Virginia, The University of Virginia's College at Wise wants, among other things, to increase access and affordability, broaden its range of academic offerings, establish an Office of Economic Development and improve student retention. Ms. Sheehy noted that on July 19<sup>th</sup>, the State Council approved Wise enrollment targets - previously approved by the Board - to add 215 students over seven years.

Mr. Sandridge pointed out that the Management Agreements, required by the legislation approved by the General Assembly at the last Session, are still under negotiation with Richmond. According to the established schedule, the Governor will have approved the management agreements in time to include them with his budget recommendations to the General Assembly in December. If the General Assembly approves them in the next Session, they will go into effect on July 1, 2006.

After discussion of the details of the proposed Six Year Plans, the Board adopted the following resolution approving them:

APPROVAL OF THE SIX-YEAR INSTITUTIONAL PLAN PURSUANT TO THE  
RESTRUCTURED HIGHER EDUCATION FINANCIAL AND ADMINISTRATIVE  
OPERATIONS ACT

WHEREAS, the 2005 General Assembly passed HB 2866 and SB 1327 known as the Restructured Higher Education Financial and Administrative Operations Act, as amended by the Governor; and

WHEREAS, on June 11, 2005, the Board of Visitors of the University of Virginia passed a resolution committing to the Governor and to the General Assembly that it will meet the goals as set forth in the Act, in addition to such other responsibilities as prescribed by law as they pertain to the University of Virginia, the Medical Center, and the College at Wise; and

WHEREAS, § 23-9.2:3.02 of the Act requires governing boards of the public institutions of higher education to develop and adopt biennially a six-year plan and submit that plan to the State Council, the Governor, and the respective chairs of the House Committee on Appropriations and the Senate Committee on Finance no later than October 1st of each odd-numbered year;

RESOLVED, the Board of Visitors approves the six-year plans of the University's Academic Division, the Medical Center, and the College at Wise; and

RESOLVED FURTHER, the President is authorized to transmit the six-year plans to the State Council, the Governor, and the respective chairs of the House Committee on Appropriations and the Senate Committee on Finance.

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There was further discussion of the proposed Management Agreement, and the Board adopted the following resolution approving the Agreement so far, and authorizing the administration of the University to continue negotiations and to finalize the Agreement before November 15<sup>th</sup>:

APPROVAL OF THE MANAGEMENT AGREEMENT PURSUANT TO SUBCHAPTER  
3 OF THE RESTRUCTURED HIGHER EDUCATION FINANCIAL AND  
ADMINISTRATIVE OPERATIONS ACT

WHEREAS, the Restructured Higher Education Financial and Administrative Operations Act includes a provision titled Subchapter 3, Alternative Authority for Covered Institutions (23-38.91 et seq.), which sets out the requirements for a public university or college of the Commonwealth to gain the greatest degree of authority over financial and administrative operations, subject to certain accountability, audit and reporting measures specified by the General Assembly of Virginia;

WHEREAS, on June 11, 2005 the Board of Visitors passed a resolution stating that the University is qualified to be, and should be, governed by the authorizations and requirements set forth in Subchapter 3 and as may otherwise be prescribed by applicable law; and

WHEREAS, in that same resolution the Board of Visitors of the University attests to the ability of the institution to manage successfully its administrative and financial operations without jeopardizing its financial integrity and stability; and accordingly authorized the University President and the Executive Vice President and Chief Operating Officer to enter into negotiations with the Governor to develop a management agreement with the Commonwealth as provided for in the Act that will grant the greatest degree of financial and managerial autonomy to the University as provided in Subchapter 3,


RESOLVED, the Board of Visitors approves the management agreement negotiated by the University for the benefit of the Academic Division, the Medical Center, and the College at Wise; and

RESOLVED FURTHER, the Board of Visitors authorizes the President and the Executive Vice President and Chief Operating Officer, with the concurrence of the Rector, to continue negotiations and to finalize the management agreement prior to November 15, 2005.

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On motion, the meeting was adjourned at 12:50 p.m.

Respectfully submitted,

  
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Alexander G. Gilliam, Jr.  
Secretary, Board of Visitors,  
University of Virginia

AGG:lah

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

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