

**UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
EXTERNAL AFFAIRS COMMITTEE
APRIL 3, 2009**

EXTERNAL AFFAIRS COMMITTEE

Friday, April 3, 2009
9:00 - 9:45 a.m.
Board Room, The Rotunda

Committee Members:

A. Macdonald Caputo, Chair	The Hon. Lewis F. Payne
Daniel R. Abramson	Don R. Pippin
Adom Getachew	John O. Wynne
Robert D. Hardie	W. Heywood Fralin, Ex Officio
Glynn D. Key	Edmund W. Kitch, Consulting Member
Austin Ligon	John L. Nau, III, Consulting Member

AGENDA

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- I. REPORT ON UNIVERSITY-RELATED FOUNDATIONS (Mr. Caputo)
- Annual Report on Foundations' Compliance with Board Policy (Mr. Caputo to introduce Ms. Yoke San Reynolds; Ms. Reynolds to report) 1
- II. REPORTS BY THE SENIOR VICE PRESIDENT FOR DEVELOPMENT AND PUBLIC AFFAIRS (Mr. Caputo)
- Vice President's Remarks (Mr. Caputo to introduce Mr. Charly Fitzgerald, Ms. Alison Traub, Ms. Cindy Fredrick, and Mr. Tom Faulders; Mr. Fitzgerald, Ms. Traub, Ms. Fredrick, and Mr. Faulders to report) 7
 1. Philanthropic Cash Flow (Mr. Fitzgerald)
 2. Campaign Progress (Mr. Fitzgerald)
 3. Development Officer Activity (Ms. Traub)
 4. Office of Engagement and Alumni Association Outreach (Ms. Fredrick and Mr. Faulders)

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 3, 2009

COMMITTEE: External Affairs

AGENDA ITEM: I. University-Related Foundations

ACTION REQUIRED: None

BACKGROUND: The Board of Visitors approved the Policy on University-Related Foundations on October 9, 1992. The Policy applies to all foundations that are established and operated for the University's benefit and that use the University's name and resources. The Policy was designed to ensure efficiency and accountability of University foundations, as well as to maintain the foundations' independence and integrity. At its October 2000 meeting, the Board concurred with specific procedures to be followed in the administration of the Policy.

The responsibility for monitoring compliance with the Policy, as well as general administrative oversight of the University-Related Foundations, rests with the Vice President and Chief Financial Officer, who was given that authority by the President of the University, in accordance with the Policy.

DISCUSSION: During the year, each foundation submits to the Vice President and Chief Financial Officer certain reports specified in the Policy. The reports include, but are not limited to, minutes of board meetings, audited financial statements, approved operating budgets, amendments to by-laws, and tax returns. In addition, the executive director of each foundation is asked to submit an annual letter certifying that the foundation has complied with the Policy on University-Related Foundations.

Board of Visitors' representatives on the foundation boards are asked to provide the Board with annual reports on foundation activities. We have received the representatives' reports and they are available upon request. Attached is a list of current BOV representatives serving on University-Related foundation boards.

Information received from the foundations and from the Board representatives indicates that all foundations are in compliance with the Policy on University-Related Foundations. A matrix on the following pages shows the items received from each of the foundations.

On March 20th, the Vice President and Chief Financial Officer hosted the fifth annual foundation networking meeting. Representatives from each foundation were invited to attend this half-day session featuring presentations and discussions regarding the economic conditions of the University, Council on Foundations, internal controls, human resources best practices for foundations, tips for managing during tough economic times, underwater endowments, University services and resources available to foundations, and various administrative and policy matters.

COMPLIANCE WITH THE POLICY ON UNIVERSITY-RELATED FOUNDATIONS

Foundation Name	Annual Budget	Minutes of Meetings	Audited Financial Statements / Management Letter	Management Letter Response	Tax Returns (990)	Annual Certification Letter	BOV Representative Annual Report	Year Ended
Alumni Association	✓	✓	✓	N/A	✓	✓	✓	6/30/08
Alumni Board of Trustees	✓	✓	✓	N/A	✓	✓	✓	6/30/08
College Foundation, University of Virginia	✓	✓	✓	N/A	✓	✓	✓	6/30/08
University of Virginia's College at Wise Alumni Association	✓	✓	✓	N/A	✓	✓	✓	6/30/08
University of Virginia's College at Wise Foundation	✓	✓	✓	N/A	✓	✓	✓	6/30/08
Curry School of Education Foundation	✓	✓	✓	N/A	✓	✓	✓	6/30/08
Darden School Foundation	✓	✓	✓	✓	✓	✓	✓	6/30/08
Foundation of the State Arboretum at Blandy Experimental Farm	✓	✓	✓	✓	✓	✓	✓	6/30/08
HealthCare Partners, Inc.	✓	✓	✓	N/A	✓	✓	✓	6/30/08
Health Services Foundation	✓	✓	✓	N/A	✓	✓	✓	6/30/08
Jefferson Scholars Foundation	✓	✓	✓	N/A	✓	✓	✓	6/30/08
Law School Foundation and Law School Alumni Association	✓	✓	✓	N/A	✓	✓	✓	6/30/08
McIntire School of Commerce Foundation	✓	✓	✓	✓	✓	✓	✓	6/30/08
Medical School Foundation and Medical School Alumni Association	✓	✓	✓	✓	✓	✓	✓	6/30/08
Miller Center Foundation	✓	✓	✓	✓	✓	✓	✓	6/30/08
Osher Lifelong Learning Institute	✓	✓	✓	N/A	✓	✓	✓	6/30/08
Patent Foundation	✓	✓	✓	✓	✓	✓	✓	6/30/08
Rarebook School	✓	✓	✓	✓	✓	✓	✓	9/30/08

COMPLIANCE WITH THE POLICY ON UNIVERSITY-RELATED FOUNDATIONS, continued

Foundation Name	Annual Budget	Minutes of Meetings	Management Letter/Audited Financial Statements	Management Letter Response	Tax Returns (990)	Annual Certification Letter	BOV Representative Annual Report	Year Ended
School of Architecture Foundation	✓	✓	✓	✓	✓	✓	✓	6/30/08
University of Virginia Foundation and Subsidiaries	✓	✓	✓	✓	✓	✓	✓	6/30/08
University of Virginia Health Foundation	✓	✓	✓	✓	✓	✓	✓	6/30/08
University of Virginia Investment Management Company (UVIMCO)	✓	✓	✓	N/A	✓	✓	✓	6/30/08
Virginia Athletics Foundation	✓	✓	✓	N/A	✓	✓	✓	12/31/08
Virginia Engineering Foundation	✓	✓	✓	✓	✓	✓	✓	6/30/08
Virginia Tax Foundation, Inc.	✓	✓	✓	✓	✓	✓	✓	9/30/08

**University-Related Foundation Representatives
Appointed by the University of Virginia Board of Visitors
As of March 3, 2009**

<u>Foundation</u>	<u>Board of Visitors Representative</u>	<u>Term Ending</u>
Alumni Association of the University of Virginia	Glynn D. Key	12/31/12
Alumni Board of Trustees Of the University of Virginia Endowment Fund	J. Davis Hamlin	12/31/12
The College Foundation of The University of Virginia	Helen E. Dragas	12/31/12
The University of Virginia's College at Wise Alumni Association	Don R. Pippin	06/30/11
The University of Virginia's College at Wise Foundation	Don R. Pippin	06/30/11
Curry School of Education	The Hon. Lewis F. Payne	06/30/11
Darden School Foundation	Thomas F. Farrell, II	12/31/09
Foundation of the State Arboretum At Blandy Experimental Farm	Megan Raymond	12/31/10
Healthcare Partners, Inc.	E. Darracott Vaughan, Jr., M.D.	06/30/10
University of Virginia Health Services Foundation	E. Darracott Vaughan, Jr., M.D.	12/31/12
Jefferson Scholars Foundation	Thomas F. Farrell, II	05/31/11
Law School Alumni Association And Law School Foundation	Gordon F. Rainey, Jr.	12/31/12
McIntire School of Commerce	Thomas F. Farrell, II	06/30/11
Medical School Alumni Association and Medical School Foundation	Sam D. Graham, Jr., M.D.	05/31/09
Miller Center Foundation	W. Heywood Fralin	06/30/09
Osher Lifelong Learning Institute	Alexander G. Gilliam, Jr.	12/31/10
Patent Foundation	G. Slaughter Fitz-Hugh, Jr.	06/30/11
Rare Book School	Karin Wittenborg	12/31/09
School of Architecture Foundation	Susan Y. Dorsey	06/30/11

<u>Foundation</u>	<u>Board of Visitors Representative</u>	<u>Term Ending</u>
University of Virginia Foundation and Subsidiaries	G. Slaughter Fitz-Hugh, Jr.	06/30/11
University of Virginia Health Foundation	E. Darracott Vaughan, Jr., M.D.	06/30/11
University of Virginia Investment Corporation	A. Macdonald Caputo	12/31/11
Virginia Athletics Foundation	Daniel R. Abramson	12/31/11
Virginia Engineering Foundation	Ken Humphries	12/31/09
Virginia Tax Foundation	Joseph E. Gibson	12/31/12

UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 3, 2009

COMMITTEE: External Affairs

AGENDA ITEM: II. Vice President's Remarks

ACTION REQUIRED: None

DISCUSSION: Mr. Caputo will introduce Mr. Charly Fitzgerald, Senior Associate Vice President; Ms. Alison Traub, Assistant Vice President and Campaign Director; Ms. Cindy Fredrick, Assistant Vice President; and Mr. Tom Faulders, President and CEO of the Alumni Association.

Mr. Fitzgerald will report on cash flow and Campaign progress, Ms. Traub will give an update on development officer activity, and Ms. Fredrick and Mr. Faulders will report on current and new initiatives to engage and maintain the University's relationships with alumni, parents, and friends.

1. Mr. Fitzgerald will report on philanthropic cash flow to-date for FY-09, including comparative data for the past three fiscal years. Cash flow through February 28, 2009 was \$173 million, which reflects a decrease of 15.5% over FY-08, a decrease of 20.9% over FY-07, and a 7.7% increase over FY-06.

2. Mr. Fitzgerald will report on the Campaign progress to-date for FY-09, including future support. As of February 28, 2009, the Campaign stood at \$1.873 billion, including \$194 million in future support, which reflects 62.45% in Campaign achievement in 64.57% of Campaign time elapsed.

3. Ms. Traub will provide an overview of development officer activity for FY-09, including analysis of current contact goals.

4. Ms. Fredrick and Mr. Faulders will report on new alumni outreach strategies in light of the current economic environment, including expanded career services and networking efforts through UVaClubs events and on-line resources, pan-University efforts to update and promote career mentoring volunteer network, and faculty expert lectures on personal financing.