

REVISED
9/21/05

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
EXTERNAL AFFAIRS COMMITTEE
September 23, 2005

EXTERNAL AFFAIRS COMMITTEE

Friday, September 23, 2005
10:00 - 11:30 a.m.
Byrd Seminar Room, Room 318
Harrison Institute

Committee Members:

Lewis F. Payne, Chair	Glynn D. Key
A. Macdonald Caputo	Don R. Pippin
G. Slaughter Fitz-Hugh, Jr.	Gordon F. Rainey, Jr.
W. Heywood Fralin	Thomas F. Farrell, II, Ex Officio

AGENDA

	<u>PAGE</u>
I. CONSENT AGENDA	
• University-Related Foundation Representatives (Mr. Sweeney to introduce Ms. Yoke San Reynolds, Ms. Reynolds to report)	1
II. ACTION ITEMS	
A. Designation of the Rare Book School as a University Related Foundation (Mr. Sweeney to introduce Mr. Gene Block, Mr. Block to report)	3
B. Minimum Professorship Endowment Levels (Mr. Sweeney)	5
III. REPORTS BY THE SENIOR VICE PRESIDENT FOR DEVELOPMENT AND PUBLIC AFFAIRS (Mr. Sweeney)	
A. Vice President's Remarks	7
• Philanthropic Cash Flow	8
a. Year End Report for FY-05	
b. FY-06 Report	
B. Campaign Report	9
1. Fifteen-month Pre-kickoff Campaign Plan	10
2. Expanding and Enhancing Volunteer Support	11
a. Campaign Executive Committee	
• New Members	
b. Council of Chairs	
c. NCOUR Membership and Orientation	
3. National Campaign Kickoff	12
C. Constituent Relations	13
D. FY-06 Committee Goals	14
IV. BRAND MARKETING FIRM SELECTION (Mr. Sweeney to introduce Mr. Bill Sublette, Mr. Sublette to report)	15

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

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 are 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	Glynn D. Key	05/30/08
Alumni Board of Trustees of the University of Virginia Endowment Fund	J. Davis Hamlin	12/31/08*
The College Foundation of the University of Virginia	Timothy B. Robertson	12/31/08*
The University of Virginia's College at Wise Alumni Association and Wise Foundation	Don R. Pippin	06/30/07
Curry School of Education	Georgia Willis Fauber	12/31/09*
Darden School Foundation	Thomas F. Farrell, II	12/31/09*
Foundation of the State Arboretum at Blandy Experimental Farm	Laura F. Hawthorne	12/31/08*
Healthcare Partners, Inc.	E. Darracott Vaughan, Jr., M.D.	06/30/06

<u>Foundation</u>	<u>Board of Visitors Representative</u>	<u>Term Ending</u>
University of Virginia Health Services Foundation	E. Darracott Vaughan, Jr., M.D.	12/31/08*
Jefferson Institute for Lifelong Learning (JILL)	Alexander G. Gilliam, Jr.	12/31/09*
Law School Alumni Association and Law School Foundation, University of Virginia	Gordon F. Rainey, Jr.	12/31/08*
McIntire School of Commerce Foundation	Georgia Willis Fauber	06/30/07
Medical School Alumni Association and Medical School Foundation, University of Virginia	Sam D. Graham, Jr., M.D.	05/31/09*
Miller Center Foundation	Gordon F. Rainey, Jr.	06/30/07
Patent Foundation, University of Virginia	Terence P. Ross	06/30/07
School of Architecture Foundation	Susan Y. Dorsey	06/30/07
University of Virginia Foundation and Subsidiaries	W. Heywood Fralin	06/30/08
University of Virginia Health Foundation	E. Darracott Vaughan, Jr., M.D.	06/30/07
University of Virginia Investment Management Corporation	John O. Wynne	06/30/08
Virginia Engineering Foundation	Kenneth M. Humphries	12/31/09*
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: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: II.A. Designation of University-Related
Foundation Status to the Rare Book School

BACKGROUND: The Rare Book School, with the support of the University's administration, requests Board approval to become a University-related foundation.

DISCUSSION: The Rare Book School is a non-profit and tax-exempt educational institute supporting the study of the history of books and printing and related subjects. The Rare Book School was founded in 1983 at Columbia University, and moved to its present home at the University of Virginia's Alderman Library in 1992.

The Rare Book School annually offers approximately 40 five-day non-credit courses for adults on topics concerning rare books, manuscripts, and special collections. Some courses target broad audiences including antiquarian booksellers, book collectors, bookbinders, conservators, teachers, and professional and avocational students of the history of books and printing. Other courses are intended primarily for archivists and rare book librarians and curators. The School also sponsors free public lectures on a wide variety of bibliographic topics.

The work of the School supports and complements the University of Virginia Library and its mission, and it highlights the Library's unique holdings and resources. Granting the Rare Book School university-related foundation status will formalize and solidify its relationship with the University. It will facilitate the continuation of the School beyond the retirement of its founder and current director, as well as the School's continued affiliation with the University of Virginia.

The Rare Book School will modify its enabling documents to comply with the Policy on University-Related Foundations and will adhere to the Policy.

In all its fundraising efforts, either on its own behalf or that of the University, the Rare Book School will coordinate its activities in close collaboration with the Office of University Development and will follow all University fundraising practices and procedures.

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

APPROVAL OF THE AFFILIATION OF THE RARE BOOK SCHOOL AS A UNIVERSITY-RELATED FOUNDATION

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

WHEREAS, the Rare Book School's mission complements the work of the University Library; and

WHEREAS, the Rare Book School has modified its articles of incorporation and bylaws to comply with the Policy on University-Related Foundations, including the requirement that the Board of Visitors and the University's President designate representatives to the foundation's board; and

WHEREAS, the University's administration recommends that the Board of Visitors approve the affiliation of the Rare Book School as a University-related foundation;

RESOLVED that the affiliation of the Rare Book School as a University-related foundation is approved, subject to the requirements of the University Policy on University-Related Foundations.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: II.B. Minimum Professorship Endowment Levels

BACKGROUND: The existing minimum level of \$500,000, for professorships is insufficient to fund current salary levels. Benchmarking against peer institutions shows that the average endowment level for professorships is \$2 million to \$3 million.

The current proposal seeks to raise the minimum full professorship endowment level to \$2 million, and the full deanship endowment level to \$5 million, effective January 1, 2006.

DISCUSSION: Mr. Sweeney will review benchmarking data from the University's private and public peer groups. He will show that the University's current minimum endowment level falls below that of its peers, while also failing to provide adequate funding of the positions supported. Mr. Sweeney will share recommended new minimum endowment levels for professorships and deanships and will address concerns about the impact of these new levels on smaller Schools.

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

APPROVAL TO RAISE THE MINIMUM ENDOWMENT LEVELS

WHEREAS, professorships and deanships, whether honorary or endowed, must be approved by the Board of Visitors; and

WHEREAS, the Vice President for Development and Public Affairs, in close collaboration with University deans and administrators, has proposed new minimum funding levels for deanships and professorships, levels which are in line with those at peer institutions and with the actual costs of funding professorships and deanships; and

WHEREAS, the University's administration recommends approval of the proposed new minimum endowment levels;

RESOLVED that new minimum endowment levels, as set forth below, are approved and adopted, and will take effect January 1, 2006.

Level	U.Va. (old level)	U.Va. (PROPOSED LEVEL)
\$5.0 Million		Deanship
\$2.0 Million	21 st Century Chair	Professorship (initial level for full professorship)
\$1.0 Million	Distinguished Professorship	"[Named] Faculty Fund for Excellence [in ____]" (partial support)
\$500,000	Chair (Eminent Scholar)	"[Named] Research Fund" (partial support)

On approval by the Board of Visitors, the new professorship endowment levels will go into effect University-wide on January 1, 2006. Therefore, professorship endowment agreements executed after December 31, 2005, will be at the new level. Professorships created, but partially funded, prior to January 1, 2006, will be grandfathered in at the old level.

While \$2 million is the new minimum level for a full professorship, schools and units will be encouraged to create higher minimum levels for professorships if they choose.

Note that exceptions to the new minimum professorship levels will be considered on a case-by-case basis by the Gift Policy Committee and/or the President of the University.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: III. Vice President's Report

ACTION REQUIRED: None

DISCUSSION: The Senior Vice President for Development and Public Affairs will report on 1) philanthropic cash flow for Fiscal Year 2005 as well as progress and trends for Fiscal Year 2006, 2) the Campaign, 3) new developments in the University's Constituent Relations division, and 4) goals for the Committee for Fiscal Year 2006.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: III.A. Philanthropic Cash Flow

ACTION REQUIRED: None

BACKGROUND: Gifts received for Fiscal Year 2005, as well as those booked to date for Fiscal Year 2006, will be reviewed. Mr. Sweeney will compare performance against that of the previous three fiscal years.

DISCUSSION: Mr. Sweeney will present the most recent audited figures available and compare progress with that of the prior three fiscal years. Philanthropic cash flow for Fiscal Year 2005 was \$183.4 million.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: III.B. Campaign Report

ACTION REQUIRED: None

BACKGROUND: The University launched the quiet phase of the new Campaign on January 1, 2004. The Campaign is scheduled to run through 2011, with a goal of \$3 billion. Given this extraordinary ultimate goal and an interim kickoff goal of \$1 billion, increased focus, energy, and scrutiny must be applied to all aspects of the campaign, including fundraising strategy, expansion and enhancement of volunteer support, and planning of the national campaign kickoff.

DISCUSSION: Mr. Sweeney will report on the progress of the Campaign, both for FY-05, with \$672 million raised, and progress-to-date in FY-06 (\$699 million through August 2005). He will also review a plan to insure greater coordination of efforts toward the goal of \$1 billion at kickoff, review new developments in volunteer leadership efforts, and discuss preliminary plans for the national campaign kickoff.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: III.B.1. Fifteen-month Pre-kickoff
Campaign Plan

ACTION REQUIRED: None

BACKGROUND: In order to maximize fund-raising activity in the crucial months leading up to the national campaign kickoff, the President, Senior Vice President, and key campaign leadership have developed a pre-kickoff strategy designed to capitalize on the President's extensive outreach efforts while increasing collaboration and coordination between schools and units in regards to that schedule. The goal of \$1 billion by public kickoff will require an average of \$22 million per month in campaign giving, a goal that, while attainable, will require an increased level of focus and efforts that are both highly efficient and highly coordinated.

DISCUSSION: The Senior Vice President will share the details of the Fifteen-month Pre-kickoff Campaign plan and discuss how Schools and units will complement and supplement the President's campaign efforts throughout FY-06 and culminating in the National Campaign Kickoff on September 30, 2006.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: III.B.2. Expanding and Enhancing
Volunteer Support

ACTION REQUIRED: None

BACKGROUND: No campaign can be successful without a committed, motivated, generous, and well-trained cadre of volunteer leaders. Entering the year prior to the National Campaign Kickoff, the volunteer leadership structure of the current campaign continues to take shape. Building on the initial leadership and counsel provided by the Campaign Executive Committee, new campaign volunteer structures are now in place, including the Council of Chairs, and the National Committee on University Resources.

DISCUSSION: Mr. Sweeney will acknowledge the official naming of Mr. Gordon Rainey as Campaign Chair and announce the addition of Mr. Daniel Meyers and Mr. Richard Sharp to the Campaign Executive Committee. He will describe the charge of the newly created Council of Chairs, led by Mr. John Nau, Vice-Chair of the Campaign Executive Committee, and he will discuss the membership and mission of this group. Finally, Mr. Sweeney will update the Board on recruitment efforts for the National Committee on University Resources, led by Mr. Everette Doffermyre, Vice-Chair of the Campaign Executive Committee, and he will review plans for the upcoming Leadership Weekend.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: III.B.3. National Campaign Kickoff

ACTION REQUIRED: None

BACKGROUND: September 30, 2006 has been chosen as the date for the National Campaign Kickoff, or public launch of the Campaign. Those who participated in the previous kickoff will recall the extraordinary event that launched that successful campaign. Creating an equally memorable, yet distinctly separate, kickoff event will be crucial to the success of the current Campaign and will set the stage for broad alumni and donor involvement throughout the Campaign. The specific goals and timeline of the Campaign will be announced at that time, and materials made available to inform the University's constituencies about the Campaign's goals and priorities.

DISCUSSION: The Senior Vice President will discuss efforts already underway toward an extraordinary and inspirational National Campaign Kickoff. He will share information about the volunteer leadership involved in kickoff planning and describe the various committees and infrastructure components developed to successfully plan and execute this critical Campaign event.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: III.C. Constituent Relations

ACTION REQUIRED: None

BACKGROUND: The President appointed an Alumni Relations Task Force in the fall of 2003 to study current University alumni relations efforts, and to recommend specific approaches to enhance the University's ability to consistently engage a broad and diverse body of alumni in meaningful ways. Based on the Task Force's report, a subsequent committee was formed, chaired by Mr. Heywood Fralin, to recommend the structure and create a new agreement between the University and the Alumni Association regarding delivery of alumni programs and services. A Memorandum of Understanding, signed in February 2005, has served as the blueprint for implementation of many of the Task Force's recommendations.

DISCUSSION: Mr. Sweeney will review the three-year roll out plan for the new Office of Constituent Relations, report on the first-year's progress to date, and share preliminary plans to incorporate current parents into several of the first-year's initiatives.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: III.D. FY-06 Committee Goals

ACTION REQUIRED: None

BACKGROUND: At the request of the Rector, the External Affairs Committee developed a set of goals for FY-06, focusing on three primary areas and incorporating performance benchmarks that can be used to assess progress toward each goal.

DISCUSSION: Mr. Sweeney and Mr. L.F. Payne, Chair of the Committee, will discuss goals for the Committee for FY-06, with particular emphasis on input received from other Board members and suggestions toward expanding participation across all giving levels.

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: September 23, 2005

COMMITTEE: External Affairs

AGENDA ITEM: IV. Brand Marketing Firm Selection

ACTION REQUIRED: None

BACKGROUND: To be successful in the current campaign, the University must develop a clearly defined brand. The University's brand must inspire the loyalty of current benefactors as well as the interests of potential benefactors. With a well-defined brand, the University will be better able to appeal to the values of its various constituents, and its messages will stand out among the barrage of those alumni and friends receive every day.

Over the past year, numerous groups, including the Campaign Executive Committee, the Deans' Development Forum and the Board of Visitors, have added their input into what constitutes the essence of the University. The thoughts and recommendations of these various groups were used to guide the creation and submission of a Request for Proposals, by which the University solicited proposals from nationally and internationally known firms to take these ideas and craft them into what will serve as the basis of a marketing and branding strategy for the University, throughout the Campaign and beyond.

DISCUSSION: Mr. Sweeney will introduce Mr. Sublette, who will discuss the process used to solicit and select a firm to lead the University's brand marketing efforts. Mr. Sublette will share information about the firm's plan of action, including its strategy to evaluate and test various brand messages both internally and externally.