

**UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
SPECIAL COMMITTEE ON
PLANNING
FEBRUARY 2, 2006**

SPECIAL COMMITTEE ON PLANNING

Thursday, February 2, 2006

12:00 - 5:00 p.m.

Board Room, The Rotunda

Committee Members:

John O. Wynne, Chair

Susan Y. Dorsey

W. Heywood Fralin

Glynn D. Key

Mark J. Kington

Lewis F. Payne

Gordon F. Rainey, Jr.

E. Darracott Vaughan, Jr., M.D.

Thomas F. Farrell, II, Ex Officio

AGENDA

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I. REVIEW OF THE ADMINISTRATIVE WORK PLAN (Mr. John O. Wynne)	
A. Performance Measures (Ms. Colette Sheehy)	1
B. Financial Policy Review (Mr. W. Heywood Fralin and Mr. Sandridge)	1
C. Situation Analysis (Mr. Block)	2
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III. EXECUTIVE SESSION (Thursday, February 2, 2006)	
• Discussion of fund-raising and gift development strategy and prospects, and related performance goals and expectations for identifiable personnel of the University in connection with the University's capital campaign, in order to plan for and sustain the continued excellence of the University of Virginia, as permitted by Section 2.2-3711 (A) (1), (6), and (8) of the <u>Code of Virginia</u> .	

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: February 2, 2006

COMMITTEE: Special Committee on Planning

AGENDA ITEM: I. Review of the Administrative Work Plan

ACTION REQUIRED: None

PERFORMANCE MEASURES

As a public institution of higher education the University is obligated to focus on public priorities while striving for institutional excellence. The Restructuring Act of 2005 is the first definitive statement of a set of statewide goals that all Virginia public institutions are expected to work to achieve. The University has worked with SCHEV, as well as other public institutions, to develop a set of performance standards to assess institutional achievement of these goals. The result is a set of 23 measures for nine educational goals and 11 measures for the administrative and operational efficiency goal. As part of its Management Agreement, pursuant to the Restructuring legislation, the University developed additional measures to assess its performance against each of the functional areas for which it seeks additional autonomy - capital outlay, leases, information technology, human resources, procurement, and finance and accounting.

It would seem logical to start the conversation about appropriate performance measures with the set of measures that must be reported to the State, recognizing that these measures are still under discussion by the legislature. These measures can be augmented by additional items if the Board and the administration believe that important aspects of the University's performance are not addressed. At this meeting, we will discuss the many existing performance measures and seek the Committee's guidance on those most appropriate to address our objectives and goals.

FINANCIAL POLICY REVIEW

The ten-year planning work includes a review of the 20-25 most significant financial policies. This work includes identification and examination of each policy's purpose, its

adequacy to sustain the intended purpose and the need for revision. New policies will be prepared as appropriate. The 2005-2006 Finance Committee work plan intends that these reviews will be accomplished by the Finance Committee.

Consistent with the 2005-2006 Finance Committee work plan, at its January 19, 2006 meeting, the Finance Committee heard a report on operating, maintenance, replacement and renewal reserves, including suggestions for revision. A revised policy incorporating the feedback given at the meeting will be considered at the March 2006 meeting. At the same meeting, the Finance Committee discussed the University's current debt policy; accordingly, a revised policy will also be considered at its March 2006 meeting.

We have begun the process of inventorying, reviewing, and proposing changes to existing policies. The key policies and priorities fall into three main categories: those which do not require further review since the Board of Visitors has recently examined and validated; policies which need Finance Committee review prior to the 2006 Board of Visitors Retreat; and, policies and priorities that are more comprehensive in nature and will be addressed after the 2006 Board of Visitors Retreat.

At the February 2nd Special Committee on Planning meeting, the Executive Vice President and Chief Operating Officer and the Chair of the Finance Committee will discuss examples of policies which fall into each of the three aforementioned categories. The Finance Committee will oversee the reviews of the policies which require review prior to the 2006 Board of Visitors Retreat and present results to the Special Committee on Planning at its May 2006 meeting.

SITUATION ANALYSIS

The first step in the situation analysis phase of the planning process was to develop a preliminary assessment of strengths, weaknesses, opportunities, and threats (SWOT analysis). A small group of representatives from the Vice Presidents' staffs met in a brainstorming session to identify an initial set of broad, non-specific internal perceptions for a SWOT list. This initial list was then shared with other members of the Vice Presidents' staffs and with the Provost. The results of those deliberations appear below. The next step in the process is to begin to vet the list more widely, fill in the gaps, and make the list more specific in nature.

STRENGTHS

- The undergraduate experience
- Wide variety of student organizations
- Financial strength
- Current graduation/retention rates of undergraduate students
- Current graduation/retention rates of undergraduate minority students
- Numbers of students studying abroad
- Jeffersonian history/the Lawn
- Academic caliber of undergraduate students
- Three NIH top-ten science/medicine departments (Cell Biology, Microbiology, Urology)
- Distinguished NIH Centers
- Highly ranked humanities departments/programs
- Highly ranked Schools of Architecture, Law, Business
- Strong student interest in community engagement and public service
- Mostly full-time residential student body
- Academic/administrative efficiency
- Proven management capability through decentralization
- Experienced senior leadership
- Board of Visitors/administration commitment to improvement
- Overall quality of human resources
- Academic traditions
- Athletics program
- Size and affluence of alumni
- Small institution size (enrollments and staff) compared to peers
- Access UVa
- Best buy ranking
- Alumni placements/graduate schools
- Commitment to diversity/efforts to increase recruitment and retention of underrepresented faculty and students
- Geographic proximity of the ten schools
- Undergraduate admission in high demand
- January Term
- Semester at Sea
- Society of University Families
- Community engagement
- Student system replacement
- Recreational facilities

WEAKNESSES

- Limited state support
- Condition of certain facilities
- Lack of adequate graduate student support
- Lack of economic diversity of student population and applications
- Lack of racial/gender diversity of faculty
- Research expenditure rankings
- Limited international student participation on Grounds
- Limited globalization of the curriculum
- Limited opportunities for academic service learning
- Alumni participation rate
- Student/faculty ratio, class size
- Administrative office space centrally located
- Research space
- Academic technology infrastructure
- Undergraduate advising
- Planning for enrollment growth
- Society of University Families (managing expectations)
- Limitations of current student system
- No formal education/training for department heads
- Lack of formal administrative succession planning

OPPORTUNITIES

- Partnership with Virginia Community College System (articulation)
- Restructuring relationship with the State
- Proximity to Washington, DC/Richmond
- Possible better partnerships with other universities
- Possible better use of technology
- Increased Homeland Security funding
- Possible increased international opportunities
- Southern Association of Colleges and Schools (SACS) Quality Enhancement Plan
- Athletics arena
- Philanthropic capacity - increased funding from Capital Campaign
- Board of Visitors focus on ten-year planning
- Possible health care programs and specialties for an aging population
- Increase in the diversity of college-bound population

THREATS

- Aging faculty
- Reduced NIH funding
- Located in small community
- Recruiting international graduate students since 9/11
- Competition for highly qualified faculty and graduate students in targeted areas
- Loss of institutional memory with changes in leadership
- Competition in targeted research areas/programs
- Health care costs
- Local cost of living
- Possible decline in giving
- Competition for state resources
- State of economy
- Semester at Sea
- Critical link between service to the Commonwealth and Restructuring (managing expectations)

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: February 2, 2006

COMMITTEE: Special Committee on Planning

AGENDA ITEM: II. Future Meeting Dates

ACTION REQUIRED: None

BACKGROUND: The Board Office has distributed the dates on which the Special Committee on Planning will meet through the end of the fiscal year.

DISCUSSION: Mr. Wynne will review the schedule to highlight the work that must be done during a relatively few meetings and to make sure that there are no known conflicts that would prevent members from participating in the meetings. The dates of the meetings are:

Thursday, April 6, 2006	(9:00-5:00 p.m.)
Thursday, May 17, 2006	(1:00-5:00 p.m.)
Thursday, June 8, 2006	(12:00-5:00 p.m.)

The Board office is also working with each of your offices to schedule meetings for the following dates:

Monday, September 11, 2006	(9:00-12:00 noon)
Thursday, October 5, 2006	(12:00- 5:00 p.m.)
Tuesday/Wednesday/Thursday, November 7/8/9, 2006	(Time TBD)
Tuesday/Wednesday, December 5/6, 2006	(Time TBD)