UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
FINANCE COMMITTEE
APRIL 12, 2007
FINANCE COMMITTEE

Thursday, April 12, 2007
1:45 – 3:45 p.m.
Board Room, The Rotunda

Committee Members:
W. Heywood Fralin, Chair
A. Macdonald Caputo
Warren M. Thompson
Alan A. Diamonstein
John O. Wynne
Georgia Willis Fauber
Thomas F. Farrell, II, Ex Officio
G. Slaughter Fitz-Hugh, Jr.

AGENDA

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Mr. Christopher Brightman; Mr. Brightman to report)  

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IV. EXECUTIVE SESSION  
• Discussion on proposed investing of a portion of the University's endowment through an offshore corporation and borrowing funds, and consultation with legal counsel as necessary, where competition or bargaining is involved and where if made public initially, the financial interest of the University would be adversely affected, as permitted by Section 2.2-3711 (6), (7), (8) and (21) of the Code of Virginia.
BOARD OF VISITORS CONSENT AGENDA


The University operates 89 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 4.43 percent from the 2006-2007 rates. The increase reflects both higher operating costs and market rates.

Blandy Farm operates two faculty and staff housing units. Both properties are utilized and rent is charged in accordance with the terms of the employment agreements of the residents of the properties.

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

APPROVAL OF PROPOSED INCREASE IN FACULTY AND STAFF HOUSING RATES FOR 2007-2008

RESOLVED that the faculty and staff housing rates are approved as indicated, effective July 1, 2007. The Executive Vice President and Chief Operating Officer is authorized to increase the rates to market level when a property is vacated.

ACADEMIC DIVISION

<table>
<thead>
<tr>
<th>Properties</th>
<th>Utilities</th>
<th>Rents 2006-07 Per Month</th>
<th>Amount of Increase</th>
<th>Percent of Increase</th>
<th>Prop. Rents 2007-08 Per Month</th>
<th>Utilities Paid By Occupant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Piedmont Estates</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Bedroom Apt. (7)(F)</td>
<td>WS,E,G,C,T</td>
<td>$635</td>
<td>$32</td>
<td>5.04%</td>
<td>$667</td>
<td>E, G</td>
</tr>
<tr>
<td>Houses (3BR) (16)(UF)</td>
<td>WS,C,T</td>
<td>$1,113</td>
<td>$33</td>
<td>2.96%</td>
<td>$1,146</td>
<td>E, G</td>
</tr>
<tr>
<td>Townhouses (3BR)(5)(UF)</td>
<td>WS,C,T</td>
<td>$1,080</td>
<td>$0</td>
<td></td>
<td>$1,080</td>
<td>E, G</td>
</tr>
</tbody>
</table>

1
<table>
<thead>
<tr>
<th>Properties</th>
<th>Utilities Furnished</th>
<th>Rents 2006-07 Per Month</th>
<th>Amount of Increase</th>
<th>Percent of Increase</th>
<th>Prop. Rents 2007-08 Per Month</th>
<th>Utilities Paid By Occupant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmhouse Apt. 2 (3 BR)(UF)</td>
<td>WS,E,G,C,T</td>
<td>$721</td>
<td>$38</td>
<td>5.27%</td>
<td>$759</td>
<td></td>
</tr>
<tr>
<td>Farmhouse Apt. 3 (1 BR)(F)</td>
<td>WS,E,G,C,T,AC</td>
<td>$709</td>
<td>$25</td>
<td>3.53%</td>
<td>$734</td>
<td></td>
</tr>
<tr>
<td>Farmhouse Apt. 4 (2 BR)(F)</td>
<td>WS,E,G,C,T,AC</td>
<td>$792</td>
<td>$40</td>
<td>5.05%</td>
<td>$832</td>
<td></td>
</tr>
</tbody>
</table>

**Sundry**

<table>
<thead>
<tr>
<th>Properties</th>
<th>Utilities Furnished</th>
<th>Rents 2006-07 Per Month</th>
<th>Amount of Increase</th>
<th>Percent of Increase</th>
<th>Prop. Rents 2007-08 Per Month</th>
<th>Utilities Paid By Occupant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vyssotsky Cottage (3BR)(UF)</td>
<td>WS,T, AC</td>
<td>$900</td>
<td>$45</td>
<td>5.00%</td>
<td>$945</td>
<td>E,G</td>
</tr>
<tr>
<td>McGuffey Cottage (Eff)(UF)</td>
<td>WS,E,V,T,AC,D</td>
<td>$548</td>
<td>$2</td>
<td>0.36%</td>
<td>$550</td>
<td></td>
</tr>
<tr>
<td>Upper Mews (1BR)(F)</td>
<td>WS,E,HP,C,T,AC,D</td>
<td>$743</td>
<td>$32</td>
<td>4.31%</td>
<td>$775</td>
<td></td>
</tr>
<tr>
<td>Lower Mews (1BR)(F)</td>
<td>WS,E,HP,C,T,AC,D</td>
<td>$663</td>
<td>$34</td>
<td>5.13%</td>
<td>$697</td>
<td></td>
</tr>
<tr>
<td>Monroe Hill Range (1BR)(UF)</td>
<td>WS,E,HVAC,T,V,D,C</td>
<td>$842</td>
<td>$43</td>
<td>5.11%</td>
<td>$885</td>
<td></td>
</tr>
<tr>
<td>Brown College Apts. (2) (2BR)(UF)</td>
<td>WS,E,HVAC,T,V,D,C,</td>
<td>$723</td>
<td>$48</td>
<td>6.64%</td>
<td>$771</td>
<td></td>
</tr>
<tr>
<td>Hereford Coll. Apts.(2) (2BR)(UF)</td>
<td>WS,E,HVAC,T,V,D,C</td>
<td>$836</td>
<td>$54</td>
<td>6.46%</td>
<td>$890</td>
<td></td>
</tr>
<tr>
<td>Hereford Coll.Princ.Res. (3BR)(UF)</td>
<td>WS,E,HVAC,T,V,D,C</td>
<td>$1,049</td>
<td>$105</td>
<td>10.01%</td>
<td>$1,154</td>
<td></td>
</tr>
<tr>
<td>Hedge House (2BR)(F)</td>
<td>WS,C,T,AC</td>
<td>$832</td>
<td>$28</td>
<td>3.37%</td>
<td>$860</td>
<td>E,G</td>
</tr>
<tr>
<td>Orchard House (5RMS)(F)</td>
<td>WS,E,G,C,T,AC</td>
<td>$398</td>
<td>$27</td>
<td>6.78%</td>
<td>$425</td>
<td></td>
</tr>
<tr>
<td>118 Oakhurst, Upper (2BR)(UF)</td>
<td>WS,G,C, AC</td>
<td>$733</td>
<td>$37</td>
<td>5.05%</td>
<td>$770</td>
<td>E,T</td>
</tr>
<tr>
<td>118 Oakhurst, Lower (2BR)(UF)</td>
<td>WS,G,C,AC</td>
<td>$733</td>
<td>$37</td>
<td>5.05%</td>
<td>$770</td>
<td>E,T</td>
</tr>
<tr>
<td>409 Valley Road, (2BR)(F)</td>
<td>WS,E,G,C,AC</td>
<td>$1,043</td>
<td></td>
<td></td>
<td></td>
<td>T</td>
</tr>
<tr>
<td>411 Valley Road, (2BR)(F)</td>
<td>WS,E,G,C,AC</td>
<td>$1,043</td>
<td></td>
<td></td>
<td></td>
<td>T</td>
</tr>
<tr>
<td>503 Valley Road, (1BR)(UF)</td>
<td>C</td>
<td>$587</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>424 MLLH, (1BR)(UF)</td>
<td>WS,E,G,C,HVAC,V,D</td>
<td>$768</td>
<td>$51</td>
<td>6.64%</td>
<td>$819</td>
<td>E</td>
</tr>
<tr>
<td>423 MLLH, (2BR)(UF)</td>
<td>WS,E,G,C,HVAC,V,D</td>
<td>$888</td>
<td>$57</td>
<td>6.42%</td>
<td>$945</td>
<td>E,G</td>
</tr>
<tr>
<td>004 Lewis, (1BR)(UF)</td>
<td>WS,E,G,C,HVAC,V,D</td>
<td>$768</td>
<td>$51</td>
<td>6.64%</td>
<td>$819</td>
<td>E,G</td>
</tr>
</tbody>
</table>

**Birdwood Properties**

<table>
<thead>
<tr>
<th>Properties</th>
<th>Utilities Furnished</th>
<th>Rents 2006-07 Per Month</th>
<th>Amount of Increase</th>
<th>Percent of Increase</th>
<th>Prop. Rents 2007-08 Per Month</th>
<th>Utilities Paid By Occupant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cottage (1BR)(UF)</td>
<td>WS,C,T</td>
<td>$591</td>
<td>$49</td>
<td>8.29%</td>
<td>$640</td>
<td>E</td>
</tr>
<tr>
<td>Garage Apt.(2BR)(UF)</td>
<td>WS,C,T</td>
<td>$863</td>
<td>$37</td>
<td>4.29%</td>
<td>$900</td>
<td>E,G</td>
</tr>
<tr>
<td>Cash House (3BR)(UF)</td>
<td>WS,C,T,AC</td>
<td>$1,106</td>
<td>$0</td>
<td></td>
<td></td>
<td>E,G</td>
</tr>
<tr>
<td>Middleton House (4BR)(UF)</td>
<td>WS,C,T,AC</td>
<td>$1,293</td>
<td>$65</td>
<td>5.03%</td>
<td>$1,358</td>
<td>E,G</td>
</tr>
<tr>
<td>Properties</td>
<td>Furnished</td>
<td>Rents 2006-07 Per Month</td>
<td>Amount of Increase</td>
<td>Percent of Increase</td>
<td>Prop. Rents 2007-08 Per Month</td>
<td>Utilities Paid By Occupant</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>-----------</td>
<td>-------------------------</td>
<td>--------------------</td>
<td>--------------------</td>
<td>-------------------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>Montebello (3BR/Garage)</td>
<td>WS,E,G,AC</td>
<td>$815</td>
<td>$39</td>
<td>4.79%</td>
<td>$854</td>
<td>C,T</td>
</tr>
<tr>
<td>Big Morea (4BR)</td>
<td>WS,E,G,AC,T</td>
<td>$1,130</td>
<td>$48</td>
<td>4.25%</td>
<td>$1,178</td>
<td>C</td>
</tr>
<tr>
<td>Little Morea (2BR)</td>
<td>WS,E,G,AC,T</td>
<td>$865</td>
<td>$40</td>
<td>4.62%</td>
<td>$905</td>
<td>C</td>
</tr>
<tr>
<td>Sunnyside (4BR)</td>
<td>WS,E,O,AC</td>
<td>$1,752</td>
<td>$67</td>
<td>3.82%</td>
<td>$1,819</td>
<td>C</td>
</tr>
<tr>
<td>Monroe Hill House (4BR)</td>
<td>WS,E,HVAC,T,V,D</td>
<td>$1,047</td>
<td>$46</td>
<td>4.39%</td>
<td>$1,093</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon I (5BR)</td>
<td>WS,E,HVAC,T,V</td>
<td>$956</td>
<td>$43</td>
<td>4.50%</td>
<td>$999</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon II (5BR)</td>
<td>WS,E,HP,T,V</td>
<td>$714</td>
<td>$36</td>
<td>5.04%</td>
<td>$750</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon III (5BR)</td>
<td>WS,E,HVAC,T,V</td>
<td>$956</td>
<td>$43</td>
<td>4.50%</td>
<td>$999</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon IV (5BR)</td>
<td>WS,E,HP,T,V</td>
<td>$714</td>
<td>$36</td>
<td>5.04%</td>
<td>$750</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon V (5BR)</td>
<td>WS,E,HVAC,T,V</td>
<td>$956</td>
<td>$43</td>
<td>4.50%</td>
<td>$999</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon VI (5BR)</td>
<td>WS,E,HVAC,T,V</td>
<td>$956</td>
<td>$43</td>
<td>4.50%</td>
<td>$999</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon VIII Upper (3BR)</td>
<td>WS,E,HVAC,T,V</td>
<td>$626</td>
<td>$33</td>
<td>5.27%</td>
<td>$659</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon VIII Lower (1BR)</td>
<td>WS,E,HVAC,T,V</td>
<td>$326</td>
<td>$16</td>
<td>4.91%</td>
<td>$342</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon IX (5BR)</td>
<td>WS,E,HVAC,T,V</td>
<td>$956</td>
<td>$43</td>
<td>4.50%</td>
<td>$999</td>
<td>C</td>
</tr>
<tr>
<td>Pavillon X (5BR)</td>
<td>WS,E,HP,T,V</td>
<td>$714</td>
<td>$36</td>
<td>5.04%</td>
<td>$750</td>
<td>C</td>
</tr>
<tr>
<td><strong>Blandy Farm</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Curator's House</td>
<td>WS</td>
<td>$0</td>
<td>$0</td>
<td>0.00%</td>
<td>$0</td>
<td>E,O</td>
</tr>
<tr>
<td>Green Farm House</td>
<td>WS</td>
<td>$65</td>
<td>$0</td>
<td>0.00%</td>
<td>$65</td>
<td>E,O</td>
</tr>
</tbody>
</table>

**Notes:**

- *Italicized 2006-2007 rents* indicate that a $20 credit was granted for non-availability of high speed data service.
- In total sixteen properties (the two-bedroom Piedmont apartments) were brought to market this budget year.
- The (F) designates properties that are furnished. The (UF) designates properties that are unfurnished.
- Utility abbreviations are as follows: WS (water, sewer), E (electric), G (gas), O (oil), HP (heating plant), HVAC (heating, ventilating, and air conditioning), AC (window air conditioning), C (cable TV), V (voice), T (trash), and D (data).
I.B. USE OF AND INTENT TO ISSUE TAX EXEMPT DEBT FOR ROUSS HALL RENOVATION AND EXPANSION: Approves replacement of $11.845 million in gifts for the Rouss Hall project with University debt, for the primary purpose of maximizing University cash management.

The Rouss Hall project, which includes 23,000 gross square feet of renovation and 125,000 gross square feet of new construction, will become the new home of the McIntire School of Commerce. The approved budget for the project is $62.0 million, funded from higher education operating funds ($5.3 million), gifts ($13.35 million), and University debt ($43.4 million). The University requests approval from the Board of Visitors to replace $11.845 million in gifts with University debt, for the primary purpose of maximizing University cash management.

The University also presents this capital project for the Board of Visitors' consideration under this intent-to-issue resolution.

Under federal tax regulations, the University’s Board must pass an intent-to-issue resolution prior to issuing tax-exempt debt to reimburse itself for expenditures associated with specific, enumerated projects.

This resolution will also allow the University to provide short-term financing for the project through the University’s commercial paper program, where appropriate. Short-term financing may be provided for capital projects only after a project’s business plan, including documentation of the project’s fiscal soundness, has been approved by senior management.

This resolution does not authorize the University to issue long-term debt. Prior to the University issuing long-term debt, the Board of Visitors will be asked to approve a separate debt issuance resolution.

The Board of Visitors is being asked to consider the use of tax-exempt debt for this capital project. The issuance of any tax-exempt debt for the project under this intent-to-issue resolution is contingent upon the Board of Visitors’ approval of the project and the proposed funding for the project.
<table>
<thead>
<tr>
<th>Project</th>
<th>Requested Intent-to-Issue Authorization</th>
<th>Total of Requested and Previous Intent-to-Issue Authorizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovate and Expand Rouss Hall</td>
<td>$11,845,000</td>
<td>$55,245,000</td>
</tr>
</tbody>
</table>

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

APPROVAL OF USE OF AND INTENT TO ISSUE TAX EXEMPT DEBT – ROUSS HALL

WHEREAS, the University seeks to replace gifts with tax-exempt debt as a funding source in the renovation and expansion of Rouss Hall; and

WHEREAS, the United States Department of the Treasury has promulgated final regulations in Section 1.150-2 of the Treasury Regulations governing when the allocation of bond proceeds to reimburse expenditures previously made by a borrower shall be treated as an expenditure of the bond proceeds; and

WHEREAS, the Regulations require a declaration of official intent by a borrower to provide evidence that the borrower intended to reimburse such expenditures with proceeds of its debt; and

WHEREAS, the Board of Visitors of the University of Virginia desires to make such a declaration of official intent as required by the Regulations; and

WHEREAS, the University may be required to provide short-term financing to the project prior to issuing long-term debt in order to implement an efficient and timely construction schedule; and

WHEREAS, the University has funding mechanisms to accommodate short-term financing needs, defined as a period of less than sixty months; and

WHEREAS, the authority for the University to enter into financing arrangements exceeding sixty months in maturity for this project is not included in this resolution; and
WHEREAS, if the University arranges short-term financing for the project, and if the project is not ultimately completed, or if the project utilizes funding sources other than debt, then the school or unit remains responsible for refunding the short-term obligation;

RESOLVED, that the Board of Visitors of the University of Virginia approves the replacement of gift funding with University debt in the Rouss Hall Renovation and Expansion Project;

RESOLVED FURTHER that, pursuant to the terms of the Treasury Regulations, the University of Virginia declares its intent to reimburse expenditures in accordance with the following:

1. The University reasonably expects to reimburse expenditures from the issuance of tax-exempt debt to be issued by the University incurred for the project;

2. This resolution is a declaration of official intent under Section 1.150-2 of the Regulations;

3. The maximum principal amount of debt expected to be issued for the purpose of reimbursing expenditures relating to the Renovation and Expansion of Rouss Hall is $11,845,000 (total of all requests = $55,245,000);

RESOLVED FURTHER, funds may be borrowed for the project on a short-term basis, but only if the following conditions are met:

1. The Board of Visitors approves the current resolution;

2. A comprehensive and detailed financial plan for the school project is submitted;

3. Short-term financing shall not exceed sixty months in maturity; and

4. The school remains responsible for any debt obligation incurred regardless of the status of the capital project or whether or not a debt issuance actually occurs.
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 6, 2007

COMMITTEE: Finance

AGENDA ITEM: II.A. Contract Rates for Dining Services, 2007-2008

BACKGROUND: The University of Virginia provides a variety of contract meal plans for students, ranging from unlimited dining to a $200 dining spending account. 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 2007-2008 range from three percent to 5.4 percent, with an average increase of 4.5 percent. The proposed increase in the rates is necessary to cover increases in personal services, food costs, and other operating expenses. Personal services are expected to increase five percent, or $491,000, and food costs are expected to increase 3.5 percent, or $285,300. In 2006-2007, approximately 8,400 University students purchased contract meal plans.

The College at Wise meal plans are proposed to increase by five percent to reflect increases in operating costs. The University’s College at Wise serves approximately 590 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 2007-2008 FOR THE ACADEMIC DIVISION AND THE UNIVERSITY OF VIRGINIA'S COLLEGE AT WISE

RESOLVED that the student contract rates for dining services are approved as shown below, effective beginning with the 2007-2008 session:
<table>
<thead>
<tr>
<th>Regular Meal Plans (1,2)</th>
<th>Actual 2006-07</th>
<th>Amount of Increase</th>
<th>Percent Increase</th>
<th>Proposed 2007-08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unlimited Entry w/ $150 Plus Dollars</td>
<td>$3,270</td>
<td>$150</td>
<td>4.6%</td>
<td>$3,420</td>
</tr>
<tr>
<td>15 Meals per week w/ $400 Plus Dollars</td>
<td>3,270</td>
<td>150</td>
<td>4.6%</td>
<td>3,420</td>
</tr>
<tr>
<td>13 Meals per week w/ $500 Plus Dollars</td>
<td>3,270</td>
<td>150</td>
<td>4.6%</td>
<td>3,420</td>
</tr>
<tr>
<td>10 Meals per week (first year) w/ $800 Plus Dollars</td>
<td>3,270</td>
<td>150</td>
<td>4.6%</td>
<td>3,420</td>
</tr>
<tr>
<td>10 Meals per week (upperclass) w/ $330 Plus Dollars</td>
<td>2,800</td>
<td>130</td>
<td>4.6%</td>
<td>2,930</td>
</tr>
<tr>
<td>100 Meals per semester w/ $350 Plus Dollars</td>
<td>1,860</td>
<td>100</td>
<td>5.4%</td>
<td>1,960</td>
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<tr>
<td>80 Meals per semester w/ $350 Plus Dollars</td>
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<td>80</td>
<td>4.9%</td>
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<tr>
<td>50 Meals per semester w/ $390 Plus Dollars</td>
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<td>3.3%</td>
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<td>Residential College/Language House Meal Plans (1,2,3)</td>
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<tr>
<td>Unlimited Entry w/ $150 Plus Dollars</td>
<td>$3,380</td>
<td>$150</td>
<td>4.4%</td>
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</tr>
<tr>
<td>15 Meals per week w/ $400 Plus Dollars</td>
<td>3,380</td>
<td>150</td>
<td>4.4%</td>
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<tr>
<td>13 Meals per week w/ $500 Plus Dollars</td>
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<td>150</td>
<td>4.4%</td>
<td>3,530</td>
</tr>
<tr>
<td>10 Meals per week (first year) w/ $820 Plus Dollars</td>
<td>3,380</td>
<td>150</td>
<td>4.4%</td>
<td>3,530</td>
</tr>
<tr>
<td>10 Meals per week (upperclass) w/ $330 Plus Dollars</td>
<td>2,910</td>
<td>130</td>
<td>4.5%</td>
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<tr>
<td>100 Meals per semester w/ $350 Plus Dollars</td>
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<td>80 Meals per semester w/ $350 Plus Dollars</td>
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<tr>
<td>Athletic Meal Plans</td>
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<td></td>
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</tr>
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<td>$150</td>
<td>4.4%</td>
<td>$3,530</td>
</tr>
<tr>
<td>15 Meals per week w/ $400 Plus Dollars</td>
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</tr>
<tr>
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<td>3,380</td>
<td>150</td>
<td>4.4%</td>
<td>3,530</td>
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### ACADEMIC DIVISION (Continued)

<table>
<thead>
<tr>
<th>Plan Description</th>
<th>Actual 2006-07</th>
<th>Amount of Increase</th>
<th>Percent Increase</th>
<th>Proposed 2007-08</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 Meals per week (first year) w/ $820 Plus Dollars</td>
<td>3,380</td>
<td>150</td>
<td>4.4%</td>
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<tr>
<td>100 Meals per semester w/ $350 Plus Dollars</td>
<td>1,970</td>
<td>100</td>
<td>5.1%</td>
<td>2,070</td>
</tr>
<tr>
<td>80 Meals per semester w/ $350 Plus Dollars</td>
<td>1,730</td>
<td>80</td>
<td>4.6%</td>
<td>1,810</td>
</tr>
</tbody>
</table>

**Other**

- Law School Meal Plan (4) $200 $0 $200

### THE UNIVERSITY OF VIRGINIA'S COLLEGE AT WISE

<table>
<thead>
<tr>
<th>Plan Description</th>
<th>Actual 2006-07</th>
<th>Amount of Increase</th>
<th>Percent Increase</th>
<th>Proposed 2007-08</th>
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<tbody>
<tr>
<td>19 Meal Plan</td>
<td>$2,848</td>
<td>$142</td>
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<tr>
<td>12 Meal Plan</td>
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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 a ten-meal plan with $820 Plus Dollars.
3. Some residential colleges and language houses have a dining requirement as part of their program.
4. Law School students are allowed to deposit a minimum $200 per academic year into a dining spending account.
BACKGROUND: At its April meeting, the Board of Visitors sets tuition and fees for the following year for the Academic Division and the University of Virginia's College at Wise. The resolution covers academic year and summer session tuition rates for undergraduate, graduate, first professional, and continuing education students; required fees; and activity fees.

The University has developed a long-range tuition plan through its October 2005 Six Year Plan submission to the state and the Ten Year Plan provided to the Special Committee on Planning in May 2006. This long-range tuition plan was developed to generate needed revenue, along with state general fund investments in base adequacy, to meet priorities approved by the Board (salary increases, Access UVa, deferred maintenance, and enrollment growth), as well as addressing certain unavoidable cost increases.

The 2007 General Assembly approved a Tuition Incentive Fund, which allocates general funds to provide an incentive for colleges and universities to keep tuition and educational and general (E&G) fee increases at or below six percent, despite the long-term tuition plans submitted and accepted by the Commonwealth in 2005. For the Academic Division, the general fund incentive is $409,000; for the College at Wise, the incentive is $73,000. An amendment by the Governor allows an institution to exceed the six percent guideline and still receive the general fund incentive if two conditions are met: (1) the increase will not exceed that included in the Six Year Plan and (2) 100 percent of the excess tuition generated over the six percent will be used to increase financial aid for in-state undergraduates.

DISCUSSION: We propose 2007-2008 tuition and educational and general (E&G) fees for a Virginian undergraduate of $6,821, an increase of 8.6 percent or $539. This proposal will generate $1.5 million more in tuition revenue than the six percent guideline included in the General Assembly's Tuition Incentive Fund. This entire $1.5 million will be allocated to increase
in-state undergraduate financial aid in 2007-2008. The rate of increase is also below the 9.9 percent increase reflected in the Six Year Plan for 2007-2008. Therefore, the University meets the guidelines of the Tuition Incentive Fund and will be eligible to receive the $409,000 general fund incentive.

The price of education (tuition, required fees, housing and dining) for a Virginian undergraduate student will increase $1,181 or 7.9 percent over 2006-2007. The Board approved the housing rate in February, while the dining rate will be discussed at the April meeting.

We propose 2007-2008 tuition and educational and general (E&G) fees for a non-Virginian undergraduate of $26,071, an increase of 6.9 percent or $1,689. The non-Virginian rates have increased at a slightly faster rate than expected in the Six Year Plan, which had projected a 6.5 percent increase in 2007-2008 to $25,670.

The price of education (tuition, required fees, housing and dining) for a non-Virginian undergraduate student will increase $2,331 or 7.1 percent over 2006-2007.

Access UVa, approved by the Board of Visitors in February 2004, ensures that a University education remains affordable for all students who qualify for admission, regardless of ability to pay. The tuition proposal will require an incremental allocation from institutional resources of approximately $2.4 million for Access UVa; an amount that will be reflected in the 2007-2008 budget to be presented for Finance Committee consideration in June.

We recommend a $690 (6.5 percent) increase in tuition and required fees for both in-state (6.5 percent) and out-of-state (3.4 percent) graduate students. For the McIntire Graduate Accounting program, we recommend an increase in tuition and required fees of $800 (3.4 percent) for in-state and $1,000 (3.4 percent) for out-of-state students.

To maintain the $10,000 differential established in 2005-2006 between first year in-state and out-of-state medical students, we recommend a $1,205 increase in tuition and required fees for all Medical School students. This translates into a four percent increase for in-state Medical School students and a three percent increase for out-of-state Medical School students.

We recommend an increase of $2,500 in tuition and required fees for all Darden School students. This is a 6.3 percent
increase for out-of-state students and a 7.1 percent increase for in-state students. This proposal maintains a $5,000 differential between in-state and out-of-state tuition and required fees, and will keep Darden School rates comparable to peer institutions. Incremental revenue generated will be used to fund increases in salaries and essential program costs.

We recommend an increase of $2,800 in tuition and required fees for all Law School students. This is a 7.8 percent increase for out-of-state students and a 9.1 percent increase for in-state students. This proposal maintains a $5,000 differential between in-state and out-of-state tuition and required fees, and will keep Law School rates comparable to peer institutions. As the Law School increases in-state tuition, it will increase its commitment to scholarships and loan forgiveness at a percentage rate at least equal to the annual increase in tuition and required fees. Incremental revenue generated will be used to fund increases in financial aid, facility maintenance, salary increases, and academic programs.

The resolution includes the various recommended increases for the School of Continuing and Professional Studies, the 2008 Summer Session, and other fees. These recommendations are made based upon market conditions for each individual program.

We recommend a $40 increase in the mandatory educational and general fee for full-time in-state students and a $99 increase for full-time out-of-state students. A $40 increase to all students will help to fund several building improvement efforts, including the South Lawn and Rouss Hall. In addition, the out-of-state full-time students, due to an action by the General Assembly, will see a $59 increase to be transferred to the Commonwealth to support debt incurred by the state for E&G facilities. Out-of-state special session students will have a $5 increase for the same reason.

We propose an increase in the mandatory non-educational and general fee of $116 for full-time students, bringing the total to $1,632. The increases will help to fund higher salary, utility, and overhead costs for all auxiliaries; to boost repair and maintenance reserves in Athletics and Newcomb Hall, and to provide additional student programming. The proposed increase is slightly higher than the $1,570 projected in the Six Year Plan, primarily related to the recent Board initiatives to address deferred maintenance and increase reserve balances.

The University of Virginia's College at Wise recommends a $173 (5.2 percent) increase to $3,485 in tuition and mandatory fees.
educational and general fees for in-state students for 2007-2008. The College further recommends an $801 (5.6 percent) increase to $15,149 in tuition and required fees for out-of-state students. The Six Year Plan for the College at Wise had projected a nine percent increase in tuition and E&G fees. The proposal allows the College to qualify for the $73,000 designated in the Tuition Incentive Fund.

Funds generated by these increases will be used to support the core educational mission of the College.

The required auxiliary fees at the College will increase by $286, or 12 percent, to $2,666. Of this proposed increase, $235 is the second installment of a multi year plan for a dining services fee to supplement the Wise Dining Hall construction. It is expected that this will be the last year of the increase. The remaining fee increase will further be allocated to increasing operating costs, primarily salary increases. This proposal compares to the Six Year Plan projection of $2,738.

ACTION REQUIRED: Approval by the Finance Committee and by the Board of Visitors
WHEREAS in October 2005, the University of Virginia submitted a six year financial plan to the Commonwealth, which included a projection of a 2007-08 in-state tuition and educational and general (E&G) fee increase of 9.9 percent to $6,906;

WHEREAS in the 2007 General Assembly session, the Commonwealth instituted a Tuition Incentive Fund to encourage colleges and universities to increase in-state undergraduate tuition and E&G fees by no more than six percent for educational and general purposes;

WHEREAS the Tuition Incentive Fund allows for tuition and E&G fee increases in excess of six percent, but limited to the projection in the Six Year Plan, provided the incremental revenues are allocated to increasing in-state undergraduate financial aid over the level funded in 2006-2007;

RESOLVED that the tuition and required fees and other charges applicable to the Academic Division be approved as shown below, effective July 1, 2007.

RESOLVED FURTHER that $1.5 million, the incremental revenue generated by an 8.6 percent in-state undergraduate tuition and E&G fee increase versus a six percent in-state undergraduate tuition and E&G fee increase, be allocated to increase financial aid for in-state undergraduates above the 2006-2007 level.

<table>
<thead>
<tr>
<th></th>
<th>Virginian</th>
<th>Non-Virginian</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006-07</td>
<td>2007-08</td>
</tr>
<tr>
<td></td>
<td>Approved</td>
<td>Amount of</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increase</td>
</tr>
<tr>
<td></td>
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<td>Percent of</td>
</tr>
<tr>
<td>REGULAR SESSION:</td>
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<td>Increase</td>
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<tr>
<td>Undergraduate School</td>
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<td></td>
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<tr>
<td>Tuition</td>
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<td>$ 499</td>
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<td>Required E&amp;G Fees</td>
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<td>$ 40</td>
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<tr>
<td>Subtotal Tuition and E&amp;G Fees</td>
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<td>$ 539</td>
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<tr>
<td>Required Auxiliary Fees</td>
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<td>$ 116</td>
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<td>Required Activity Fee</td>
<td>$ 47</td>
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<tr>
<td>Total Tuition and Fees For All Full-time Students</td>
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<td>$ 655</td>
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<td></td>
<td>Virginian</td>
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<tr>
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<tr>
<td><strong>REGULAR SESSION:</strong></td>
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<tr>
<td><strong>Graduate School</strong></td>
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<tr>
<td>Tuition and All Required Fees, including University Activity Fee and excluding School Activity Fee which varies by school:</td>
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<td></td>
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<tr>
<td>All Full-time Students</td>
<td>$10,550 $690 $6.5% $11,240</td>
<td>$20,550 $690 $3.4% $21,240</td>
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<tr>
<td><strong>School of Commerce - Grad Accounting</strong></td>
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<tr>
<td>Tuition and All Required Fees, including University Activity Fee and excluding School Activity Fee which varies by school:</td>
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<td></td>
</tr>
<tr>
<td>All Full-time Students</td>
<td>$23,200 $800 $3.4% $24,000</td>
<td>$29,000 $1,000 $3.4% $30,000</td>
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<tr>
<td><strong>School of Medicine</strong></td>
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<tr>
<td>Tuition and All Required Fees, including University and School Activity Fees:</td>
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<td></td>
</tr>
<tr>
<td>Full-time Students Entering Fall 2006</td>
<td>n/a n/a n/a $31,305</td>
<td>n/a n/a n/a $41,305</td>
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<td>Full-time Students Entering Fall 2005</td>
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<td>Full-time Students Entering Fall 2004</td>
<td>$30,100 $1,205 4.0% $31,305</td>
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<td>Full-time Students Entering Fall 2003</td>
<td>$29,600 $1,205 4.1% $30,805</td>
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<tr>
<td><strong>Darden Graduate School of Business Administration</strong></td>
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<td>Tuition and All Required Fees, including University and School Activity Fees:</td>
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</tr>
<tr>
<td>Regular Session Full-time Students</td>
<td>$35,000 $2,500 7.1% $37,500</td>
<td>$40,000 $2,500 6.3% $42,500</td>
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<tr>
<td><strong>School of Law</strong></td>
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<tr>
<td>Tuition and All Required Fees, including University and School Activity Fees:</td>
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<td></td>
</tr>
<tr>
<td>All Full-time Students</td>
<td>$30,700 $2,800 9.1% $33,500</td>
<td>$35,700 $2,800 7.8% $38,500</td>
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<tr>
<td><strong>SPECIAL SESSION:</strong></td>
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<tr>
<td><strong>School of Continuing and Professional Studies Tuition Rates:</strong></td>
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<tr>
<td>Bachelor of Interdisciplinary Studies (per sem.)</td>
<td>$2,863 $255 8.9% $3,118</td>
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</tr>
<tr>
<td>Undergraduate Per Hour</td>
<td>$200 $18 9.0% $218</td>
<td>$350 $21 6.0% $371</td>
</tr>
<tr>
<td>Graduate Per Hour</td>
<td>$245 $15 6.1% $260</td>
<td>$385 $15 3.9% $400</td>
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<tr>
<td>K-12 Educators Per Hour</td>
<td>$210 $5 2.4% $215</td>
<td>$315 $10 3.2% $325</td>
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<tr>
<td>Undergraduate Distance Learning Per Hour</td>
<td>$245 $22 9.0% $267</td>
<td>$320 $17 5.3% $337</td>
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<tr>
<td>Graduate Distance Learning Per Hour</td>
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<td>$320 $17 5.3% $337</td>
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<tr>
<td>Graduate Televised Engineering Per Hour</td>
<td>$360 $20 5.6% $380</td>
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<td>Special SCPS Students Per Hour</td>
<td>$250 $22 8.8% $272</td>
<td>$1,000 $- 0.0% $1,000</td>
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<tr>
<td>Special SCPS Students Per Hour - High School Students</td>
<td>$200 $18 9.0% $218</td>
<td>$350 $20 5.7% $370</td>
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<tr>
<td>Study Abroad (per semester) 3-7 hours</td>
<td>$2,310 $210 9.1% $2,520</td>
<td>$2,465 $148 6.0% $2,613</td>
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<tr>
<td>Study Abroad (per semester) 8-15 hours</td>
<td>$4,050 $370 9.1% $4,420</td>
<td>$4,200 $250 6.0% $4,450</td>
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<tr>
<td>Music Lessons (13 1-hr lessons/semester)</td>
<td>$654 $- 0.0% $654</td>
<td>$654 $- 0.0% $654</td>
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<tr>
<td>Northern Virginia Facilities Fee Per Hour</td>
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<td>$17 $- 0.0% $17</td>
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<tr>
<td>Technology Fee (per hour)</td>
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<td>$4 $- 0.0% $4</td>
</tr>
<tr>
<td></td>
<td>Virginian</td>
<td>Non-Virginian</td>
</tr>
<tr>
<td>------------------------</td>
<td>-----------</td>
<td>---------------</td>
</tr>
<tr>
<td></td>
<td>2006-07</td>
<td>2007-08</td>
</tr>
<tr>
<td><strong>REGULAR SESSION:</strong></td>
<td>Approved</td>
<td>Amount of Increase</td>
</tr>
<tr>
<td>Undergraduate Per Semester Hour</td>
<td>$200</td>
<td>$18</td>
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<tr>
<td>Graduate Per Semester Hour</td>
<td>$230</td>
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<tr>
<td>Thesis/Dissertation Research</td>
<td>$850</td>
<td>$70</td>
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<tr>
<td>Appellate Judges Program</td>
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<tr>
<td>Non-Resident Fee</td>
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<td>Summer Foreign Language Institute Fee</td>
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<tr>
<td>Mt. Lake Laboratory Use Fee</td>
<td>$93</td>
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<tr>
<td>Mt. Lake Non-UVa Researcher - Senior Investigators</td>
<td>$270</td>
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<tr>
<td>Mt. Lake Non-UVa Researcher - Co-Investigators/Students</td>
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<tr>
<td>2007 New Student Orientation Fee</td>
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</tbody>
</table>

(The Orientation Fee will be rolled into the total tuition and fee bill for first year and transfer students in the first year of enrollment.)

**OTHER:** Other contracted course and cooperative program tuition and required fee rates, including tuition for specialized graduate and professional credit courses, approved on a basis consistent with University contracting policies and procedures by the Executive Vice President and Chief Operating Officer.
<table>
<thead>
<tr>
<th>Other Charges:</th>
<th>2006-07 Approved</th>
<th>Amount of Increase</th>
<th>Percent of Increase</th>
<th>2007-08 Proposed</th>
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<tbody>
<tr>
<td>Application Fee – Undergraduate</td>
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<td>$ -</td>
<td>0.0%</td>
<td>$60</td>
</tr>
<tr>
<td>Application Fee – Graduate</td>
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<td>0.0%</td>
<td>$60</td>
</tr>
<tr>
<td>Application Fee – Law</td>
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<td>$75</td>
</tr>
<tr>
<td>Application Fee – Darden</td>
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<tr>
<td>Application Fee – Darden Executive MBA</td>
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<td>35.7%</td>
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<td>Application Fee - SCPS</td>
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<tr>
<td>Application Fee - SCPS BIS</td>
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<tr>
<td>Application Fee - Commerce</td>
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<tr>
<td>Activity Fee – All Full-time Students</td>
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</tr>
<tr>
<td>Activity Fee – Arts &amp; Sciences</td>
<td>$8</td>
<td>$ -</td>
<td>0.0%</td>
<td>$8</td>
</tr>
<tr>
<td>Activity Fee – Architecture</td>
<td>$60</td>
<td>$ -</td>
<td>0.0%</td>
<td>$60</td>
</tr>
<tr>
<td>Activity Fee – Commerce</td>
<td>$55</td>
<td>$ -</td>
<td>0.0%</td>
<td>$55</td>
</tr>
<tr>
<td>Activity Fee – Darden</td>
<td>$55</td>
<td>$ -</td>
<td>0.0%</td>
<td>$55</td>
</tr>
<tr>
<td>Activity Fee – Education</td>
<td>$10</td>
<td>$ -</td>
<td>0.0%</td>
<td>$10</td>
</tr>
<tr>
<td>Activity Fee – Engineering</td>
<td>$10</td>
<td>$ -</td>
<td>0.0%</td>
<td>$10</td>
</tr>
<tr>
<td>Activity Fee – Grad. Arts &amp; Sciences</td>
<td>$10</td>
<td>$ -</td>
<td>0.0%</td>
<td>$10</td>
</tr>
<tr>
<td>Activity Fee – Law School</td>
<td>$40</td>
<td>$ -</td>
<td>0.0%</td>
<td>$40</td>
</tr>
<tr>
<td>Activity Fee – Medicine</td>
<td>$49</td>
<td>$ 2</td>
<td>4.1%</td>
<td>$51</td>
</tr>
<tr>
<td>Activity Fee – Nursing</td>
<td>$15</td>
<td>$ -</td>
<td>0.0%</td>
<td>$15</td>
</tr>
<tr>
<td>Residential College Fee – Hereford</td>
<td>$120</td>
<td>$ -</td>
<td>0.0%</td>
<td>$120</td>
</tr>
<tr>
<td>Residential College Fee – Brown</td>
<td>$120</td>
<td>$ -</td>
<td>0.0%</td>
<td>$120</td>
</tr>
<tr>
<td>Residential College Fee – International</td>
<td>$220</td>
<td>$ -</td>
<td>0.0%</td>
<td>$220</td>
</tr>
<tr>
<td>Residential College Fee – Mosaic</td>
<td>$220</td>
<td>$ -</td>
<td>0.0%</td>
<td>$220</td>
</tr>
<tr>
<td>Residential College Fee – French</td>
<td>$100</td>
<td>$ -</td>
<td>0.0%</td>
<td>$100</td>
</tr>
<tr>
<td>Residential College Fee – Spanish</td>
<td>$100</td>
<td>$ -</td>
<td>0.0%</td>
<td>$100</td>
</tr>
<tr>
<td>Residential College Fee – Monroe Lane</td>
<td>$100</td>
<td>$ -</td>
<td>0.0%</td>
<td>$100</td>
</tr>
<tr>
<td>International Student Fee</td>
<td>$100</td>
<td>$ -</td>
<td>0.0%</td>
<td>$100</td>
</tr>
</tbody>
</table>
RESOLVED that the annual required fees for students enrolled in more than three credit hours per semester be established, effective July 1, 2007, in the amount of $1,825 for in-state students and $2,060 for out-of-state students; and

RESOLVED FURTHER that the full-time mandatory regular session fee be allocated for 2007-08 as follows:

<table>
<thead>
<tr>
<th></th>
<th>Virginian</th>
<th>Non-Virginian</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006-07 Approved</td>
<td>Amount of</td>
</tr>
<tr>
<td></td>
<td>Percent of Increase</td>
<td>Increase</td>
</tr>
<tr>
<td>OOS Debt Service - Capital Outlay and ETF</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Classroom Renewal Fee</td>
<td>$30</td>
<td>$ -</td>
</tr>
<tr>
<td>Arts Fee</td>
<td>$12</td>
<td>$ -</td>
</tr>
<tr>
<td>Technology Fee</td>
<td>$45</td>
<td>$ -</td>
</tr>
<tr>
<td>E&amp;G Facilities Construction and Renovation</td>
<td>$66</td>
<td>$40</td>
</tr>
<tr>
<td>Subtotal Required E&amp;G Fees</td>
<td>$153</td>
<td>$40</td>
</tr>
<tr>
<td>University Transit</td>
<td>$126</td>
<td>$5</td>
</tr>
<tr>
<td>Safe Ride</td>
<td>$4</td>
<td>$ -</td>
</tr>
<tr>
<td>Recreational Facilities</td>
<td>$227</td>
<td>$ -</td>
</tr>
<tr>
<td>Auxiliary Debt Service</td>
<td>$85</td>
<td>$ -</td>
</tr>
<tr>
<td>Athletics</td>
<td>$548</td>
<td>$59</td>
</tr>
<tr>
<td>Student Health</td>
<td>$359</td>
<td>$11</td>
</tr>
<tr>
<td>Newcomb Hall</td>
<td>$133</td>
<td>$40</td>
</tr>
<tr>
<td>Student Programming</td>
<td>$28</td>
<td>$1</td>
</tr>
<tr>
<td>WTJU</td>
<td>$6</td>
<td>$ -</td>
</tr>
<tr>
<td>Subtotal Required Auxiliary Fees</td>
<td>$1,516</td>
<td>$116</td>
</tr>
<tr>
<td>TOTAL FOR ALL STUDENTS</td>
<td>$1,669</td>
<td>$156</td>
</tr>
</tbody>
</table>
## APPROVAL OF INCREASE IN TUITION, REQUIRED FEES AND OTHER CHARGES FOR THE UNIVERSITY OF VIRGINIA’S COLLEGE AT WISE

RESOLVED that the tuition and required fees and other charges applicable to the University of Virginia’s College at Wise be approved as shown below, effective July 1, 2007:

<table>
<thead>
<tr>
<th></th>
<th>Virginian</th>
<th>Non-Virginian</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Approved</td>
<td>Amount of Increase</td>
</tr>
<tr>
<td>Full-time Students (12 hrs or more per semester)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Required E&amp;G Fees</td>
<td>$ 3,312</td>
<td>$ 173</td>
</tr>
<tr>
<td>Auxiliary Fees</td>
<td>$ 2,380</td>
<td>$ 286</td>
</tr>
<tr>
<td>Total Tuition and Required Fees</td>
<td>$ 5,692</td>
<td>$ 459</td>
</tr>
</tbody>
</table>

Students taking more than 18 credit hours per semester must pay for the additional hours at the tuition rates listed below:

<table>
<thead>
<tr>
<th>Other Charges</th>
<th>Virginian</th>
<th>Non-Virginian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Off-Campus Instruction per hour</td>
<td>$ 134</td>
<td>$ 7</td>
</tr>
<tr>
<td>Non-Credit Courses per unit</td>
<td>$ 59</td>
<td>$ 3</td>
</tr>
<tr>
<td>Application Fee</td>
<td>$ 25</td>
<td>-</td>
</tr>
<tr>
<td>Graduation Fee</td>
<td>$ 100</td>
<td>-</td>
</tr>
</tbody>
</table>

Registration Fee for part-time students will be $5 per semester hour.

RESOLVED FURTHER that the Executive Vice President and Chief Operating Officer is authorized to approve reduced tuition rates for residents of Kentucky and Tennessee who live in counties that are within a 50-mile radius of The University of Virginia’s College at Wise and who are enrolled at the College in accordance with Section 23-7.4:2.F. of the Code of Virginia.
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 12, 2007

COMMITTEE: Finance

AGENDA ITEM: II.C. Addition to the Six Year Capital Outlay Plan (2008-2014) – Financial Plans

BACKGROUND: At its January 2007 meeting, the Finance Committee approved the financial plans associated with the 2008-2014 Six Year Capital Outlay Plan. Since that time, three additional projects have been proposed for inclusion in that plan.

DISCUSSION: Two projects are proposed to be added to the first biennium, 2008-2010, of the University’s 2008-2014 Six Year Capital Outlay Plan. A third project will be added to the 2012-2014 biennium. The University will conduct a more comprehensive financial assessment as each of these projects, if authorized, moves towards design and construction.

Improve Baseball and Softball Facilities, Gifts: $6,200,000
The project will improve baseball and softball facilities. A feasibility study will be conducted this spring. Full planning and design, and subsequent construction, are contingent upon fundraising. Incremental operating and maintenance needs will be funded from athletic revenues.

Central Chiller Plant Expansion, Higher Ed Operating: $5,700,000
The project will install one 1,200-ton chiller in the Central Grounds Chiller Plant located in the basement of Bryan Hall. The new chiller will provide cooling for new facilities such as the Rouss Hall Expansion and the South Lawn project and ensure that critical facilities such as Student Health Center, Clarke Hall, and Cobb Hall experience no adverse impact.

One addition is proposed for the third biennium, 2012-2014, of the University’s 2008-2014 Six Year Capital Outlay Plan:

Planning New Construction: Biology Building, State General Funds: $3,000,000
The planning phase of this proposed project will be a Project Formulation Study that will include a strategic analysis, need assessment, program development, and explorations of options, leading to a recommendation for a building program, site, and
budget. The purpose of the planning is to develop a building project to bring the Biology Department back to a single, central sector of the Grounds, provide new lab space to address growth and need for increased infrastructure and core services, and re-center the Department and some teaching functions in a new facility.

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

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### APPROVAL OF FINANCIAL PLANS FOR CAPITAL PROJECTS ADDED TO THE SIX YEAR CAPITAL PLAN (2008-2014)

RESOLVED that the financial plans for the following projects to be added to the 2008-14 Capital Outlay Plan - Improvements to the Baseball and Softball Facilities, Expansion of the Central Grounds Chiller Plant, and Planning for a new Biology Building - are reasonable and complete; and

RESOLVED FURTHER, that in cases where additional analysis is required or fundraising plans developed to determine the financial feasibility of a project, no construction shall begin until the Executive Vice President and Chief Operating Officer, in consultation with the Chair of the Finance Committee, approves the revised financial plan.
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 12, 2007

COMMITTEE: Finance

AGENDA ITEM: II.D. Project Budget Increase

BACKGROUND: In accordance with the policy adopted by the Board of Visitors in October 2004, all capital project budget increases in excess of ten percent and all capital project scope decreases in excess of ten percent require the approval of the Finance and Buildings and Grounds Committees.

DISCUSSION: The University administration recommends an increase of $5 million, nearly 17 percent, for the Claude C. Moore Medical Education Building, taking the project budget from $30 million to $35 million. The project budget was originally approved by the Board of Visitors in 2003 as part of the 2004-2010 Six Year Plan to be executed in 2004-2006 at an estimated cost of $20.7 million. In fall 2005, the Board of Visitors approved a new budget of $30 million to reflect an increased scope (from 56,800 gross square feet to 62,500 gross square feet), revised programming, a new site, and escalation increases. The current budget increase from $30 million to $35 million is related to cost escalation beyond that projected in 2005. The entire project will be fully funded from gifts by the School of Medicine. The increase was presented to the Buildings and Grounds Committee at its March meeting.

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

APPROVAL OF PROJECT BUDGET INCREASE IN EXCESS OF TEN PERCENT - CLAUDE C. MOORE MEDICAL EDUCATION BUILDING

RESOLVED that the budget for the Claude C. Moore Medical Education Building is increased by $5 million, from $30 million to $35 million.
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 12, 2007

COMMITTEE: Finance

AGENDA ITEM: II.E. Enrollment Projections

BACKGROUND: In 1990, the Board of Visitors approved a phased enrollment growth plan for the next 15 years, culminating in projected on-Grounds enrollment in 2004-2005 of 20,170: 12,685 undergraduate students, 5,185 graduate students, 1,700 first-professional students (law and medicine) and 600 on-Grounds continuing education students.

The enrollment projections have been periodically amended by the Board of Visitors to accommodate enrollment changes and to assist the State Council of Higher Education in Virginia (SCHEV) in overall enrollment planning for the state. Significant amendments have included:

- In 1993, the Board approved accelerated and unfunded undergraduate enrollment growth to accommodate increasing high school seniors. Total projected enrollment for 2004-2005 remained unchanged.
- In 1994-1995, the Board approved a five percent reduction in long-term graduate Arts and Sciences enrollment to devote more faculty resources to undergraduate teaching.
- In 1997, the Board approved enrollment projections which were revised to reflect a declining number of graduate applications and increasing undergraduate demand. With this amendment, total projected enrollment for 2006-2007 stood at 19,185 on-Grounds students.
- In 1999, the Board approved modifications to the long-term plan to account for continued decreases in the number of graduate applications and to reflect the new Bachelor of Interdisciplinary Studies program. Total projected enrollment for 2006-2007 was increased to 19,301 on-Grounds students.
- In 2001, the Board approved minor modifications resulting in total projected enrollment in 2006-2007 of 19,318.
- In 2003, the Board extended the plan one additional year through 2007-2008. This new plan reflected increased graduate enrollment and included an increase of 70 undergraduate students (60 new and 10 returning) to reflect projected enrollment demand predicted by SCHEV.
Total enrollment for 2007-2008 was projected at 19,655 on-Grounds students.

- In 2005, the Board extended the enrollment projections to 2009-2010. During the study and planning for the restructuring legislation effort, when asked by SCHEV to predict maximum enrollment growth, the University determined it could accommodate 1,500 new students - 1,100 undergraduates and 400 graduate students - over the next ten years (to 2015).

**DISCUSSION:** The proposed enrollment projections are brought to the Board in the spring of odd-numbered years, to coincide with SCHEV submissions. Shortly after the Board’s approval in spring 2005 of projections through 2009-2010, SCHEV requested that the projections be extended through 2011-2012 in order to accommodate the six-year plan required by the restructuring legislation. At that time, the projections were extended for two more years in keeping with the plan to increase enrollments by 1,500 over the next ten years. In addition, SCHEV began to require the University to submit enrollment projections to cover seven years rather than five years.

Projected Seven-Year Growth: The proposed 2013-2014 enrollment projections increase undergraduate enrollment from today’s 13,353 students to 14,125 students in 2013-2014, an increase of about 775 students. Graduate enrollment is projected to increase from 4,791 to 5,082 in the same period, an increase of about 290 students. Combined with no projected change in the numbers of first professional nor any change to previously approved levels of Continuing and Professional Studies students, the proposal results in a total on-Grounds enrollment of 21,607 in 2013-2014, an increase of 1,210 students over the next seven years. This rate of growth is consistent with the University’s 2006-2012 Six Year Plan and its commitment to accommodate 1,500 new students over the next decade.

On April 7, the University submitted for SCHEV’s consideration the proposed enrollment projections through 2013-2014. The Executive Vice President and the Provost will meet with SCHEV leadership in the coming weeks to review the University’s submission and convey the Board’s position on these enrollment projections.

**ACTION REQUIRED:** Approval by the Finance Committee and the Board of Visitors
WHEREAS, the University’s existing enrollment plan, approved by the Board of Visitors in March 2005, must be revised to reflect projected increases in the undergraduate and graduate enrollment levels; and

WHEREAS, the Board previously discussed and approved the University’s action plan relative to enrollment growth – to grow by 1,100 undergraduate students and 400 graduate students over the next decade; and

WHEREAS, the University is committed to serving the higher education needs of the Commonwealth of Virginia and the nation; and

WHEREAS, the revised enrollment projections for 2007-2008 through 2013-2014 were submitted to the State Council of Higher Education in Virginia on April 7, 2007;

RESOLVED that the Executive Vice President and Chief Operating Officer is authorized to develop plans with the State Council of Higher Education in Virginia which will keep the University on track to increase total enrollment by 1,500 students over the next decade; and

RESOLVED FURTHER that all undergraduate growth maintain the current mix of in-state and out-of-state students.
### University of Virginia

**Proposed Fall Census Headcount Enrollment Projections**

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Undergraduate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>1st-Year</td>
<td>11,199</td>
<td>11,304</td>
<td>11,306</td>
<td>11,371</td>
<td>11,392</td>
<td>11,502</td>
<td>11,949</td>
<td>12,040</td>
<td>12,296</td>
<td>12,440</td>
<td>12,463</td>
<td>12,489</td>
<td>12,595</td>
</tr>
<tr>
<td>New Transfers</td>
<td>2,574</td>
<td>2,568</td>
<td>2,539</td>
<td>2,802</td>
<td>2,675</td>
<td>2,761</td>
<td>2,876</td>
<td>2,827</td>
<td>2,908</td>
<td>2,907</td>
<td>2,924</td>
<td>2,927</td>
<td>2,980</td>
</tr>
<tr>
<td>Graduate</td>
<td>4,551</td>
<td>4,665</td>
<td>4,615</td>
<td>4,645</td>
<td>4,633</td>
<td>4,505</td>
<td>4,403</td>
<td>4,220</td>
<td>4,155</td>
<td>4,110</td>
<td>3,998</td>
<td>4,160</td>
<td>4,301</td>
</tr>
<tr>
<td>1st-Professional</td>
<td>1,694</td>
<td>1,693</td>
<td>1,685</td>
<td>1,668</td>
<td>1,683</td>
<td>1,697</td>
<td>1,703</td>
<td>1,699</td>
<td>1,680</td>
<td>1,652</td>
<td>1,645</td>
<td>1,607</td>
<td>1,608</td>
</tr>
<tr>
<td>Cour &amp; Prof Studies</td>
<td>466</td>
<td>475</td>
<td>400</td>
<td>412</td>
<td>365</td>
<td>307</td>
<td>343</td>
<td>320</td>
<td>286</td>
<td>261</td>
<td>240</td>
<td>294</td>
<td>344</td>
</tr>
<tr>
<td><strong>On Grounds Total</strong></td>
<td>17,910</td>
<td>18,137</td>
<td>18,006</td>
<td>18,016</td>
<td>18,073</td>
<td>18,011</td>
<td>18,398</td>
<td>18,279</td>
<td>18,417</td>
<td>18,463</td>
<td>18,346</td>
<td>18,550</td>
<td>18,848</td>
</tr>
</tbody>
</table>

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</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Undergraduate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st-Year</td>
<td>12,748</td>
<td>12,907</td>
<td>13,140</td>
<td>13,401</td>
<td>13,275</td>
<td>13,353</td>
<td>13,350</td>
<td>13,425</td>
<td>13,565</td>
<td>13,565</td>
<td>13,700</td>
<td>13,850</td>
</tr>
<tr>
<td>Graduate</td>
<td>4,459</td>
<td>4,616</td>
<td>4,632</td>
<td>4,699</td>
<td>4,732</td>
<td>4,791</td>
<td>4,782</td>
<td>4,832</td>
<td>4,882</td>
<td>4,932</td>
<td>4,982</td>
<td>5,032</td>
</tr>
<tr>
<td>1st-Professional</td>
<td>1,608</td>
<td>1,631</td>
<td>1,650</td>
<td>1,694</td>
<td>1,650</td>
<td>1,699</td>
<td>1,650</td>
<td>1,650</td>
<td>1,650</td>
<td>1,650</td>
<td>1,650</td>
<td>1,650</td>
</tr>
<tr>
<td>Cour &amp; Prof Studies</td>
<td>382</td>
<td>489</td>
<td>506</td>
<td>605</td>
<td>625</td>
<td>554</td>
<td>650</td>
<td>675</td>
<td>700</td>
<td>725</td>
<td>750</td>
<td>750</td>
</tr>
<tr>
<td><strong>On Grounds Total</strong></td>
<td>19,197</td>
<td>19,643</td>
<td>20,018</td>
<td>20,399</td>
<td>20,282</td>
<td>20,397</td>
<td>20,432</td>
<td>20,582</td>
<td>20,797</td>
<td>21,007</td>
<td>21,232</td>
<td>21,412</td>
</tr>
</tbody>
</table>

Note: The 1st-Year and New Transfer counts are also included in the Undergraduate totals.

BIS transfer students are included in the on-Grounds Continuing and Professional Studies counts.

Institutional Assessment and Studies

March 23, 2007
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 12, 2007

COMMITTEE: Finance

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

ACTION REQUIRED: None

2006-2007 Goals and Work Plan

The Executive Vice President and Chief Operating Officer will report on the progress toward the 2006-2007 Goals and Work Plan of the Finance Committee, agreed to at the Board Retreat last July.
BACKGROUND: The University of Virginia Investment Management Company (UVIMCO) provides investment management to the Rector and Visitors of the University of Virginia and its related Foundations. Assets deposited in UVIMCO are held in the custody and control of UVIMCO on behalf of the University and Foundations within a long-term, co-mingled investment Pool.

UVIMCO’s primary objective in managing the Pool is to maximize long-term real return commensurate with the risk tolerance of the University. To achieve this objective, UVIMCO actively manages the Pool in an attempt to achieve returns that consistently exceed the returns on a passively managed benchmark with similar asset allocation and risk. Recognizing that the University must attract outstanding students, faculty, and staff and provide them appropriate resources, UVIMCO attempts to manage Pool assets to provide long-term real returns that compare favorably with the returns of endowments of other outstanding schools. UVIMCO does not set spending rates. UVIMCO communicates the Pool’s risk and return estimates to the University and Foundations for their consideration in setting spending rates.

DISCUSSION:

Outlook and Strategy

Global capitalism is transforming the world, and largely for the good. Technology transfer and trade between developed and developing countries is creating wealth on an unprecedented scale. Hundreds of millions of Chinese and Indians are advancing in a single generation from destitute poverty to developed world living standards. This great expansion of the global labor pool is increasing the return on the world's stock of capital. As a result, profits, asset prices, and financial
markets are soaring. Volatility and credit spreads have declined to all time lows, but risk has not disappeared.

Global financial flows are creating monetary stress. The negative savings rate and accumulating current account deficits in the US cannot continue indefinitely. Currency, capital account, and trade adjustments may not be smooth.

Globalization of labor markets is causing political stress. As the largest developing countries grow much faster than developed countries, dispersion of income across countries is becoming less pronounced; however, dispersion within countries is becoming more pronounced. The huge difference in personal income between developed and undeveloped countries of decades past is today increasingly and visibly present within China. This is causing civil strife. Wages in developed countries are declining while great personal wealth is accumulated by CEOs and financiers. Populism and protectionism are on the rise.

The global scramble for resources is a source of increasing geopolitical conflict. Competition for resources is causing tension between Russia and Europe, reemergence of communism in South America, genocide in Africa, and war in the Middle East. More rapid development and consumption of natural resources are also putting stress on the environment. The developed world worries about the future consequences of climate change while the developing world suffers the immediate consequences of environmental degradation.

We cannot point to an immediate catalyst for a financial shock. Yet, we suspect that markets are insufficiently pricing risk. As we diversify our pool away from hedge funds into private markets, we are careful to avoid rapidly taking on risk. We are increasing our liquidity. We are rebalancing down our equity exposure, particularly in emerging markets. We are avoiding mega capitalization leveraged buyouts and the credit structures that finance them.

**Performance**

For the fiscal year to date, the pool's ten percent return matched both its benchmark and a balanced portfolio of domestic stocks and bonds. The pool returned 16 percent for the calendar year, matching the return of the US equity market and outpacing a balanced portfolio of domestic stocks and bonds but lagging behind surging foreign equity markets. The pool also trailed its benchmark for the year. As discussed in our fiscal year end
commentary, our hedge fund portfolio struggled during the first half of the calendar year, and the returns of our growing private market portfolios are depressed by the J-curve.

**Public Equity**

Our US equity portfolio returned 16 percent for the year, approximately matching the return on its Russell 3000 benchmark. Strong performance by our fundamental research-based stock pickers was offset by underperformance of a long volatility portable alpha strategy during the current low volatility environment. We expect attractive future returns from this manager when volatility reverts to its historical norms. Looking forward, we are positioning our US equity portfolio to take advantage of the relatively cheap high quality growth sector of the US market by swapping beta exposure from S&P 500 to Russell 1000 Growth.

The non-US developed equity portfolio returned a remarkable 32 percent for the calendar year, significantly outpacing the return of its MSCI benchmark. Performance continues to be driven by good stock selection as opposed to market positioning. As in the domestic portfolio, quantitative alpha strategies struggled.

Our emerging market portfolio delivered a strong return of 29 percent, yet underperformed the even stronger MSCI emerging market index. A general emphasis on higher quality stocks and cheaper countries by our managers explains the differential. Going forward, we continue to search for managers well-equipped to take a rifle shot approach to stock selection within emerging countries as the markets in general appear to have become fully valued.

**Hedge Funds**

Our hedge fund portfolio closed the year up 12 percent. While acceptable on an absolute basis, this return is disappointing in the context of the high returns delivered by our public equity portfolio. With the cheap credit, abundant liquidity, and low risk premiums of the past few years, shorting has been difficult and often unprofitable. In retrospect, hedging proved unnecessary.

Our hedge fund portfolio also underperformed its Tremont composite benchmark, which returned 14 percent for the calendar year. The year is a tale of two halves, with the first half
marked by lackluster returns and underperformance and the second half with strong returns, out-performance, and a good relative start to the new fiscal year.

Our long/short portfolio, which comprises three-quarters of our hedge fund allocation, returned a paltry two percent in the first half of the year. We discussed this poor result in our fiscal year-end 2006 commentary. Fiscal year to date, the long/short portfolio returned ten percent. A modest out-performance of high quality stocks over low quality provided a better environment to profit from the performance differential between our longs and our shorts.

Outside of long/short equity, our managers categorized as global macro and distressed performed well on an absolute basis and relative to their respective composites. Event driven and equity market neutral managers underperformed. As a group, our non-long/short equity managers modestly underperformed our long/short managers for the year.

Prospectively, we are excited by the opportunity on the short side. Jeremy Grantham, a manager who is particularly thoughtful about assessing long-term returns, forecasts that low quality stocks within the US will provide a negative nine percent real return on an average annual basis over the next seven years. Timing is always uncertain, but our hedge fund portfolio with its short exposure to low quality US stocks, though costly in recent years, promises to provide good future returns.

Private Equity

Our small allocation to venture capital provided an eight percent return for the calendar year, trailing its benchmark return of ten percent. Over ten years, our venture portfolio return of 94 percent continues to dominate the benchmark return of 37 percent as a result of our strong bubble-era returns. Over the more recent three and five years, our now much smaller venture portfolio trails its benchmark. We are overweight in early-stage funds, which have underperformed late-stage funds over the last few years. The absence of Google from our portfolio has also detracted from our relative return. Our now much larger buyout portfolio returned 23 percent for the year, matching its Cambridge benchmark. Our return trails the benchmark on a three-year basis, but has outperformed over five and ten years. Although the majority of our mature buyout funds had a positive year, this year's performance was driven by large
distributions from our few investments in big funds that benefit from buoyant public markets. As we have noted before, our buyout portfolio is tilted toward smaller funds that acquire private companies and away from the larger funds that acquire public companies.

As large buyout funds have grown and have chased ever-larger deals, they have expanded their practice of forming “clubs” to spread risk and share rewards. In recent months the Justice Department began an inquiry into this potentially anticompetitive behavior. None of our managers have yet received a letter of inquiry from the Justice Department, but suspicion of collusion has also prompted shareholder lawsuits, and one of our managers is a named defendant in one such suit. We are monitoring the case as it progresses.

Also reacting to the concern about collusion, investment bankers have begun to implement confidentiality agreements that restrict bidders from sharing information and in some cases from forming bidding consortia. They have also tried to keep losing bidders from joining winning bid teams to remove the incentive for bidders to tip the auction to one buyer and then club together after the auction to share in the spoils. Larger funds, fewer club deals, and increased bargaining power of sellers may reduce future returns for large public to private leveraged buyout deals.

Real Assets

For the calendar year, our small and immature real estate portfolio returned 14 percent, good in absolute terms but only half of the 28 percent return of the Cambridge benchmark. Our five and ten year returns also trail the benchmark. As noted in the past, we had a nearly five-year suspension in real estate investing from early 1998 to late 2002, a time period which included many of the best vintage years for private real estate funds. In today's compressed cap rate environment, we are building our real estate portfolio slowly.

Our small resources portfolio returned 36 percent for the calendar year, benefiting from strong gains in our upstream oil and gas funds. These gains in energy funds were somewhat offset by the low return of our timber fund and the J-curve effect from the relatively high level of recent commitments. Over multi-year periods, our resources portfolio has performed roughly in line with its Cambridge benchmark. Despite oil prices spiking above $70 per barrel, we made a number of commitments to oil and
gas funds during the calendar year. Oil is now trading near $50 and will likely trade both higher and lower during the lives of these funds. We are not overly concerned by commodity price volatility. Skilled managers adapt to the price environment. When prices are low, acquisition prices decline. When prices are high, managers arbitrage between their cost of production and the prices at which they can sell that production forward. Development of energy resources provides a real option that may provide higher returns with higher volatility. We plan to continue committing to value-added strategies for oil and gas development.

**Fixed Income**

Over the calendar year our fixed income portfolio returned five percent, approximately matching the return of the broad US fixed income market. Our high yield return was negative but not meaningful, as it represents the cost of fees assessed on a committed but un-drawn fund. Our government bond portfolio returned seven percent, exceeding its benchmark and bond yields. The strong performance of the government bond portfolio is attributed to a shorter duration exposure during the first half of the year while the Fed was tightening and interest rates were rising. We have since moved to a neutral duration.
### Investment Activity

<table>
<thead>
<tr>
<th></th>
<th>Month</th>
<th>Fiscal Year To Date 2007</th>
</tr>
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<tbody>
<tr>
<td>Beginning Investment</td>
<td>$3,794,512,890.88</td>
<td>$3,456,909,063.90</td>
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<tr>
<td>Beginning Shares</td>
<td>917,231.52</td>
<td>903,399.44</td>
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<tr>
<td>NAV Per Share at Beginning of Period</td>
<td>$4,136.92</td>
<td>$3,826.98</td>
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<tr>
<td>+ Contributions</td>
<td>$14,115,562.56</td>
<td>$83,039,107.19</td>
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<tr>
<td>- Redemptions</td>
<td>($2,220,017.83)</td>
<td>($17,906,074.99)</td>
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<tr>
<td>+ Investment Return</td>
<td>$38,443,827.68</td>
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<td>- UVMCO Fees</td>
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<td>Ending Investment</td>
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<td>$3,866,217,644.48</td>
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<tr>
<td>Ending Shares</td>
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<td>920,388.41</td>
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<tr>
<td>NAV Per Share at End of Period</td>
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<td>$4,200.64</td>
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### Position Summary

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<thead>
<tr>
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<th>Target</th>
<th>Difference</th>
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<tbody>
<tr>
<td>Public Equity</td>
<td>25.7%</td>
<td>25.0%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Hedge Funds</td>
<td>45.2%</td>
<td>47.0%</td>
<td>-1.8%</td>
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<tr>
<td>Private Equity</td>
<td>14.8%</td>
<td>12.0%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Real Assets</td>
<td>4.7%</td>
<td>6.0%</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>5.4%</td>
<td>10.0%</td>
<td>-4.6%</td>
</tr>
<tr>
<td>Cash</td>
<td>4.2%</td>
<td>0.0%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>0.0%</td>
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### Performance Summary

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<th>Benchmark</th>
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<tr>
<td>3-Month Return</td>
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<td>Calendar Year-to-Date Return</td>
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<td>17.5%</td>
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<td>Fiscal Year To Date Return</td>
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<td>1-Year Return</td>
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</tr>
<tr>
<td>3-Year Return</td>
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<td>14.7%</td>
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</tr>
<tr>
<td>5-Year Return</td>
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<td>10.7%</td>
<td>1.2%</td>
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<tr>
<td>10-Year Return</td>
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<td>20-Year Return</td>
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<td>10.9%</td>
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</tr>
<tr>
<td>Fiscal Year 2006 Return</td>
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<td>17.7%</td>
<td>-3.2%</td>
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<tr>
<td>Fiscal Year 2005 Return</td>
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<td>12.6%</td>
<td>1.6%</td>
</tr>
<tr>
<td>Fiscal Year 2004 Return</td>
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<td>-2.5%</td>
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### Manager Allocations

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<tr>
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<th>Actual Pool¹¹</th>
<th>Investment Policy</th>
<th>Relative To Target</th>
<th>Peer Group²³</th>
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<tr>
<td></td>
<td>$ millions</td>
<td>%</td>
<td>Min</td>
<td>Target</td>
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<tr>
<td>Public Equity</td>
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<td>25.7%</td>
<td>20%</td>
<td>25%</td>
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<td>U.S.</td>
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<td>10%</td>
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<td>Non-U.S. Developed</td>
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<td>Hedge Funds</td>
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<td>Equity L/S</td>
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<tr>
<td>Equity MN</td>
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<td>0%</td>
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<tr>
<td>Fix. Inc. Arbitrage</td>
<td>0</td>
<td>0.0%</td>
<td>0%</td>
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<tr>
<td>Global Macro</td>
<td>206</td>
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<tr>
<td>ED / Multi-Strategy</td>
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<td>3.6%</td>
<td>0%</td>
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<tr>
<td>Distressed</td>
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<td>1.5%</td>
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<tr>
<td>Private Equity</td>
<td>573</td>
<td>14.8%</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Venture</td>
<td>108</td>
<td>2.8%</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>Buyouts</td>
<td>464</td>
<td>12.0%</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>Real Assets</td>
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<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>73</td>
<td>1.9%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>Resources</td>
<td>108</td>
<td>2.8%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>209</td>
<td>5.4%</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>Investment Grade</td>
<td>201</td>
<td>5.2%</td>
<td>5%</td>
<td>8%</td>
</tr>
<tr>
<td>High Yield</td>
<td>8</td>
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<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>Cash</td>
<td>161</td>
<td>4.2%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Total Pool</td>
<td>3,866</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

### Market and Currency Exposures⁶⁰

<table>
<thead>
<tr>
<th></th>
<th>North America</th>
<th>Developed Europe</th>
<th>Developed Asia</th>
<th>Emerging Asia</th>
<th>Latin America</th>
<th>Other EM</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>30.4%</td>
<td>14.3%</td>
<td>9.7%</td>
<td>5.7%</td>
<td>3.0%</td>
<td>1.6%</td>
<td>61.6%</td>
</tr>
<tr>
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<td>5.6%</td>
<td>3.0%</td>
<td>1.6%</td>
<td>49.8%</td>
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<tr>
<td>Venture</td>
<td>2.6%</td>
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<td>0.0%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Buyouts</td>
<td>8.5%</td>
<td>3.4%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Real Assets</td>
<td>3.8%</td>
<td>0.2%</td>
<td>0.6%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>1.4%</td>
<td>0.2%</td>
<td>0.2%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Resources</td>
<td>2.4%</td>
<td>0.0%</td>
<td>0.4%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>13.6%</td>
<td>2.1%</td>
<td>0.0%</td>
<td>0.6%</td>
<td>1.6%</td>
<td>0.1%</td>
<td>15.3%</td>
</tr>
<tr>
<td>Investment Grade</td>
<td>13.6%</td>
<td>2.1%</td>
<td>0.0%</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.0%</td>
<td>16.5%</td>
</tr>
<tr>
<td>High Yield / EM</td>
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<td>0.0%</td>
<td>0.2%</td>
<td>1.2%</td>
<td>0.4%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Market Exposure</td>
<td>47.5%</td>
<td>16.6%</td>
<td>10.3%</td>
<td>6.4%</td>
<td>4.0%</td>
<td>2.1%</td>
<td>57.5%</td>
</tr>
<tr>
<td>Cash &amp; Currency</td>
<td>21.5%</td>
<td>-1.9%</td>
<td>-2.4%</td>
<td>-2.6%</td>
<td>-1.9%</td>
<td>-0.5%</td>
<td>12.3%</td>
</tr>
<tr>
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<td>14.7%</td>
<td>7.9%</td>
<td>3.8%</td>
<td>2.8%</td>
<td>1.6%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

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¹¹ Actual Pool figures may not sum due to rounding.

²³ Peer Group figures are approximate and may be subject to change.

⁶⁰ Market and Currency Exposures figures are calculated based on historical data and may not reflect current market conditions.
Footnotes

(1) Actual Pool allocations account for securities transactions, manager cash flows and depositor transactions using trade or valuation dates.

(2) Represents equally-weighted average asset allocation of the Colleges & Universities Over $1 Billion universe as defined by Cambridge Associates. Data as of June 30, 2006.

(3) Cash is reported as the Long-Term Pool's cash reserve net of proceeds from securities sold under agreement to repurchase.

(4) The Market and Currency Exposures Report presents the Long-Term Pool's look-through net exposure to principal asset classes, regions and foreign currency. Manager exposures are aggregated quarterly and updated monthly where possible. December 31, 2006 region exposure breakdowns were used to estimate exposures.

(5) Internal rate of return (IRR) reported quarterly on a one-quarter lag. No return is reported for periods within quarter-end dates.

(6) Fixed Income composite includes performance contribution of 2-Year Treasury Note Futures, effective September 2006.

(7) Represents the cost associated with the Repo program.
BACKGROUND: At its March 2005 meeting, the Board of Visitors passed adopted a new spending policy for the University's endowment. This policy, effective July 1, 2005, calls for an inflation increase in the annual distribution from the endowment, unless such increase causes the distribution to fall outside a range defined as 3.5 percent on the low end and 5.5 percent on the high end of the market value of the Pooled Endowment Fund. The first distribution under the new policy was made in January 2006. The resolution specified that "if the distribution falls outside of this range, the Finance Committee may recommend either raising or lowering the rate of increase." In May 2006 the payout for Fiscal Year 2007, calculated using the formula, was projected to be below the 3.5 percent floor. As a consequence, the Board adjusted the payout for the fiscal year beginning July 1, 2006, to be four percent of the market value of the Pooled Endowment Fund.

DISCUSSION: The Vice President and Chief Financial Officer will discuss the proposed spending for next year (Fiscal Year 2007-2008), applying the inflation factor and benchmarking to the established market-value parameters.

The Vice President and Chief Financial Officer also will brief the Finance Committee about the Uniform Prudent Management of Institutional Funds Act, passed in July 2006, which was intended to replace the 1972 Uniform Management of Institutional Funds Act (UPMIFA). Both acts provide guidelines for the management, investment and expenditures of endowment funds. Recent discussions at Special Committee on Planning meetings have raised the possibility of increasing the spending rate to fund initiatives in the ten-year plan. An understanding of the UPMIFA will facilitate decisions on changing endowment spending.
BACKGROUND: The Finance Committee was notified of recent swap activities at its January 22nd meeting. This report provides an update on recent swap transactions, giving specific information on financial outcomes and the impact on the University’s long-term debt profile.

DISCUSSION:

Long-Term Debt Profile

As of February 28, 2007, the University had approximately $560 million of outstanding debt, consisting of $522 million of long-term debt and $38 million of commercial paper. By forecasting capital expenditures through Fiscal Year 2010, the University expects outstanding debt to grow by approximately $100 - $150 million in each year, resulting in projected debt balances at fiscal year end 2010 of approximately $975 million. Based on this forecast, the Vice President and Chief Financial Officer projects issuing roughly $200 million of long-term debt in the second half of Fiscal Year 2008.

The University uses select financial ratios to assess the capacity and affordability of its debt. These ratios measure the University’s ability to make ongoing debt service payments and to support debt as part of its capital structure. While debt is expected to grow through Fiscal Year 2010, the University expects to maintain solid debt ratios, performing better than our ratio targets. These target ratios have been set conservatively to be stronger than the median ratios of similarly rated public peer institutions.

Interest Rate Risk Management (IRRM) Program

As part of the debt portfolio program implemented in 2002, an Interest Rate Risk Management program was envisioned. The objective of the Interest Rate Risk Management program is to use
derivatives prudently to manage interest rate exposures, lower our cost of debt capital, and adjust the amount of floating-rate debt in our portfolio. Master agreements were negotiated with five counter-parties in 2003 to position the University to act quickly in response to derivatives opportunities. In April 2006, the Board of Visitors formally approved the University’s Interest Rate Risk Management policy.

First Transaction Under Interest Rate Risk Management Program

During January and early February 2007, the University capitalized on a market opportunity and executed three interest rate swaps of $50 million each, by soliciting bids from our counter-parties. These swaps provide a hedge against interest rates rising between now and the time we expect to issue our next long-term bonds in Fiscal Year 2008. The swaps effectively locked in a benchmark 30-year rate of 4.56 percent on $150 million of our projected Fiscal Year 2008 financing. By comparison, this rate is lower than the 4.62 percent benchmark rate at the time we issued our last long-term bonds in June 2005. This hedge allowed us to lock-in tax-exempt rates near historic lows, secure funding that reduces our average cost of debt capital, and provide predictable funding costs to the University’s departments.
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 12, 2007

COMMITTEE: Finance

AGENDA ITEM: III.E. General Assembly Report (Written)

ACTION REQUIRED: None

BACKGROUND: The General Assembly concluded its 2007 Session on February 24th. The Governor had until March 26th to approve, amend or veto legislation, including budget actions in the Appropriations Act. The General Assembly reconvened April 4th.

DISCUSSION: The General Assembly’s amendments to the 2006-2008 Appropriation Act added $17.3 million in general funds for the system of higher education over the amendments proposed by Governor Kaine in December. The $17.3 million in additional funds includes additional funding for salary increases, $7 million for a tuition incentive fund to encourage colleges and universities to limit in-state tuition increases to six percent in 2007-2008, $3 million for research initiatives, and $1.8 million for the community college transfer grant program. The General Assembly enhanced salary increases for faculty and staff employees in November 2007 from the three percent proposed by the Governor to four percent.

For the Academic Division, the General Assembly has approved a budget that adds $1 million for cancer research and $150,000 for Blandy Farm to the Governor’s amendments. The final budget incorporates the Governor’s recommendations of general funds to supplement nursing faculty salaries ($256,000), to address undergraduate financial aid ($290,000), to provide additional base adequacy funds ($845,000), and operations and maintenance of new facilities ($536,000).

For the College at Wise, the final budget provides $246,000 for regional economic development initiatives, $221,000 for undergraduate financial aid, $150,000 for base adequacy, and $25,000 to supplement nursing faculty salaries.

The General Assembly has moved cost overrun funding provided by the Governor to a central account with oversight of disbursement by the Department of General Services. For the Academic Division this includes: South Chiller Plant ($5.433
million), Claude C. Moore Nursing Education Building ($3.6 million), Ruffin Hall ($3.222 million), and Gilmer Teaching Labs ($425,000). At Wise, this includes: Science Building Renovation ($2.5 million), Smiddy Hall Renovation ($3.0 million) and the Drama Building ($3.0 million).

The General Assembly included $750,000 to begin planning the Information Technology Engineering Building and authorized all non-general fund capital outlay projects requested.
MISCELLANEOUS FINANCIAL REPORTS
Finance Committee
University of Virginia

April 12, 2007
Summary of Accounts Receivable:

The University’s Academic Division’s total accounts receivable as of December 31, 2006, were $73,557,000 as compared to $26,208,000 at September 30, 2006. The major sources of receivables at December 31, 2006, were student accounts of $61,252,000 and sponsored programs of $8,086,000.

The past due receivables over 120 days old at December 31, 2006 were $1,204,000 or 1.64 percent of total receivables, well below the Commonwealth’s management standard of ten percent.

<table>
<thead>
<tr>
<th></th>
<th>Student Accounts</th>
<th>Sponsored Programs</th>
<th>Other Receivables</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Accounts</td>
<td>$61,252,448</td>
<td>$8,086,198</td>
<td>$4,217,983</td>
<td>$73,556,629</td>
</tr>
<tr>
<td>Less: Allowance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>for Doubtful</td>
<td>$350,000</td>
<td>$650,000</td>
<td>$271,000</td>
<td>$1,271,000</td>
</tr>
<tr>
<td>Accounts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Accounts</td>
<td>$60,902,448</td>
<td>$7,436,198</td>
<td>$3,946,983</td>
<td>$72,285,629</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greater than 120</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Days Past Due</td>
<td>$311,486</td>
<td>$624,850</td>
<td>$267,311</td>
<td>$1,203,647</td>
</tr>
</tbody>
</table>

SOURCE: Revenue and Collections
DATE: February 14, 2007
Summary of Loans Receivable:

The default rate for the Perkins Student Loan Program increased by 3.42 percent to 4.63 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 remained the same at zero percent. The Nursing Undergraduate Student Loan Program default rate decreased by 0.43 percent to 1.58 percent. Both medical loan programs are well below the five percent federal threshold. The University Loan Program default rate increased by 0.51 percent to 4.86 percent.

<table>
<thead>
<tr>
<th>Loan Program</th>
<th>Gross Loans Receivable</th>
<th>Current Default Rate</th>
<th>Inc./(Dec) From Last Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perkins Student Loans</td>
<td>$16,649,205</td>
<td>4.63%</td>
<td>3.42%</td>
</tr>
<tr>
<td>Health Professions Loans</td>
<td>74,805</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Undergraduate Nursing Loans</td>
<td>723,002</td>
<td>1.58%</td>
<td>(0.43)%</td>
</tr>
<tr>
<td>University Loans</td>
<td>9,635,484</td>
<td>4.86%</td>
<td>0.51%</td>
</tr>
<tr>
<td><strong>Total Student Loan Outstanding</strong></td>
<td><strong>$27,082,496</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: Student Financial Services
DATE: February 14, 2007
### University of Virginia
#### Capital Campaign Summary
##### As Of 2/28/07

#### All Units

<table>
<thead>
<tr>
<th></th>
<th>Expendable</th>
<th>Endowment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gifts and Pledge Payments</td>
<td>478,169,430</td>
<td>191,679,295</td>
<td>669,848,725</td>
</tr>
<tr>
<td>Outstanding Pledge Balances</td>
<td>219,032,019</td>
<td>64,038,068</td>
<td>283,070,087</td>
</tr>
<tr>
<td>Deferred Gifts</td>
<td>78,751,094</td>
<td>12,496,707</td>
<td>91,247,801</td>
</tr>
<tr>
<td>Private Grants</td>
<td>78,357,935</td>
<td>0</td>
<td>78,357,935</td>
</tr>
<tr>
<td>Gifts in Kind</td>
<td>49,457,656</td>
<td>666,931</td>
<td>50,124,587</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>268,881,001</strong></td>
<td><strong>1,172,649,135</strong></td>
</tr>
<tr>
<td>Additional Amounts To Be Raised</td>
<td>468,181,866</td>
<td>1,359,168,999</td>
<td>1,827,350,865</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1,628,050,000</strong></td>
<td><strong>3,000,000,000</strong></td>
</tr>
<tr>
<td>Future Support</td>
<td>56,677,624</td>
<td>18,611,786</td>
<td>75,289,410</td>
</tr>
</tbody>
</table>

#### Rector & Visitors Gift Accounts Only

<table>
<thead>
<tr>
<th></th>
<th>Expendable</th>
<th>Endowment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gifts and Pledge Payments</td>
<td>187,960,662</td>
<td>107,816,943</td>
<td>295,777,605</td>
</tr>
<tr>
<td>Outstanding Pledge Balances</td>
<td>52,832,000</td>
<td>10,009,288</td>
<td>62,841,288</td>
</tr>
<tr>
<td>Deferred Gifts</td>
<td>49,695,522</td>
<td>3,353,339</td>
<td>53,048,861</td>
</tr>
<tr>
<td>Private Grants</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Gifts in Kind</td>
<td>14,683,748</td>
<td>0</td>
<td>14,683,748</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>121,179,570</strong></td>
<td><strong>426,351,502</strong></td>
</tr>
<tr>
<td>Additional Amounts To Be Raised</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>121,179,570</strong></td>
<td><strong>426,351,502</strong></td>
</tr>
<tr>
<td>Future Support</td>
<td>33,378,853</td>
<td>3,039,701</td>
<td>36,418,554</td>
</tr>
</tbody>
</table>

#### Rector & Visitors Unrestricted Giving

<table>
<thead>
<tr>
<th></th>
<th>Expendable</th>
<th>Endowment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gifts and Pledge Payments</td>
<td>1,655,404</td>
<td>0</td>
<td>1,655,404</td>
</tr>
<tr>
<td>Outstanding Pledge Balances</td>
<td>133,567</td>
<td>0</td>
<td>133,567</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>0</strong></td>
<td><strong>1,788,971</strong></td>
</tr>
</tbody>
</table>

Source: Office of Development and Public Affairs
Date: March 23, 2007
### UNIVERSITY OF VIRGINIA
### INTERNAL LOANS TO UNIVERSITY DEPARTMENTS AND ACTIVITIES
### As of December 31, 2006

<table>
<thead>
<tr>
<th>PURPOSE</th>
<th>DATE OF LOAN</th>
<th>INTEREST RATE</th>
<th>ORIGINAL LOAN AMOUNT</th>
<th>PRINCIPAL PAYMENTS MADE TO DATE</th>
<th>PRINCIPAL OUTSTANDING</th>
<th>APPROXIMATE FINAL PAYMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Astronomy Large Binocular Telescope</td>
<td>02/06/06</td>
<td>4.75%</td>
<td>$400,000</td>
<td>$</td>
<td>$400,000</td>
<td>October 2010</td>
</tr>
<tr>
<td>Cocke Hall</td>
<td>06/30/06</td>
<td>4.75%</td>
<td>1,941,787</td>
<td>176,587</td>
<td>1,765,200</td>
<td>June 2011</td>
</tr>
<tr>
<td>Columbarium</td>
<td>10/30/03</td>
<td>4.75%</td>
<td>85,000</td>
<td>75,000</td>
<td>10,000</td>
<td>October 2008</td>
</tr>
<tr>
<td>ITC ISIS Software</td>
<td>06/30/06</td>
<td>4.75%</td>
<td>1,575,000</td>
<td>286,462</td>
<td>1,288,538</td>
<td>July 2011</td>
</tr>
<tr>
<td>National Radio Astronomy Observatory Piping</td>
<td>09/01/06</td>
<td>6.25%</td>
<td>706,833</td>
<td>41,588</td>
<td>665,245</td>
<td>August 2011</td>
</tr>
<tr>
<td>Wise Football Facility</td>
<td>12/22/98</td>
<td>Fed. Funds+60 pts.</td>
<td>3,000,000</td>
<td>1,388,772</td>
<td>1,611,228</td>
<td>June 2009</td>
</tr>
<tr>
<td>Wise Student Center</td>
<td>11/30/03</td>
<td>4.75%</td>
<td>2,000,000</td>
<td>2,000,000</td>
<td>-</td>
<td>June 2007</td>
</tr>
<tr>
<td>Wise Student System</td>
<td>04/21/04</td>
<td>4.75%</td>
<td>200,000</td>
<td>150,000</td>
<td>50,000</td>
<td>July 2007</td>
</tr>
</tbody>
</table>

Total Internal Loans Subject to $15 Limit Established by BOV¹

|                     |              | $9,908,620 | $4,118,409 | $5,790,211 |

**NOTES:**

1. Per January 1990 Board of Visitors resolution establishing the internal loan pool at $10 million and per April 2003 Board of Visitors resolution approving the expansion of the internal loan pool from $10 million to $15 million. All internal loans are subject to the approval of the Executive Vice President and Chief Operating Officer.

2. The University's blended borrowing rate for tax exempt financing is 4.75%. A taxable rate of 6.25% was charged for the National Radio Astronomy Observatory Piping project.

**SOURCE:** Investment and Tax Services

**DATE:** February 15, 2007
UNIVERSITY OF VIRGINIA
QUASI-ENDOWMENT ACTIONS

October 1, 2006 – December 31, 2006

The quasi-endowment actions listed below were approved by either (1) the Executive Vice President and Chief Operating Officer, under the following Board of Visitors' resolutions, or (2) the Vice President for Management and Budget, under the delegation of authority from the Executive Vice President and Chief Operating Officer:

October 1990 and June 1996 resolutions permitting the approval of quasi endowment actions, including establishments and divestments of less than $2,000,000.

February 2006 resolution permitting approval of quasi endowment transactions, regardless of dollar amount, in cases in which it is determined to be necessary as part of the assessment of the business plan for capital projects. In addition, to the extent that the central loan program has balances, they may be invested in the long term investment pool managed by UVIMCO or in other investment vehicles as permitted by law.

<table>
<thead>
<tr>
<th>Additions</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carter, Beirne B. Center Quasi-Endowment Fund</td>
<td>$ 40,758.72</td>
</tr>
<tr>
<td>Central Loan Program</td>
<td>3,621,000.00</td>
</tr>
<tr>
<td>Jones, D. Lung Cancer Research Quasi-Endowment*</td>
<td>150,000.00</td>
</tr>
<tr>
<td>Marching Band Quasi-Endowment</td>
<td>25,000.00</td>
</tr>
<tr>
<td>McIntire School of Commerce Operations Fund</td>
<td>2,452,517.20</td>
</tr>
<tr>
<td>Pediatrics Operational Quasi-Endowment Fund</td>
<td>124,844.56</td>
</tr>
<tr>
<td>Pratt, Lillian T. Unrestricted School of Medicine Quasi-Endowment*</td>
<td>1,999,999.00</td>
</tr>
<tr>
<td>Surgery Transplant Quasi-Endowment*</td>
<td>1,333,000.00</td>
</tr>
<tr>
<td>University Quasi Endowment Fund (1)</td>
<td>79,347.44</td>
</tr>
</tbody>
</table>

Total Additions to Quasi Endowments $9,826,466.92
### Divestments

<table>
<thead>
<tr>
<th>Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bristol Laboratories Quasi-Endowment - Hecht</td>
<td>$ 157.92</td>
</tr>
<tr>
<td>Dean's Adenosine Patent Quasi-Unrestricted Income</td>
<td>1,000,000.00</td>
</tr>
<tr>
<td>McIntyre, Howard Quasi-Endowment in Neurology</td>
<td>125,000.00</td>
</tr>
<tr>
<td>Phase II Chemistry Building Quasi-Restricted Endowment Fund</td>
<td>1,499.05</td>
</tr>
<tr>
<td>Phase II Chemistry Building Unrestricted Quasi-Endowment Fund</td>
<td>1,777.42</td>
</tr>
</tbody>
</table>

**Total Divestments from Quasi Endowments**  
$1,128,434.39

### Endowment Income Capitalizations

<table>
<thead>
<tr>
<th>Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT &amp; T Professorship in Engineering Quasi-Endowment</td>
<td>$ 18,661.36</td>
</tr>
<tr>
<td>Carter, Beirne B. Center Quasi-Endowment Fund</td>
<td>25,000.00</td>
</tr>
<tr>
<td>Hamilton, Hugh Scott Quasi-Endowment</td>
<td>14,254.99</td>
</tr>
<tr>
<td>Kenan, William R. Jr. Professorship Quasi-Endowment</td>
<td>201,920.04</td>
</tr>
<tr>
<td>Munster, W. S. Professorship Restricted Quasi-Endowment</td>
<td>12,415.28</td>
</tr>
<tr>
<td>Vaughan, Joseph L. Chair Restricted Quasi-Endowment</td>
<td>17,794.49</td>
</tr>
<tr>
<td>Yen, C. K. Professorship Quasi-Endowment</td>
<td>94,224.33</td>
</tr>
</tbody>
</table>

**Total Endowment Income Capitalizations**  
$ 384,270.49

**SOURCE:** Financial Administration  
**DATE:** February 15, 2007
QUARTERLY BUDGET REPORT

As of December 31, 2006

This report compares the actual results for the sources and uses of funds to the Academic Division annual budget (excluding the Medical Center and the University of Virginia's College at Wise). At the end of the second quarter of 2006-2007, 54.5 percent of the budgeted sources were collected and 50.1 percent of the budgeted uses were expended.

The operating budget is developed using differing rules and conventions from the audited financial statements, which are developed in accordance with generally accepted accounting principles (GAAP). In some cases, similar descriptions are used in both reports even though the precise definitions and the specific amounts are not identical. However, both sets of figures are accurate for their particular purposes, and both are drawn from the University's financial applications. Outlined below are several of the differing conventions used in the operating budget and the actual results presented on the accompanying statement:

- The operating budget is prepared on a cash basis.
- The operating budget presents tuition and fees as gross income and the full amount of student aid as an expense.
- In the operating budget, depreciation is not funded and non-capital outlay purchases are recognized as expensed rather than spread over the useful life of the purchase. Debt service, major repair or renovation expenditures occur within the capital outlay accounts - and off the operating budget.
- The Federal Family Education Loan Program is excluded from the operating budget.
- Sources of funds are shown net of transfers to capital reserves/projects in the operating budget.
- Fringe benefit expenditures are included in the operating budget using pooled benefit rates.
- The operating budget recognizes recoveries of indirect costs only upon distribution of those revenues, and not when billed to granting agencies.

A definition of terms is included to explain the categories for the sources and uses of funds.

SOURCE: Budget Office
DATE: March 2, 2007
# University of Virginia Academic Division
## 2006-2007 Operating Budget Report
### As of December 31, 2006
#### (in thousands)

<table>
<thead>
<tr>
<th>Sources of Available Funds, net of transfers to capital reserves</th>
<th>2006-07 Revised Budget</th>
<th>12/31/06 Actual Results</th>
<th>12/31/06 Variance of Budget</th>
<th>Percentage of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition &amp; Fees for Operating Plan</td>
<td>$299,751</td>
<td>$161,240</td>
<td>$138,511</td>
<td>53.8%</td>
</tr>
<tr>
<td>State General Fund Appropriation for Operating Plan</td>
<td>151,637</td>
<td>159,127</td>
<td>(7,490)</td>
<td>104.9%</td>
</tr>
<tr>
<td>Sponsored Research for Operating Plan</td>
<td>275,817</td>
<td>143,470</td>
<td>132,347</td>
<td>52.0%</td>
</tr>
<tr>
<td>Endowment Distribution</td>
<td>86,887</td>
<td>1,111</td>
<td>85,776</td>
<td>1.3%</td>
</tr>
<tr>
<td>Net Gifts Available for Operating Plan</td>
<td>109,360</td>
<td>33,852</td>
<td>75,508</td>
<td>31.0%</td>
</tr>
<tr>
<td>Sales, Investment &amp; Other</td>
<td>32,349</td>
<td>11,798</td>
<td>20,551</td>
<td>36.5%</td>
</tr>
<tr>
<td>Net Auxiliary Enterprises for Operating Plan</td>
<td>142,285</td>
<td>88,019</td>
<td>54,266</td>
<td>61.9%</td>
</tr>
</tbody>
</table>

**Total Sources of Available Funds**

$1,098,086  $598,616  $499,470  54.5%

<table>
<thead>
<tr>
<th>Uses of Available Funds</th>
<th>2006-07 Revised Budget</th>
<th>12/31/06 Actual Results</th>
<th>12/31/06 Variance of Budget</th>
<th>Percentage of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Instruction</td>
<td>275,708</td>
<td>117,522</td>
<td>158,186</td>
<td>42.6%</td>
</tr>
<tr>
<td>Research and Public Service</td>
<td>271,417</td>
<td>139,173</td>
<td>132,244</td>
<td>51.3%</td>
</tr>
<tr>
<td>Library, Information Tech., &amp; Academic Administration</td>
<td>108,325</td>
<td>56,320</td>
<td>52,005</td>
<td>52.0%</td>
</tr>
<tr>
<td>Student Services</td>
<td>33,249</td>
<td>13,861</td>
<td>19,388</td>
<td>41.7%</td>
</tr>
<tr>
<td>General Administration</td>
<td>68,922</td>
<td>38,936</td>
<td>29,986</td>
<td>56.5%</td>
</tr>
<tr>
<td>Operation &amp; Maintenance of Physical Plant</td>
<td>63,959</td>
<td>31,735</td>
<td>32,224</td>
<td>49.6%</td>
</tr>
<tr>
<td>Scholarships, Fellowships, and Other Graduate Support</td>
<td>106,900</td>
<td>61,451</td>
<td>45,449</td>
<td>57.5%</td>
</tr>
<tr>
<td>Athletics</td>
<td>36,949</td>
<td>20,780</td>
<td>16,169</td>
<td>56.2%</td>
</tr>
<tr>
<td>Bookstore</td>
<td>34,286</td>
<td>21,030</td>
<td>13,256</td>
<td>61.3%</td>
</tr>
<tr>
<td>Housing and Conference Services</td>
<td>18,549</td>
<td>8,648</td>
<td>9,901</td>
<td>46.6%</td>
</tr>
<tr>
<td>Other Auxiliary Operations</td>
<td>51,643</td>
<td>26,553</td>
<td>25,090</td>
<td>51.4%</td>
</tr>
</tbody>
</table>

**Total Operating Expenses**

1,069,907  536,008  533,899  50.1%

**Total Operating Reserves and Temporary Allocations**

-  -  -  0.0%

**Total Uses of Available Funds**

$1,069,907  $536,008  $533,899  50.1%

**Net Sources and Uses of Operating Funds**

$28,179  $62,608 ($34,429)  n/a
DEFINITION OF TERMS

**Sponsored Research** -- primarily research projects, but also includes activities restricted to institutional and service programs.

**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.

**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 and 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 that portion of the medical school's clinical physicians' salaries and fringe benefits related to patient care.

**Library, Information Technology and Academic Administration** -- 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.

**General Administration** -- includes the financial, administrative, logistical, and development activities of the University.

**Operation and Maintenance of Physical 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.
### Sponsored Program Restricted Grants & Contracts Report of Award Data
#### For Fiscal Year 2007

**In $ Millions**

<table>
<thead>
<tr>
<th>SCHOOL</th>
<th>DHHS</th>
<th>DOD</th>
<th>Non-Federal</th>
<th>DE</th>
<th>DOE</th>
<th>NASA</th>
<th>NSF</th>
<th>Other Federal</th>
<th>State</th>
<th>Mid-Year Total FY 2007</th>
<th>Mid-Year Total FY 2006</th>
<th>% Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architecture</td>
<td>0.24</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.10</td>
<td>0.01</td>
<td>0.35</td>
<td>0.12</td>
<td>0.35</td>
<td>0.12</td>
<td>192%</td>
</tr>
<tr>
<td>Arts &amp; Scs.</td>
<td>4.71</td>
<td>1.21</td>
<td>5.15</td>
<td>0.73</td>
<td>1.62</td>
<td>1.36</td>
<td>5.84</td>
<td>1.39</td>
<td>0.43</td>
<td>22.44</td>
<td>19.47</td>
<td>15%</td>
</tr>
<tr>
<td>Education</td>
<td>1.30</td>
<td>0.02</td>
<td>0.61</td>
<td>5.40</td>
<td></td>
<td>0.17</td>
<td>0.40</td>
<td>2.03</td>
<td>9.93</td>
<td>4.69</td>
<td>112%</td>
<td></td>
</tr>
<tr>
<td>Engineering</td>
<td>1.63</td>
<td>2.61</td>
<td>7.37</td>
<td>0.39</td>
<td>1.06</td>
<td>5.85</td>
<td>2.05</td>
<td>1.19</td>
<td>22.15</td>
<td>23.85</td>
<td>-7%</td>
<td></td>
</tr>
<tr>
<td>Law</td>
<td>0.64</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicine</td>
<td>73.04</td>
<td>0.78</td>
<td>17.34</td>
<td>0.69</td>
<td></td>
<td>0.20</td>
<td></td>
<td></td>
<td>94.27</td>
<td>88.65</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Nursing</td>
<td>1.99</td>
<td></td>
<td>0.89</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.88</td>
<td>2.07</td>
<td>39%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other*</td>
<td>1.25</td>
<td>0.62</td>
<td>0.04</td>
<td>0.01</td>
<td></td>
<td>0.64</td>
<td>0.94</td>
<td></td>
<td></td>
<td>3.50</td>
<td>3.14</td>
<td>11%</td>
</tr>
</tbody>
</table>

**Mid-Year Total FY 2007**

82.67 4.62 33.49 6.75 2.74 2.43 12.06 4.58 7.07 156.41 143.54 9%

**Mid-Year Total FY 2006**

79.27 4.94 28.12 2.89 2.30 1.82 14.51 4.60 5.09

**% Increase/Decrease**

4% -6% 19% 134% 19% 34% -17% 0% 39%

### Notes:
- Totals may be off slightly due to rounding.
- Source: Office of Sponsored Programs
- Includes University Librarian; Vice President for Research and Graduate Studies; Miller Center; Vice President and Provost; School of Continuing and Professional Studies; Center for Public Service; Financial Administration; Student Health; Health Sciences Library; UVA College at Wise; Virginia Foundation for the Humanities; Vice President for Student Affairs, Southwest Virginia Higher Education Center.

**Note:** Although mid-year FY07 award totals are slightly higher than at the same time last year, these totals have not historically been predictive of performance for the entire fiscal year. Awards may well be funded at a different rate over the second half of the fiscal year, once Federal appropriations have been finalized. The full impact of the Federal budget is not yet known.

**Note:** Items listed as "Non-Federal" include support from foundations, industrial sponsors, and subcontracts from other institutions which may have originated from a federal agency.

**Source:** Office of Sponsored Programs

**Date:** February 15, 2007
## Endowment/Long-Term Investments for UVA and Related Foundations

**December 31, 2006**

*Unaudited*

(in thousands)

<table>
<thead>
<tr>
<th>Description</th>
<th>Rector and Visitors Funds</th>
<th>Related Foundation Funds Invested by UVIMCO</th>
<th>Alumni Association Funds Invested by UVIMCO</th>
<th>Related Foundation Funds Invested by Direction of Foundation Board</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>The University of Virginia Medical School and related foundations</td>
<td>$722,686</td>
<td>$30,225</td>
<td>$4,470</td>
<td>$1,016</td>
<td>$758,397</td>
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<tr>
<td>The College of Arts and Sciences and related foundations</td>
<td>304,917</td>
<td>28,920</td>
<td>7,400</td>
<td>21,144</td>
<td>362,382</td>
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<tr>
<td>Darden School and related foundation</td>
<td>107,293</td>
<td>211,129</td>
<td>7,575</td>
<td>324,177</td>
<td></td>
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<tr>
<td>The University of Virginia Law School and related foundation</td>
<td>40,478</td>
<td>122,259</td>
<td>144,230</td>
<td>306,966</td>
<td></td>
</tr>
<tr>
<td>The McIntire School of Commerce and related foundation</td>
<td>69,866</td>
<td></td>
<td>21,236</td>
<td>450</td>
<td>91,553</td>
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<tr>
<td>School of Engineering and related foundation</td>
<td>72,665</td>
<td>118</td>
<td>3,776</td>
<td>2,483</td>
<td>79,042</td>
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<tr>
<td>Graduate School of Arts and Sciences</td>
<td>45,035</td>
<td></td>
<td></td>
<td>45,035</td>
<td></td>
</tr>
<tr>
<td>University of Virginia's College at Wise and related foundation</td>
<td>33,763</td>
<td>1,130</td>
<td>1,980</td>
<td>5,910</td>
<td>42,783</td>
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<tr>
<td>School of Nursing</td>
<td>33,582</td>
<td></td>
<td>1,461</td>
<td>35,043</td>
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</tr>
<tr>
<td>Curry School of Education and related foundation</td>
<td>12,227</td>
<td>7,123</td>
<td></td>
<td>8,851</td>
<td>28,201</td>
</tr>
<tr>
<td>School of Architecture</td>
<td>15,365</td>
<td></td>
<td>395</td>
<td>33</td>
<td>15,793</td>
</tr>
<tr>
<td>School of Continuing and Professional Studies</td>
<td>71</td>
<td></td>
<td>48</td>
<td>119</td>
<td></td>
</tr>
<tr>
<td>Alumni Association*</td>
<td></td>
<td></td>
<td>251,261</td>
<td>13,620</td>
<td>264,881</td>
</tr>
<tr>
<td>University of Virginia Medical Center and related foundations</td>
<td>157,800</td>
<td>31,004</td>
<td></td>
<td>56,873 **</td>
<td>245,377</td>
</tr>
<tr>
<td>Centrally Managed University Scholarships</td>
<td>138,894</td>
<td></td>
<td></td>
<td>138,894</td>
<td></td>
</tr>
<tr>
<td>Athletics and related foundation</td>
<td>37,808</td>
<td>56,375</td>
<td>363</td>
<td>94,546</td>
<td></td>
</tr>
<tr>
<td>University of Virginia Foundation and related entities</td>
<td>64,470</td>
<td></td>
<td></td>
<td>506</td>
<td>64,975</td>
</tr>
<tr>
<td>Miller Center and related foundation</td>
<td>49,423</td>
<td>4,566</td>
<td></td>
<td>53,988</td>
<td></td>
</tr>
<tr>
<td>Alumni Board of Trustees</td>
<td>49,909</td>
<td></td>
<td>51</td>
<td>45,960</td>
<td></td>
</tr>
<tr>
<td>University Libraries</td>
<td>40,457</td>
<td></td>
<td>43</td>
<td>40,500</td>
<td></td>
</tr>
<tr>
<td>Provost</td>
<td>32,424</td>
<td></td>
<td></td>
<td>32,424</td>
<td></td>
</tr>
<tr>
<td>University - Unrestricted but designated</td>
<td>381,866</td>
<td></td>
<td></td>
<td>381,866</td>
<td></td>
</tr>
<tr>
<td>University - Unrestricted Quasi and True Endowment</td>
<td>178,458</td>
<td></td>
<td></td>
<td>178,458</td>
<td></td>
</tr>
<tr>
<td>University - Unrestricted Other</td>
<td>142,993</td>
<td></td>
<td></td>
<td>142,993</td>
<td></td>
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<tr>
<td>All Other</td>
<td>175,157</td>
<td>6,623</td>
<td></td>
<td>181,780</td>
<td></td>
</tr>
</tbody>
</table>

| Total                                                                        | **$2,793,228**             | **$609,850**                              | **$292,435**                              | **$260,621**                                                  | **$3,956,133** |

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

**SOURCE:** Financial Administration

**DATE:** February 15, 2007
SUMMER CONFERENCE RATES REPORT  
2007-2008

On June 16, 2001, the Board of Visitors approved the Signatory Authority Policy which delegates the "[e]stablishment of summer conference rates for housing facilities and for meals, overnight accommodation rates for the Birdwood Pavilion, and room rates for the International Center" to the "President, the Executive Vice President and Chief Operating Officer and the Vice President for Finance". Any approved transaction must be reported to the Board of Visitors at its next meeting following the action.

The rates below were approved by Yoke San Reynolds, Vice President and Chief Financial Officer, on February 5, 2007, and are hereby being reported to the Board of Visitors as required.

<table>
<thead>
<tr>
<th>SUMMER SESSION RATES</th>
<th>Actual 2006</th>
<th>Approved 2007</th>
<th>Proposed Jan-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cauthen/Woody</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per student, per night</td>
<td>$17.00</td>
<td>$18.25</td>
<td>$18.25</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GRADUATION HOUSING RATES</th>
<th>Actual 2006</th>
<th>Proposed Jan-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per person:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two night/one breakfast package cost</td>
<td>$74.00</td>
<td>$120.00</td>
</tr>
<tr>
<td>Three night/one breakfast package cost</td>
<td>$106.50</td>
<td>$120.00</td>
</tr>
</tbody>
</table>

Note: (1) third night offered at no extra cost

<table>
<thead>
<tr>
<th>CONFERENCE SERVICE PROGRAM FEES</th>
<th>Actual 2006</th>
<th>Proposed Jan-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESIDENT - PER PERSON, PER DAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adult Plus</td>
<td>$2.50</td>
<td>$0.00</td>
</tr>
<tr>
<td>Adult Standard</td>
<td>$2.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Student Plus</td>
<td>$1.50</td>
<td>$0.00</td>
</tr>
<tr>
<td>Student Standard</td>
<td>$1.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COMMUTER - PER PERSON, PER DAY</th>
<th>Actual 2006</th>
<th>Proposed Jan-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Plus</td>
<td>$5.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Adult Standard</td>
<td>$3.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Student Plus</td>
<td>$2.50</td>
<td>$0.00</td>
</tr>
<tr>
<td>Student Standard</td>
<td>$2.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Note: Program fee of $3.00 to be included in 2007 total rate
## SUMMER CONFERENCE RATES

**ECONOMY SERVICE** (Common areas cleaned only; no linens)

*Total rate for 2007 includes $3.00 program fee*

<table>
<thead>
<tr>
<th></th>
<th>Jan-07 Actual 2006</th>
<th>Percentage of Increase 2007</th>
<th>Proposed Jan-07 Total Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Apartments and Suites</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Air Conditioned</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bice/Copeley III &amp; IV/Faulkner/Lambeth</td>
<td>Per person, per night, double</td>
<td>$18.50</td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td>Per person, per night, single</td>
<td>$26.50</td>
<td>$30.00</td>
</tr>
<tr>
<td>Gooch/Dillard</td>
<td>Per person, per night, single</td>
<td>$18.50</td>
<td>$20.00</td>
</tr>
<tr>
<td>Lewis/Hoxton</td>
<td>Per person, per night, double</td>
<td>$18.50</td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td>Per person, per night, single</td>
<td>$26.50</td>
<td>$30.00</td>
</tr>
<tr>
<td>Alderman/McCormick GA Suites</td>
<td>Per suite, weekly rate (per day), single</td>
<td>$19.86</td>
<td>$21.00</td>
</tr>
<tr>
<td></td>
<td>Per suite, per night rate, single</td>
<td>$21.00</td>
<td>$24.00</td>
</tr>
<tr>
<td><strong>Non-Air Conditioned</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alderman</td>
<td>Per person, per night, double</td>
<td>$12.25</td>
<td>$14.00</td>
</tr>
<tr>
<td></td>
<td>Per person, per night, single</td>
<td>$18.50</td>
<td>$20.00</td>
</tr>
<tr>
<td><strong>Residence Halls</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Air Conditioned</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cauthen/Woody</td>
<td>Per person, per night, double</td>
<td>$18.00</td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td>Per person, per night, single</td>
<td>$24.50</td>
<td>$27.00</td>
</tr>
<tr>
<td>Hereford</td>
<td>Per person, per night</td>
<td>$18.25</td>
<td>$20.00</td>
</tr>
<tr>
<td><strong>Non-Air Conditioned</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Munford/Gwathmey/McCormick</td>
<td>Per person, per night, double</td>
<td>$12.25</td>
<td>$14.00</td>
</tr>
<tr>
<td></td>
<td>Per person, per night, single</td>
<td>$18.25</td>
<td>$20.00</td>
</tr>
<tr>
<td><strong>Language Houses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>French/German/Russian/Spanish/Shea House</td>
<td>Per person, per night, double</td>
<td>$17.50</td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td>Per person, per night, single</td>
<td>$23.50</td>
<td>$27.00</td>
</tr>
<tr>
<td><strong>Average Economy Service Increase</strong></td>
<td></td>
<td></td>
<td>10.86%</td>
</tr>
</tbody>
</table>
## SUMMER CONFERENCE RATES

PREMIUM SERVICE (all linens provided; six day housekeeping included)

*Total rate for 2007 includes $3.00 program fee*

<table>
<thead>
<tr>
<th></th>
<th>Actual 2006</th>
<th>Proposed Jan-07</th>
<th>Percentage of Increase</th>
<th>Total Rate Jan-07</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual 2006</td>
<td>Proposed Jan-07</td>
<td>Percentage of Increase</td>
<td>Total Rate Jan-07</td>
</tr>
<tr>
<td>Apartments and Suites</td>
<td></td>
<td>$3.00</td>
<td>11.11%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Bice/Copeley/Faulkner/Lambeth</td>
<td></td>
<td>$30.00</td>
<td>11.11%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Per person, per night, double</td>
<td>$27.00</td>
<td>$30.00</td>
<td>11.11%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Per person, per night, single</td>
<td>$38.50</td>
<td>$43.00</td>
<td>11.69%</td>
<td>$46.00</td>
</tr>
<tr>
<td>Brown College</td>
<td></td>
<td>$30.00</td>
<td>11.11%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Per person, per night, double</td>
<td>$27.00</td>
<td>$30.00</td>
<td>11.11%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Per person, per night, single</td>
<td>$41.00</td>
<td>$43.00</td>
<td>4.88%</td>
<td>$46.00</td>
</tr>
<tr>
<td>Gooch/Dillard</td>
<td></td>
<td>$33.00</td>
<td>1.54%</td>
<td>$36.00</td>
</tr>
<tr>
<td>Per person, per night</td>
<td>$32.50</td>
<td>$33.00</td>
<td>1.54%</td>
<td>$36.00</td>
</tr>
<tr>
<td>Lewis/Hoxton</td>
<td></td>
<td>$30.00</td>
<td>11.11%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Per person, per night, double</td>
<td>$27.00</td>
<td>$30.00</td>
<td>11.11%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Per person, per night, single</td>
<td>$38.50</td>
<td>$43.00</td>
<td>11.69%</td>
<td>$46.00</td>
</tr>
<tr>
<td>Residence Halls</td>
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<td>$33.00</td>
<td>11.11%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Air Conditioned</td>
<td></td>
<td>$30.00</td>
<td>11.11%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Cauthen/Woody</td>
<td></td>
<td>$30.00</td>
<td>15.38%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Per person, per night, double</td>
<td>$26.00</td>
<td>$30.00</td>
<td>15.38%</td>
<td>$33.00</td>
</tr>
<tr>
<td>Per person, per night, single</td>
<td>$37.50</td>
<td>$40.00</td>
<td>6.67%</td>
<td>$43.00</td>
</tr>
<tr>
<td>Hereford</td>
<td></td>
<td>$33.00</td>
<td>4.76%</td>
<td>$36.00</td>
</tr>
<tr>
<td>Per person, per night</td>
<td>$31.50</td>
<td>$33.00</td>
<td>4.76%</td>
<td>$36.00</td>
</tr>
<tr>
<td>Non-Air Conditioned</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lawn/Range</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per person, per night, single</td>
<td>$31.50</td>
<td>$33.00</td>
<td>4.76%</td>
<td>$36.00</td>
</tr>
</tbody>
</table>

**Average Premium Service Increase** 8.38%

**Average All Services Increase** 9.49%

SOURCE: Office of the VP and CFO

DATE: February 5, 2007