

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS  
MEETING OF THE  
FINANCE COMMITTEE  
APRIL 2, 2009**

FINANCE COMMITTEE

Thursday, April 2, 2009  
1:30 - 3:30 p.m.  
Board Room, The Rotunda

Committee Members:

John O. Wynne, Chair	Austin Ligon
A. Macdonald Caputo	Vincent J. Mastracco, Jr.
The Hon. Alan A. Diamonstein	Warren M. Thompson
Thomas F. Farrell, II	Daniel M. Meyers, Consulting Member
Glynn D. Key	W. Heywood Fralin, Ex-officio

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UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: I.A. 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 amended periodically 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 2014).
- In 2007, the Board extended enrollment projections to 2013-2014, in keeping with the plan to increase enrollments by 1,500 new students - 1,100 undergraduates and 400 graduate students - by 2014.

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 2015-2016 enrollment projections increase undergraduate enrollment from today's 13,975 students to 14,535 students in 2015-2016, an increase of about 560 students. Graduate enrollment is projected to increase from 4,986 to 5,222 in the same period, an increase of about 254 students. Combined with three fewer first professional students and a decrease of 46 Continuing and Professional Studies students, the proposal results in a total on-Grounds enrollment of 21,804 in 2015-2016, an increase of 765 students over the next seven years. This rate of growth is consistent with the University's 2008-2014 Six Year Plan and its commitment to accommodate 1,500 new students by 2015, and includes an additional 100 Executive MBA Students in the Darden Graduate School of Business.

By April 1, the University submitted for SCHEV's consideration the proposed enrollment projections through 2015-2016. The Executive Vice President and Chief Operating Officer and the Executive Vice President and 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

APPROVAL OF REVISED ENROLLMENT PROJECTIONS - THROUGH 2015-2016

WHEREAS, the University's existing enrollment plan, approved by the Board of Visitors in April 2007, 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 for enrollment growth - to grow by 1,100 undergraduate students and 400 graduate students over the next decade; and

WHEREAS, since the Board of Visitors' 2005 action on enrollment growth, the Darden Graduate School of Business was authorized to establish an Executive MBA program; 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 2009-2010 through 2015-2016 were submitted to the State Council of Higher Education in Virginia by April 1, 2009;

RESOLVED, 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 the original 1,500 students authorized by the Board of Visitors in 2005, together with an additional 100 Executive MBA Students in the Darden Graduate School of Business; 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

	1989 Actual	1990 Actual	1991 Actual	1992 Actual	1993 Actual	1994 Actual	1995 Actual	1996 Actual	1997 Actual	1998 Actual	1999 Actual	2000 Actual	2001 Actual	2002 Actual
Total Undergraduate	11,199	11,304	11,306	11,371	11,392	11,502	11,949	12,040	12,296	12,440	12,463	12,489	12,595	12,748
1st-Year	2,574	2,568	2,539	2,802	2,675	2,761	2,876	2,827	2,908	2,907	2,924	2,927	2,980	2,999
New Transfers (full-time)	505	539	486	469	454	479	577	558	535	577	540	494	541	508
Graduate	4,551	4,665	4,615	4,565	4,633	4,505	4,403	4,220	4,155	4,110	3,998	4,160	4,301	4,459
1st-Professional	1,694	1,693	1,685	1,668	1,683	1,697	1,703	1,699	1,680	1,652	1,645	1,607	1,608	1,608
Cont & Prof Studies	466	475	400	412	365	307	343	320	286	261	240	294	344	382
<b>On Grounds Total</b>	<b>17,910</b>	<b>18,137</b>	<b>18,006</b>	<b>18,016</b>	<b>18,073</b>	<b>18,011</b>	<b>18,398</b>	<b>18,279</b>	<b>18,417</b>	<b>18,463</b>	<b>18,346</b>	<b>18,550</b>	<b>18,848</b>	<b>19,197</b>
Off-Grounds	2,969	2,973	3,335	3,519	3,321	3,410	3,330	3,209	3,525	3,636	4,087	3,861	3,891	3,947

	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Projected		2009 Projected	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected	2015 Projected
Total Undergraduate	13,110	13,362	13,643	13,561	13,842	13,638	13,975	14,060	14,160	14,235	14,310	14,410	14,510	14,535
1st-Year	3,101	3,096	3,112	3,091	3,248	3,170	3,256	3,240	3,240	3,310	3,310	3,350	3,350	3,350
New Transfers (full-time)	493	529	532	503	552	520	534	540	540	540	540	540	540	540
Graduate	4,738	4,735	4,785	4,866	4,934	4,914	4,986	4,972	5,022	5,072	5,122	5,172	5,222	5,222
1st-Professional	1,631	1,650	1,694	1,699	1,724	1,650	1,725	1,650	1,656	1,668	1,686	1,704	1,716	1,722
BIS Program (in Ch-ville)	76	88	108	113	111	116	116	121	125	130	135	135	135	135
Other Cont & Prof Studies	88	183	169	158	223	264	255	178	185	190	190	190	190	190
<b>On Grounds Total</b>	<b>19,643</b>	<b>20,018</b>	<b>20,399</b>	<b>20,397</b>	<b>20,834</b>	<b>20,582</b>	<b>21,057</b>	<b>20,981</b>	<b>21,148</b>	<b>21,295</b>	<b>21,443</b>	<b>21,611</b>	<b>21,773</b>	<b>21,804</b>
Off-Grounds	3,434	3,323	3,366	3,671	3,423	3,700	3,484	3,660	3,690	3,730	3,760	3,790	3,830	3,830

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

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: I.B. Issuance of General Revenue Pledge  
Bonds

BACKGROUND: For over three decades, the University has issued long-term fixed rate bonds to provide external financing for its capital projects. In 2002, the University developed a debt portfolio management program to manage debt strategically by optimizing debt structure and providing stability to internal borrowing units. As a feature of this new program, in 2003, the University launched a commercial paper program to provide interim financing and flexibility in the timing of long-term debt issuance.

DISCUSSION: The University is planning to issue long-term bonds in the fourth quarter of FY 2009 ("Series 2009 Bonds") to refund outstanding commercial paper, provide for future project expenditures, and potentially refund certain other University bonds.

The long-term bonds will be issued for projects previously approved by the Board of Visitors for construction and financing. The total issuance amount will not exceed \$300 million. Of this total, up to \$20 million may be used to refund all or a portion of currently outstanding University bonds including capitalized interest, and costs of issuance.

The table below shows for the Series 2009 Bonds each project's Board of Visitors authorization for debt, prior debt funding, and anticipated debt funding under the Series 2009 Bonds.

Project	Board of Visitors Authorization for Debt	Long Term Debt Issued to Date for Project	Series 2009 Bonds to be Issued*
AFC Chiller Plant Expansion	\$8,250,000		\$6,038,858
ART Life Sciences Annex (ART-LiSA)	\$35,100,000		\$29,693,461
Claude Moore Medical Education Building	\$10,300,000		\$8,337,348
Clinical Cancer Center, Part 2 (Emily Couric Cancer Center)	\$40,300,000		\$12,331,609
College of Arts and Sciences Research Building	\$88,900,000		\$46,914,718
Fontaine Clinics Building (Includes 3 <sup>rd</sup> Floor Build Out)	\$21,325,000	\$13,227,562	\$5,974,084
Hospital Bed Expansion	\$87,700,000		\$30,789,552
Hospital Expansion	\$95,200,000	\$76,432,345	\$6,369,805
Hospital Bed Remodeling Project - 0 Level/ Inpatient Dialysis Suite Relocation	\$2,054,093		\$410,184
Hospital Bed Remodeling Project - 0 Level/ Inpatient Pharmacy	\$3,326,500		\$417,176
Hospital Bed Remodeling Project - Clinical Eng. Relocation	\$3,702,000		\$427,602
Hospital Bed Remodeling Project - On Call Suite Consolidation	\$2,455,617		\$435,158
Hospital Bed Remodeling Project - Univ. Hospital 8C GCRC Relocation	\$1,184,000		\$444,081

Project	Board of Visitors Authorization for Debt	Long Term Debt Issued to Date for Project	Series 2009 Bonds to be Issued*
Hospital Bed Remodeling Project - Univ. Hospital 8W 9-Bed Acuity Adaptable Unit Renovation	\$2,600,000		\$566,681
Information Tech. Engineering (ITE) Building	\$19,600,000		\$10,116,739
Newcomb Hall Repair and Renovation	\$13,700,000		\$2,211,239
North Ridge Development Project	\$3,230,000		\$2,639,627
Renovate Garrett Hall (Batten School)	\$11,000,000		\$6,701,220
Snyder Translational Research Building	\$45,400,000		\$42,609,264
Rugby Administrative Building	\$17,200,000		\$7,248,292
University Hospital Intraoperative OR's (27 & 28) and MRI Room/Level 2	\$14,200,000		\$11,604,552
University Hospital Invasive Heart Center Procedural Suite/Level 2	\$14,500,000		\$11,931,273
University Hospital Surgical Pathology Renovation/Relocations/Simulation Center/Level	\$6,500,000		\$3,160,606
West Main Street Streetscape and Utility Infrastructure Improvements	\$3,300,000		\$2,615,110
Wise - Culbertson Hall (Residence Hall II)	\$7,185,000	\$6,937,554	\$11,761
<b>TOTAL</b>			<b>\$250,000,000</b>

\* Includes commercial paper issued as interim financing for project.

The Series 2009 Bonds will be secured by a general revenue pledge of the University and will not in any way be a debt of the Commonwealth of Virginia, nor shall they create or constitute any indebtedness or obligation of the Commonwealth.

Under the University's debt policy, the Board of Visitors authorizes the Vice President and Chief Financial Officer of the University, along with the Chair of the Finance Committee, to approve the structure and pricing of long-term bonds. The Series 2009 Bonds will be established within the parameters listed below:

- The maximum aggregate principal (par) amount shall not exceed \$300 million.
- The maximum true interest cost of (1) tax-exempt fixed-rate bonds will not exceed "6" percent per annum and (2) taxable fixed-rate bonds will not exceed "8" percent per annum.
- The maximum initial true interest costs of variable-rate obligations will not exceed five percent per annum.
- The final maturity of the bonds will not exceed 40 years from the date of issue.
- Call protection will not exceed 10.5 years.
- Optional redemption premiums will not exceed two percent.
- Fees paid to underwriters, financial advisors, and other related service providers, on negotiated and competitive transactions shall be in accordance with the contracts established and applicable to the transactions.

The Board of Visitors has previously approved the projects listed above and passed an intent to issue debt resolution for each project. Under these prior resolutions, adopted in order to conform to Federal tax regulations, the University declared its intent to issue bonds.

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

APPROVAL OF THE ISSUANCE OF GENERAL REVENUE PLEDGE BONDS FOR CAPITAL PROJECTS AND DEBT REFUNDING

WHEREAS, Chapter 9, Title 23 of the Code of Virginia of 1950, as amended (the "Virginia Code"), establishes a public corporation under the name and style of The Rector and Visitors of the University of Virginia (the "University") which is governed by a Board of Visitors (the "Board"); and

WHEREAS, Title 23 of the Virginia Code classifies the University as an educational institution of the Commonwealth of Virginia; and

WHEREAS, by Chapter 4.10, Title 23 of the Virginia Code (the "Act"), the University entered into a management agreement with the Commonwealth of Virginia which was enacted as Chapter 3 of Chapter 933 of the 2006 Virginia Acts of Assembly, pursuant to which the University is classified as a public institution of higher education and the University is empowered with the authority to undertake and implement the acquisition of any interest in land, including improvements on the acquired land at the time of acquisition, new construction, improvements or renovations and to borrow money and make, issue and sell bonds of the University for such purposes, including the refinancing of any such facilities; and

WHEREAS, the Act further authorizes the University to provide for the payment of the principal of and the interest on any bonds from any one or more of the following sources: (i) its revenues generally; (ii) income and revenues derived from the operation, sale, or lease of a particular project or projects, whether or not they are financed or refinanced from the proceeds of such bonds, notes, or other obligations; (iii) funds realized from the enforcement of security interests or other liens or obligations securing such bonds, notes, or other obligations; (iv) proceeds from the sale of bonds, notes, or other obligations; (v) payments under letters of credit, policies of municipal bond insurance, guarantees, or other credit enhancements; (vi) any reserve or sinking funds created to secure such payment; (vii) accounts receivable of the University; or (viii) other available funds of the University; and

WHEREAS, the Board has previously approved resolutions declaring an intent to issue bonds and has authorized the issuance of debt funding for the costs associated with projects described in the following Exhibit (the "Projects"); and

WHEREAS, a portion of the Projects has been financed on a short-term basis through issuance of the University's commercial paper (the "Commercial Paper Program"); and

WHEREAS, the Board desires to provide for the refunding of all or a portion of its outstanding bonds, including without limitation the bonds described in the following Exhibit (the "Outstanding Bonds"); and

WHEREAS, the Board desires to authorize the issuance of bonds in one or more series for financing or refinancing of all or a portion of the costs associated with the Projects, for the refunding of all or a portion of the outstanding principal amount of the Commercial Paper Program and for the refunding of all or a portion of the University's Outstanding Bonds, desires such bonds to be issued bearing interest at either tax-exempt or taxable rates including without limitation all or a portion as "Build America Bonds" or similar program provided for in the American Recovery and Reinvestment Act of 2009, and desires to authorize certain officers of the University to approve the final forms and details of the bonds, as set forth below; and

WHEREAS, the Board anticipates that the bonds will be secured by a general revenue pledge of the University and not be in any way a debt of the Commonwealth of Virginia (the "Commonwealth") and shall not create or constitute any indebtedness or obligation of the Commonwealth, either legal, moral, or otherwise; and

RESOLVED that the Board hereby implements the plan of finance described in the Recitals by authorizing the issuance of one or more series of bonds for the purpose of financing or refinancing any or all of the costs associated with the Projects, including without limitation, capitalized interest, financing costs and working capital related thereto consistent with the University's debt policy, and for the purpose of refunding all or a portion of the outstanding principal amount of the Commercial Paper Program and the Outstanding Bonds, and providing for the terms thereof by adopting one or more bond resolutions (collectively, the "Bond Resolution") in substantially the form attached as Appendix A with such amendments, revisions and final terms as provided herein and in Section 11.7 thereof; and

RESOLVED FURTHER that as described in Section 11.7 of the Bond Resolution, the Vice President and Chief Financial Officer of the University, with the Chair of the Board's Finance Committee, is authorized to approve the final terms of each series of bonds, including, without limitation, their original principal amounts and series, the specific Projects to be financed or refinanced, the specific refundings to be undertaken, their maturity dates and amounts, redemption provisions, make-whole provisions, prices, interest rates and interest provisions, and any elections under the federal tax code, provided that (i) the maximum aggregate principal amount of all bonds to be issued hereunder shall not exceed

\$300,000,000; (ii) the maximum true interest cost of any series bearing interest at a tax-exempt fixed rate shall not exceed six percent (6%) per annum; (iii) the maximum true interest cost of any series bearing interest at a taxable fixed rate shall not exceed seven percent (7%) per annum; (iv) the final maturity of all bonds shall not exceed 40 years beyond issuance date; (v) call protection on any tax-exempt bonds shall not exceed ten and one-half (10½) years; and (vi) no optional redemption premium on any tax-exempt bonds shall exceed two percent (2%); and

RESOLVED FURTHER that as described in Section 11.7 of the Bond Resolution (Appendix A), the Executive Vice President and Chief Operating Officer of the University shall be authorized to negotiate, execute and deliver certain documents related to the Bonds; and

RESOLVED FURTHER, that all officers of the University are authorized and directed to take all such further actions, including without limitation the designation of underwriters, paying agents, remarketing agents, trustees, and liquidity providers for the bonds, and to execute all such instruments, agreements, documents, and certificates as they shall deem necessary or desirable to carry out the terms of the financing plans presented to this meeting, including without limitation any liquidity facilities, swap or other interest rate management agreements associated with the bonds; and

RESOLVED FURTHER, pursuant to the Section 147(f) of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder, the University designates the Vice President and Chief Financial Officer of the University as the public hearing officer to hold any public hearings required in order to ensure the tax-exempt status of interest on all or any portion of the bonds; and

RESOLVED FURTHER that all acts of all officers of the University which are in conformity with the purposes and intent of this Resolution and in carrying out the financing plans presented to this meeting are ratified, approved and affirmed; and

RESOLVED FURTHER that, upon approval, this action shall take effect immediately.

CAPITAL IMPROVEMENT PROJECTS  
CONSIDERED FOR FINANCING

AFC Chiller Plant Expansion  
ART Life Sciences Annex (ART-LiSA)  
Claude Moore Medical Education Building  
Clinical Cancer Center, Part 2 (Emily Couric Cancer Center)  
College of Arts and Sciences Research Building  
Fontaine Clinics Building (Includes 3<sup>rd</sup> Floor Build Out)  
Hospital Bed Expansion  
Hospital Expansion  
Hospital Bed Remodeling Project - 0 Level/Inpatient Dialysis  
Suite Relocation  
Hospital Bed Remodeling Project - 0 Level/Inpatient Pharmacy  
Hospital Bed Remodeling Project - Clinical Engineering  
Relocation  
Hospital Bed Remodeling Project - On Call Suite Consolidation  
Hospital Bed Remodeling Project - University Hospital 8C GCRC  
Relocation  
Hospital Bed Remodeling Project - University Hospital 8W 9 Bed  
Acuity Adaptable Unit Renovation  
Information Technology Engineering (ITE) Building  
Newcomb Hall Repair and Renovation  
North Ridge Development Project  
Renovate Garrett Hall for the Batten School  
Rugby Administrative Building  
Snyder Translational Research Building  
University Hospital Intraoperative ORs (27&28) and MRI Room/  
Level 2  
University Hospital Invasive Heart Center Procedural Suite/Level  
2  
University Hospital Surgical Pathology Renovation/Relocations/  
Simulation Center/Level  
West Main Street Streetscape and Utility Infrastructure  
Improvements  
Wise - Culbertson Hall (Residence Hall II)

OUTSTANDING BONDS CONSIDERED FOR REFUNDING

The Rector and Visitors of the University of Virginia  
General Revenue Pledge Bonds, Series 1999A, Series 2003, Series  
2005 and Series 2008.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: II.A. Debt Capacity and Debt Planning

ACTION REQUIRED: None

BACKGROUND: In 2002, the University launched a debt portfolio management program to provide external financing for its capital projects. This was accomplished with the assistance of third-party financial advisors, investment bankers, and bond counsel. Long-term bonds were issued in connection with this program in March 2003, July 2005, and May 2008.

As a feature of the new debt approach, a commercial paper program was implemented also in 2003 to provide for interim capital financing needs. In April 2008, the Board of Visitors approved expanding the University's commercial paper program to \$300 million.

In April 2006, the Board of Visitors approved the University's Debt and Interest Rate Risk Management Policies. The debt policy formalized the debt management principles and process practiced since 2003.

At the February 2008 meeting the Vice President and Chief Financial Officer gave a report to the Board of Visitors on the University's debt portfolio management program, including the program's five objectives, strategies to achieve the objectives, metrics to evaluate success, results of the program to date, and peer comparisons. The Board of Visitors discussed debt planning, debt capacity, and the oversight and monitoring process that is in place. A variety of oversight and monitoring mechanisms exist, such as the Board of Visitors-approved policies, an annual debt report to the Finance Committee, the President's critical functions report, and rating agency reviews.

DISCUSSION: The Vice President and Chief Financial Officer will report on the impact of recent economic conditions on the debt portfolio program, debt planning and debt capacity.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: II.B. Spending Policy Report

ACTION REQUIRED: None

BACKGROUND: At its June 2008 meeting, the Board of Visitors reset the fiscal year 2008-2009 spending rate to five percent of the June 30, 2008 market value. The Board of Visitors also passed a resolution to change the parameters of the spending policy. This policy, which became effective July 1, 2008, calls for "a percentage increase in the annual distribution from the endowment, unless such increase causes the distribution to fall outside a range defined as four percent on the low end and six 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 2009. Further, 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."

For a period of three years prior to July 2008 the spending policy called 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."

DISCUSSION: At the April meeting we will review the impact of recent economic conditions on the endowment and offer options for setting the fiscal year 2009-2010 distribution from the endowment. At a future meeting the University will determine a course of action.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: II.C. Executive Vice President and Chief  
Operating Officer's Remarks

ACTION REQUIRED: None

The Executive Vice President and Chief Operating Officer will inform the Board of Visitors of other recent events that do not require formal action, but of which it should be made aware.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: II.D. Defined Contribution Retirement  
Program Annual Report

ACTION REQUIRED: None

BACKGROUND: The University is the plan sponsor of a number of defined contribution retirement plans, including the Defined Contribution Retirement Plan for the General Faculty and Executive, Managerial and Professional University Staff of the University of Virginia, and the Defined Contribution Retirement Plan for Employees of the University of Virginia Medical Center.

At its June 7, 2007 meeting, the Finance Committee of the Board of Visitors approved a revised Retirement Program Policy. The revised policy established the role of the Finance Committee of the Board of Visitors to provide oversight of the retirement plans and to report annually to the Board. The policy also clarified the role of the University's Retirement Administrative Committee (RAC) to establish procedures and review investment performance of the various funds offered. The RAC is chaired by Yoke San Reynolds, Vice President and Chief Financial Officer of the University. The RAC also established an Investment Subcommittee, chaired by Chris Brightman, the CEO of UVIMCO. Susan Carkeek, Vice President and Chief Human Resource Officer, is the retirement program administrator.

At its April 11, 2008 meeting, the Finance Committee of the Board of Visitors approved new Investment Procedures, creating a menu of investment options for plan participants that includes a full range of funds, regardless of which vendor a participant elects. The new Investment Procedures also changed the role of CAPTRUST (a third party engaged to provide analysis of investment performance of the funds) from consultant to advisor thus shifting fund selection and monitoring responsibility to CAPTRUST.

Mr. Wynne, as Finance Committee Chair, works with the University's Retirement Administrative Committee to oversee the retirement program and report back to the Finance Committee on an annual basis.

DISCUSSION: On March 16th, Mr. Wynne and Mr. Mastracco met with the Executive Vice President and Chief Operating Officer and representatives of the Retirement Administrative Committee to review the Plan's new fund lineup and to discuss annual performance of the Plan. Minutes of that meeting are attached as Appendix B.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: II.E. Endowment Report - Market Value and Performance as of February 28, 2009

ACTION REQUIRED: None

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.

DISCUSSION: The Year-End December 2008 Report, which was provided to members of the Board of Visitors at its February 5, 2009 meeting, is included below. The February 28, 2009 Flash Report follows.

Year-End December 2008 Report

*Investment Position*

Both theory and experience teach us that equity and equity-like strategies provide the highest long-term investment returns. Therefore, we target about 60 percent of the Pool to active equity strategies, (public, long/short, and private), ten percent to real estate, 20 percent to other risky asset strategies, (resources, absolute return, and credit), and only ten percent to government bonds.

At December 31, 2008, we held \$600 million or 16 percent of the Pool in cash and government bonds, materially more than normal. We implemented this defensive position to provide more stable liquidity to meet future obligations during this time of heightened market uncertainty.

We have \$1.6 billion in commitments to make new investments in private funds as the managers of those funds make capital calls over the next three to five years. We have received detailed investment plans from these managers. Over the next two years, we will invest approximately \$600 million more into

private funds than we receive back in distributions. Beginning in 2011 and thereafter, we expect to receive distributions from private funds in excess of capital calls.

### *Performance*

To benchmark our performance, we compare our June fiscal year-end returns to our policy portfolio and to peers. We use fiscal year returns because those are the only periods for which we receive complete and comparable information about peer institutions. We report these comparisons in our calendar year-end report because we receive fiscal year-end peer information in November. As displayed on the table below, our returns for the periods ending June 30, 2008, compare favorably with our policy portfolio, the broad TUCS universe of institutional investors, and other colleges and universities with endowments of greater than \$1 billion.

#### **UVIMCO Performance Compared to Peers**

<i>Periods Ending June 30, 2008</i>	<i>1-Year</i>	<i>3-Years</i>	<i>5-Years</i>	<i>10-Years</i>	<i>20-Years</i>
<b>UVIMCO Long-Term Pool</b>	<b>5.9</b>	<b>15.0</b>	<b>14.4</b>	<b>14.0</b>	<b>13.8</b>
Policy Benchmark*	(5.3)	8.4	11.0	5.8	8.2
TUCS All Master Trust Median**	(4.4)	6.4	8.5	5.7	9.7
Cambridge C&U Endowments >\$1B***	0.4	11.6	13.3	9.0	11.7

\* Passive allocations of 60% global equity, 10% real estate, and 30% fixed income (credit & government) indices rebalanced monthly.

\*\* Trust Universe Comparison Service (TUCS) reports performance of 1300 institutions representing \$3 trillion in assets.

\*\*\* Cambridge Associates reports performance for 56 colleges and universities each with more than \$1 billion in assets.

### *Public Equity*

Our public equity portfolio declined by 50 percent over the course of calendar year 2008. Equities of all character, capitalization, and geography were decimated in unison. The benchmark MSCI All Country World Index declined by 42 percent, while the S&P 500 declined by 37 percent, and the MSCI Emerging Markets Index receded by more than 53 percent. Over the past ten years, a far more appropriate period over which to evaluate equity investment performance, our public equity portfolio compounded at an annualized rate of 5.4 percent compared to 0.2 percent for the MSCI All Country World Index.

The same factors that explain our long-term outperformance can largely be blamed for our more recent shortcomings. These facets of our investment approach include a willingness to invest in the emerging markets where we often encounter greater valuation inefficiencies, to accept illiquidity and a longer

holding period when we expect to be appropriately compensated, and to concentrate capital into our most attractive opportunities.

### *Long/Short Equity*

Our long/short portfolio lost 19 percent for the calendar year, less than half the 42 percent loss of the world equity market. In last year's year-end commentary we wrote, "January seems to indicate that global markets may be broadly challenged, in which case investors may use less discrimination in valuing the relative worth of individual companies. When markets buy and sell indiscriminately, our long/short managers have a more difficult time adding value." The investment environment that existed in 2008 was a predictably difficult one for our long/short managers. Changes in short-selling rules and a global financial system in flux created significant additional challenges. Over the past decade, our long/short portfolio provided a 12 percent average annual compound return, versus a zero percent return on global equities. While this 12 percent return is in line with our long-term absolute return expectations for the strategy, 12 percent outperformance relative to the public equity market will not likely be repeated over the next decade.

### *Private Equity*

We have written down the value of our private equity funds to account for the decline in comparable public equities. Consequently, our 36 percent loss for the year is far greater than that reported by our managers. This valuation gap will narrow when we receive audited year-end valuations this spring. Even after our internal mark to market, our private equity portfolio has outpaced public market returns. Over the past decade, our private equity portfolio provided a 20 percent average annual compound return, versus a zero percent return on global equities. We have been well-compensated for the illiquidity of our private equity investments.

While the buyout industry as a whole has dramatically slowed its pace of investment, many of our small and mid-market managers, whose strategies rely less on leverage and more on operational improvements, have only moderately slowed their pace of investment. We expect our private managers to thrive in the current period of financial distress.

## *Real Estate*

The value of our real estate portfolio fell by 30 percent during 2008. This decline included steep depreciation of our small position in publicly traded real estate securities, write-downs by our private real estate managers in the third quarter, and write-downs by us during the most recent quarter. Our present private real estate portfolio, valued at less than \$200 million, is small compared to the \$550 million of remaining uncalled capital that we have committed to invest into the current cycle. Accordingly, returns for recent funds are depressed due to the time lag between commitment and investment during which we often pay fees on the full amount of committed capital.

Our real estate managers remain patient and selective. While the climate for new acquisitions has improved as prices have fallen, we have seen few transactions because of wide bid/ask spreads, a paucity of reasonably-priced financing, and uncertainty regarding the macroeconomic picture and property-specific fundamentals.

## *Resources*

Our resources portfolio declined by three percent in 2008, far less than the declines in commodity indices. The Goldman Sachs Commodity Index was down 46 percent. Our managers tend to be conservative in their underwriting and do not rely on inflated commodity prices to justify acquisition activity. They also commonly hedge near-term price exposure, leaving their companies relatively insulated from commodity prices. As a result, we have had smaller write-downs in our resources portfolio compared to other asset classes. In the current low commodity price and tight credit environment, our managers are finding attractive opportunities to buy assets from distressed sellers. Public companies and hedge funds, which compete with our private managers in the natural resource space, are turning from aggressive buyers to distressed sellers as their liquidity positions deteriorate.

## *Absolute Return*

Our eclectic mix of absolute return managers fared respectably during the tumultuous year, down 12 percent compared with a 30 percent decline for our policy portfolio. Our global macro managers suffered significant losses due to the liquidity-driven price declines that touched all assets. One of our

managers focused on mispriced fixed income securities was able to generate profits. Our absolute return portfolio has performed well over longer time periods. The three year return remains positive, and the ten year return of six percent comfortably exceeds the two percent ten year return of our policy portfolio benchmark.

Our absolute return portfolio is primarily comprised of fundamental, research-oriented managers able to dynamically allocate across geographies, asset classes, and capital structures. We generally avoid managers who employ high leverage to profit from thin valuation spreads. We expect that our absolute return managers' broad scope, dynamic allocation, and low leverage place them in an enviable position in today's volatile and inefficient market environment.

### *Credit*

Our credit portfolio was down 31 percent for the year. The negative 26 percent return for the Barclay's High Yield Index eclipsed the previous worst return in 1990 of negative six percent. Credit losses were broad-based as non-agency guaranteed mortgage securities plummeted along with corporate credit. Twenty-five banks failed in 2008, compared to only three in 2007 and none in 2006 or 2005. Already, three more have failed in January of 2009. Note that this count of bank failures does not include the big banks merged into others or saved by the government including Bear Stearns, Merrill Lynch, Wachovia, Bank of America, and Citibank.

Our current portfolio, a mixture of corporate, asset backed, and unique private opportunities, has significant long-term value. Public securities prices are depressed by liquidity-driven selling pressure, and we have written down the value of private funds accordingly. Our credit managers took advantage of the opportunities presented in 2008 by investing \$180 million of our capital, and we have another \$100 million committed to opportunistically invest in credit markets during 2009 and beyond.

### *Bonds and Cash*

In 2008, our government bond portfolio returned seven percent as declining interest rates pushed up bond prices, thereby causing reported returns to exceed interest received. Over longer term periods bond returns will equal initial interest rates, which have now fallen to zero percent for

treasury bills and three percent for longer bonds. Today, we own nearly \$500 million in Treasury Inflation Protected Securities (TIPS), which offer insurance against a long-term increase in inflation at almost no cost versus traditional U.S. Treasury Bonds, which do not provide this protection.

Our cash return for 2008 was 21 percent. This unusually high return resulted from a successful macro currency hedge. As explained in earlier reports, we held a large short Euro/long Yen currency forward to hedge against global deleveraging that would inevitably cause the elimination of the so called "carry trade" of borrowing in low yielding currencies, including the Yen. We closed this currency forward at a considerable gain, and the resulting cash inflow boosted our reported cash return for the year. As of this writing we hold about \$100 million in U.S. Treasury Bills.



**UNIVERSITY of VIRGINIA**  
Investment Management Company  
**Investment Report**  
December 31, 2008

**Investment Activity**

	Month	FY to Date 2009 <sup>(1)</sup>
Beginning Investment	\$3,913,634,732.71	\$5,100,524,382.81
Beginning Shares	1,030,183.94	\$1,006,086.28
NAV <sup>(2)</sup> Per Share at Beginning of Period	\$3,798.97	\$5,069.67
+ Contributions	\$21,840,066.29	\$174,309,695.10
- Redemptions	(\$21,817,399.59)	(\$44,674,038.71)
+ Investment Return	(\$30,539,847.99)	(\$1,339,511,405.08)
- UVMCO Fees	(\$587,045.21)	(\$8,118,127.91)
Ending Investment	\$3,882,530,506.21	\$3,882,530,506.21
Ending Shares	1,030,034.21	\$1,030,034.21
NAV <sup>(2)</sup> Per Share at End of Period	\$3,769.32	\$3,769.32

**Shareholder Summary**

	Long-Term Pool	% of LTP
University of Virginia Endowment	\$2,401,126,725.61	61.8%
Affiliated Organizations	\$848,497,100.57	21.9%
University Operating Funds	\$632,906,680.03	16.3%
Total	\$3,882,530,506.21	100.0%

**Performance**

	Market Value <sup>(3)</sup>		Time-Weighted Returns			Annualized			
	\$ Millions	%	MO	FYTD	1 YR	3 YR	5 YR	10 YR	20 YR
Public Equity	573	14.8	2.4	(41.6)	(50.0)	(6.2)	4.3	5.4	10.4
Long / Short Equity	1,042	26.8	(1.8)	(19.4)	(18.6)	6.2	8.9	12.4	--
Private Equity	650	16.8	(5.3)	(41.5)	(36.4)	0.2	5.0	20.0	18.2
Real Estate	228	5.9	5.0	(23.5)	(29.7)	(6.8)	7.6	3.4	--
Resources	204	5.2	16.9	(20.7)	(3.2)	12.2	25.1	20.2	--
Absolute Return	292	7.5	(1.1)	(12.9)	(11.9)	1.3	3.2	6.4	--
Credit	278	7.2	(10.4)	(24.1)	(31.0)	(6.4)	(1.1)	4.2	--
Government Bonds	268	6.9	3.1	9.8	6.8	7.8	6.5	7.6	8.5
Cash & Currency <sup>(4)</sup>	348	9.0	0.3	27.5	21.0	10.6	--	--	--
Short-Term Borrowing <sup>(5)</sup>	(1)	(0.0)	0.0	0.8	2.0	--	--	--	--
<b>Total Pool</b>	<b>3,883</b>	<b>100.0</b>	<b>(0.8)</b>	<b>(25.6)</b>	<b>(27.4)</b>	<b>1.2</b>	<b>6.2</b>	<b>10.5</b>	<b>12.0</b>
MSCI All Country World Equity <sup>(6)</sup>		60.0	3.7	(35.1)	(41.8)	(7.4)	0.4	0.2	5.4
MSCI Real Estate <sup>(7)</sup>		10.0	12.8	(38.0)	(45.1)	(11.7)	0.7	2.3	4.5
Barclays Aggregate Bond <sup>(8)</sup>		30.0	3.1	4.8	5.4	5.2	4.7	5.5	7.4
<b>Policy Benchmark<sup>(9)</sup></b>		<b>100.0</b>	<b>4.4</b>	<b>(24.6)</b>	<b>(30.0)</b>	<b>(3.8)</b>	<b>2.1</b>	<b>2.4</b>	<b>6.3</b>

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**Investment Report  
December 31, 2008**

**Commitments<sup>(10)</sup>**

(\$ in Millions)	Drawn		
	Commitment	Down <sup>(11)</sup>	Uncalled <sup>(11)</sup>
Public Equity	120	78	42
Long / Short Equity	-	-	-
Private Equity	1,735	1,012	727
Real Estate	755	211	546
Resources	487	272	232
Absolute Return	-	-	-
Credit	213	114	100
Government Bonds	-	-	-
<b>Total</b>	<b>3,310</b>	<b>1,687</b>	<b>1,647</b>

**Short-Term Liquidity<sup>(12)</sup>**

(\$ in Millions)	Weekly	Monthly	Quarterly	Total	% of NAV <sup>(13)</sup>
Public Equity	66	93	113	271	7%
Long / Short Equity	-	-	7	7	0%
Real Estate	49	-	-	49	1%
Government Bonds	268	-	-	268	7%
Cash	94	-	-	94	2%
Receivables (Payables)	124	113	-	236	6%
Available Borrowing	43	-	-	43	1%
<b>Total</b>	<b>643</b>	<b>206</b>	<b>120</b>	<b>969</b>	<b>25%</b>
<b>Cumulative Total</b>	<b>643</b>	<b>849</b>	<b>969</b>		
<b>% of NAV<sup>(13)</sup></b>	<b>17%</b>	<b>22%</b>	<b>25%</b>		

**Market and Currency Exposures and Policy Ranges<sup>(14)</sup>**

	<i>Policy Range</i>	<b>Actual Exposure</b>	<b>North America</b>	<b>Europe</b>	<b>Asia</b>	<b>LAMA</b>
Equity	40 - 70	37.8	23.5	6.1	4.2	4.0
Real Assets	5 - 20	11.9	9.6	0.7	1.4	0.3
Credit	0 - 20	7.4	6.7	0.4	0.2	0.1
Government Bonds	5 - 20	7.2	7.2	--	--	--
<b>Market Exposure</b>	<b>70 - 100</b>	<b>64.3</b>	<b>47.0</b>	<b>7.1</b>	<b>5.8</b>	<b>4.4</b>
<i>Policy Ranges</i>	--	--	25 - 75	10 - 40	10 - 40	0 - 20
Cash & Currency	0 - 30	35.7	34.8	0.6	0.3	--
<b>Currency Exposure</b>	--	<b>100.0</b>	<b>81.9</b>	<b>7.7</b>	<b>6.1</b>	<b>4.4</b>
<i>Policy Ranges</i>	--	--	50 - 100	0 - 30	0 - 30	0 - 20

**Investment Report  
December 31, 2008**

**Endnotes**

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- (1) UVIMCO's fiscal year runs from July 1 through June 30.
- (2) The net asset value of one share of the UVIMCO Long-Term Pool.
- (3) In accordance with UVIMCO's valuation policy, investments in Private Equity, Private Real Estate, and Resources are valued at estimated fair market value. Fair market value is determined using the latest available investment manager financial statements and/or manager representations, adjusted for subsequent cash flows, currency exchange, and other factors deemed applicable to the valuation process. Factors considered in valuing individual investments include the nature of underlying securities, valuation procedures utilized by the external manager, marketability, liquidity, restrictions on disposition, recent purchases or sales of the same or similar securities by UVIMCO or other investors, pending transactions, and risks and potential of the individual investment.
- (4) Represents Aggregate Cash performance prior to July 2007.
- (5) Returns reflect the cost of borrowing.
- (6) Represents the Equity component of our Fiscal Year 2009 policy portfolio and is comprised of 100% MSCI AC World.
- (7) Represents the Real Estate component of our Fiscal Year 2009 policy portfolio and is comprised of 50% MSCI US Real Estate and 50% MSCI AC World Real Estate. Prior to January 1995, the benchmark was comprised of 100% FTSE NAREIT.
- (8) Represents the Fixed Income component of our Fiscal Year 2009 policy portfolio and is comprised of 50% Barclays U.S. Aggregate Bond and 50% Barclays Global Aggregate Bond (Hedged). Prior to January 1990, the benchmark was comprised of 100% Barclays U.S. Aggregate Bond.
- (9) The Policy Benchmark is the geometrically linked monthly average of the underlying asset classes' benchmarks, weighted by policy target allocations: 60% Equity, 10% Real Assets, 30% Fixed Income.
- (10) Represents outstanding commitments to draw-down structured funds.
- (11) Drawn Down represents all capital sent to manager, including management fees. Uncalled represents outstanding obligation to each fund and may not equal the difference between the Commitment and Drawn Down amounts.
- (12) Funds with regular liquidity within the designated time periods. Receivables represent the net redemptions over the designated time periods.
- (13) % is relative to the Long-Term Pool.
- (14) Represents actual look-through net exposure to asset classes, regions and foreign currency versus policy ranges. Manager exposures are aggregated quarterly and updated monthly where possible. 86% of Public Manager Exposures are updated as of 12/31/08, 2% as of 11/30/08, and 9% as of 9/30/08. Private Manager Exposures are updated infrequently.



Investment Management Company  
Flash Report

February 28, 2009

UVIMCO Long-Term Pool

**Investment Activity**

	Month	FY To Date 2009
Beginning Investment	\$3,864,930,534.58	\$5,100,524,382.81
Beginning Shares	1,029,198.23	1,006,086.28
NAV Per Share at Beginning of Period	\$3,755.28	\$5,069.67
+ Contributions	\$382,500.78	\$175,498,924.67
- Redemptions	(\$6,866,799.55)	(\$54,839,808.61)
+ Investment Return	(\$98,527,284.96)	(\$1,452,499,331.69)
- UVIMCO Fees	(\$644,155.09)	(\$9,409,371.42)
Ending Investment	\$3,759,274,795.76	\$3,759,274,795.76
Ending Shares	1,027,250.33	1,027,250.33
NAV Per Share at End of Period	\$3,659.55	\$3,659.55

**Shareholder Summary**

	Long-Term Pool	% of Long-Term Pool
University of Virginia Endowment	\$2,328,515,715.02	61.9%
Affiliated Organizations	\$814,136,521.00	21.7%
University Operating Funds	\$616,622,559.74	16.4%
Total	\$3,759,274,795.76	100.0%

**Performance**

	Current				Annualized			
	MO	CYTD	FYTD	1 YR	3 YR	5 YR	10 YR	20 YR
<b>TOTAL POOL</b>	<b>(2.5)</b>	<b>(2.9)</b>	<b>(27.8)</b>	<b>(27.4)</b>	<b>(1.0)</b>	<b>4.8</b>	<b>10.3</b>	<b>11.6</b>
<b>POLICY PORTFOLIO BENCHMARK</b>	<b>(7.8)</b>	<b>(14.1)</b>	<b>(35.3)</b>	<b>(36.8)</b>	<b>(9.7)</b>	<b>(1.6)</b>	<b>0.9</b>	<b>5.3</b>
MSCI All Country World	(9.7)	(17.4)	(46.4)	(47.9)	(14.5)	(4.0)	(1.6)	4.3
S&P 500	(10.6)	(18.2)	(41.5)	(43.3)	(15.1)	(6.6)	(3.4)	7.1
Russell 2000	(12.2)	(21.9)	(43.0)	(42.4)	(17.9)	(6.7)	1.2	6.3
MSCI Europe (local currency)	(9.1)	(14.6)	(37.1)	(40.6)	(14.0)	(1.9)	(1.7)	6.6
MSCI AC Asia Pacific (local currency)	(4.1)	(9.5)	(40.4)	(43.3)	(14.9)	(1.3)	0.3	(2.0)
MSCI Emerging Markets	(5.6)	(11.7)	(53.2)	(56.0)	(11.7)	3.7	8.0	9.1
MSCI U.S. Real Estate	(21.2)	(35.3)	(59.9)	(59.7)	(26.8)	(10.3)	(2.3)	--
Goldman Sachs Commodity Index	(6.1)	(14.5)	(67.6)	(58.9)	(18.1)	(6.8)	6.1	4.4
Barclays US Aggregate Bond	(0.4)	(1.3)	2.8	2.1	4.9	4.0	5.6	7.3
Merrill Lynch 91 Day Treasury Index	0.0	0.0	0.9	1.4	3.7	3.2	3.4	4.5
U.S. Dollar	2.3	8.2	21.5	19.4	(0.8)	0.2	(1.1)	(0.4)

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UNIVERSITY OF VIRGINIA

BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: II.F. Restructuring-Related Performance Measures

ACTION REQUIRED: None

BACKGROUND: The Restructured Higher Education Financial and Administrative Operations Act became effective on July 1, 2005, and in part required the Board of Visitors to commit to a set of statewide goals. The Board of Visitors, on June 10, 2005, approved the University's commitment to meet the goals delineated in the act.

Pursuant to the Restructuring Act, the State Council of Higher Education (SCHEV) developed Institutional Performance Measures to assess the performance on the statewide goals. The University has worked with SCHEV in establishing and updating appropriate benchmarks, targets, and thresholds for each educational-related performance measure. If certified by SCHEV as having met the established targets for each measure, the University becomes eligible to receive certain financial incentives, such as interest on tuition and fee revenue, as provided for in §2.2-5005 of the *Code of Virginia*.

As part of the University's Management Agreement with the Commonwealth, the University also committed to meet additional goals in the areas of research, acceptance of community college transfer students, and economic development. Further, the University proposed and adopted additional accountability standards to measure performance in the administrative areas that were granted greater authority by the Agreement: Human Resources; Procurement and Surplus Personal Property; Information Technology; Finance and Accounting; and, Capital Outlay, Leases, and Real Estate.

DISCUSSION: In May, SCHEV will certify the University based on fiscal year 2007-2008 data (a summary of which is included in the chart below). Detailed data on the Institutional Performance Standards, the additional state goals included in

the Management Agreement, and the Financial and Administrative Performance Measures are included in Appendix C.

Based on the thresholds and targets developed with SCHEV on the Institutional Performance Measures, the University will achieve a passing rating on each measure on which it will be assessed this year. The University has also met the established targets for the financial and administrative standards, which are currently under review by the Secretary of Finance.

Institutional Performance Standards

Measure	2007-2008 Actual	2007-2008 Target	2007-2008 Threshold	Rating
Institution meets 95 percent of its in-state enrollment targets	15,322	15,547	14,853	PASS
Enrollment of under-represented populations	3,719	3,509	3,358	PASS
Institution meets 95 percent of its projected degree awards	6,339	6,143	5,836	PASS
Average need-based borrowing	\$2,307	\$3,167	\$3,424	PASS
Percentage of need-based borrowing	54.36%	63.40%	67.40%	PASS
Degrees conferred in high-need areas	1,602	1,579	1,470	PASS
Programs reviewed under the criteria of SACS	In 2007-2008, completed reviews in: French, Spanish, Slavic Languages and Literature, ASL, Classics, German, University Press, and ROTC.			PASS
Degrees conferred per full-time faculty	5.32	5.16	4.95	PASS
Average progression and retention rates	93.17%	92.00%	90.00%	PASS
Undergraduate degree awards per FTE enrollment	.2512	.2450	.2385	PASS
Increased number of transfer agreements	In 2006-2008, agreements with all 23 community colleges to matriculate to the College of Arts & Sciences and School of Engineering and Applied Science			PASS
Increase in degree-qualified transfers (four-year)	125	117	97	PASS
Institutional commitment to economic development	SCHEV surveyed partners to determine satisfaction.			PASS
Research expenditures (three-year average in millions)	\$242.2	\$278.7	\$215.3	PASS
Patents and licenses (three-year average)	60	55	53	PASS
Enhanced participation and	SCHEV surveyed schools/school			PASS

Measure	2007-2008 Actual	2007-2008 Target	2007-2008 Threshold	Rating
cooperation in K-12	districts.			
Financial and Administrative Standards	Under review by the Secretary of Finance (see Appendix C)			PENDING

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: II.H. General Assembly Report

ACTION REQUIRED: None

BACKGROUND: The General Assembly concluded its 2009 Session on February 28<sup>th</sup>. The Governor has until March 30<sup>th</sup> to approve, amend, or veto legislation, including budget actions in the Appropriations Act. The General Assembly will reconvene on April 8<sup>th</sup> to consider the Governor's vetoes and amendments to bills passed during the 2009 Regular Session.

DISCUSSION: The General Assembly's amendments to the 2008-2010 Appropriation Act provided \$126.7 million from the American Recovery and Reinvestment Act of 2009 (ARRA) to partially and temporarily offset the \$212 million in budget reductions assessed to higher education over 2009 and 2010 and to mitigate tuition increases for the 2009-2010 academic year. The General Assembly also restored two-thirds funding for the Eminent Scholar program and increased the capital fee for out-of-state students to \$10 per credit hour. The final General Assembly version of the budget did not include any language restricting out-of-state enrollment.

For the Academic Division, the General Assembly has approved a biennial budget that provides \$10.7 million from ARRA funding and nearly \$200,000 for undergraduate financial aid. For the College at Wise, the final budget provides \$1.6 million from ARRA funding and \$49,000 for undergraduate financial aid.

The General Assembly has advanced the Ruffner Hall Renovation project from pre-planning to detailed planning with ARRA funds and an authorization to use non-general funds to be later reimbursed from general fund supported bond proceeds for construction. The University is further authorized to use non-general funds to complete New Cabell Hall planning and to complete construction of the connection to the South Lawn Project. The College at Wise has received pre-planning funds for its New Library project.

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 2, 2009

COMMITTEE: Finance

AGENDA ITEM: II.I. Student System Project (Written Report)

ACTION REQUIRED: None

BACKGROUND: The Board of Visitors approved the budget for the Student System Project (the third phase of the Integrated System Project) on June 7, 2007, and agreed to receive reports no less frequently than semi-annually describing progress on the project and compliance with the business plan.

The project is slated to be complete in December 2009.

DISCUSSION:

*Project Timeline and Budget:* The Student System Project is on schedule and within budget.

The portal for the Student Information System (SIS) has been in use since March 2008 and is now being used by new and current undergraduate and graduate students, members of the faculty, and advisors.

The total number of undergraduate admissions applications received for the fall of 2009 through the newly implemented Common Application was 21,837 compared with 18,598 last year, representing an increase of approximately 17 percent. For the first time, applications have been evaluated on-line by the University's Office of Undergraduate Admission, and new undergraduates have been able to accept their offers of admission and pay their tuition deposits on-line in the SIS.

Financial aid needs analysis and aid awarding began for the first time in the SIS in March. Also in March, the University began to use the new system to provide mandatory reports to the federal government on the status of international students.

All classes for the fall of 2009 have been scheduled in the SIS, and students have begun meeting with their advisors and enrolling in classes through the new student system.

Planning for the transition of the student system project to the maintenance organization (Integrated System Deployment & Support) is progressing as expected.

*Upcoming Activities:* During the next three months, the project team will:

- Stabilize enrollment and academic advisement functionality in the Student Center and Faculty Center.
- Prepare for the transition of student finance from ISIS to the SIS.
- Prepare for implementation of loan and disbursements and billing/cashiering functionality.
- Continue to create functionality and training materials as required to meet deadlines within the project plan.

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MISCELLANEOUS FINANCIAL REPORTS  
Finance Committee  
University of Virginia

APRIL 2, 2009

UNIVERSITY OF VIRGINIA ACADEMIC DIVISION

FINANCIAL REPORT

ACCOUNTS AND LOANS RECEIVABLE AS OF DECEMBER 31, 2008

Summary of Accounts Receivable:

The University's Academic Division's total accounts receivable at December 31, 2008 was \$94,488,000 as compared to \$32,543,000 at September 30, 2008. The major sources of receivables at December 31, 2008 were student accounts of \$77,794,000 and other sponsored programs of \$11,128,000.

The past due receivables over 120 days old were \$1,421,000 as of December 31, 2008 or 1.50 percent of total receivables which is below the Commonwealth's management standard of ten percent.

	<u>Student Accounts</u>	<u>Sponsored Programs</u>	<u>Other Receivables</u>	<u>Total</u>
Gross Accounts Receivable	\$ 77,794,000	\$ 11,128,000	\$ 5,566,000	\$ 94,488,000
Less: Allowance for Doubtful Accounts	186,000	329,000	85,000	600,000
Net Accounts Receivable	<u>\$ 77,608,000</u>	<u>\$ 10,799,000</u>	<u>\$ 5,481,000</u>	<u>\$ 93,888,000</u>
Accounts Receivable Greater than 120 Days Past Due	<u>\$ 463,000</u>	<u>\$ 730,000</u>	<u>\$ 228,000</u>	<u>\$ 1,421,000</u>

SOURCE: Financial Administration  
DATE: February 26, 2009

UNIVERSITY OF VIRGINIA ACADEMIC DIVISION

FINANCIAL REPORT

ACCOUNTS AND LOANS RECEIVABLE AS OF DECEMBER 31, 2008

Summary of Loans Receivable:

The default rate for the Perkins Student Loan Program was 4.89 percent for the quarter ending December 31, 2008. This is based on the cohort default 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 increased by 0.44 percent to 2.78 percent. Both medical loan programs are well below the five percent federal threshold. The University Loan Program default rate decreased by 0.15 percent to 3.63 percent for the quarter.

	<u>Gross Loans Receivable</u>	<u>Current Default Rate</u>	<u>Inc./ (Dec) From Last Quarter</u>
Perkins Student Loans	\$ 20,252,000	4.89%	4.04%
Health Professions Loans	15,000	0.00%	0.00%
Undergraduate Nursing Loans	1,275,000	2.78%	0.44%
University Loans	<u>14,164,000</u>	3.63%	(0.15%)
Total Student Loan Outstanding	<u>\$ 35,706,000</u>		

SOURCE: Financial Administration  
DATE: February 26, 2009

University of Virginia  
Capital Campaign Summary  
As Of 02/28/09

All Units

	Expendable	Endowment	Total
Gifts and Pledge Payments	749,597,456	365,535,936	1,115,133,392
Outstanding Pledge Balances	183,350,893	69,946,514	253,297,407
Deferred Gifts	85,968,770	24,116,339	110,085,109
Private Grants	134,001,564		134,001,564
Gifts in Kind	65,336,584	1,321,682	66,658,266
<b>Gift and Pledge Total</b>	<b>1,218,255,267</b>	<b>460,920,471</b>	<b>1,679,175,738</b>
Future Support	151,055,961	43,145,703	194,201,664
<b>Campaign Total</b>	<b>1,369,311,228</b>	<b>504,066,174</b>	<b>1,873,377,402</b>
Additional Amounts To Be Raised (1)	153,694,733	1,167,129,529	1,320,824,262
<b>Total</b>	<b>1,371,950,000</b>	<b>1,628,050,000</b>	<b>3,000,000,000</b>

Rector & Visitors Gift Accounts Only

	Expendable	Endowment	Total
Gifts and Pledge Payments	272,705,089	217,297,695	490,002,784
Outstanding Pledge Balances	44,452,399	18,711,892	63,164,291
Deferred Gifts	54,934,603	8,836,167	63,770,770
Private Grants			0
Gifts in Kind	27,099,435	9,571	27,109,006
<b>Gift and Pledge Total</b>	<b>399,191,526</b>	<b>244,855,325</b>	<b>644,046,851</b>
Future Support	104,011,062	3,592,539	107,603,601
<b>Campaign Total</b>	<b>503,202,588</b>	<b>248,447,864</b>	<b>751,650,452</b>
Additional Amounts To Be Raised	TBD	TBD	TBD
<b>Total</b>	<b>503,202,588</b>	<b>248,447,864</b>	<b>751,650,452</b>

Rector & Visitors Unrestricted Giving

Gifts and Pledge Payments	3,541,322	0	3,541,322
Deferred Gifts	200,000		200,000
Outstanding Pledge Balances	314,586	0	314,586
<b>Total</b>	<b>4,055,908</b>	<b>0</b>	<b>4,055,908</b>

(1) Excludes future or revocable support

Source: Office of Development and Public Affairs  
Date: March 18, 2009

UNIVERSITY OF VIRGINIA  
INTERNAL LOANS TO UNIVERSITY DEPARTMENTS AND ACTIVITIES  
As of December 31, 2008

PURPOSE	DATE OF LOAN	INTEREST RATE <sup>2</sup>	ORIGINAL LOAN AMOUNT	PRINCIPAL PAYMENTS MADE TO DATE	OUTSTANDING PRINCIPAL	APPROXIMATE FINAL PAYMENT
Astronomy Large Binocular Telescope	02/06/06	4.75%	\$ 400,000	\$ 382,947	\$ 17,053	January 2009
Cocke Hall	06/30/06	4.75%	1,941,787	916,885	1,024,902	June 2011
ITC ISIS Software	06/30/06	4.75%	1,575,000	900,854	674,146	July 2010
National Radio Astronomy Observatory Piping	09/01/06	6.25%	706,833	304,276	402,557	August 2011
Varsity Hall	06/30/07	4.75%	1,517,726	492,914	1,024,812	March 2012
Wilsdorf Hall	11/01/06	4.75%	3,311,328	607,407	2,703,921	November 2011
Wise Football Facility	10/01/07	4.75%	629,171	77,098	552,073	October 2022
<b>Total Internal Loans Subject to \$15M Limit Established by BOV <sup>1</sup></b>			<b>\$ 10,081,845</b>	<b>\$ 3,682,381</b>	<b>\$ 6,399,464</b>	

- NOTE: 1. Per January 1990 Board of Visitors resolution establishing the internal loan pool at \$10 million and pe 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 percent. A taxable rate of 6.2 percent was charged for the National Radio Astronomy Observatory Piping project.

SOURCE: Financial Administration  
DATE: January 22, 2009

**Endowment/Long Term Investments for UVA and Related Foundations**

**December 31, 2008**

Unaudited  
(in thousands)

	Rector and Visitors Funds	Related Foundation Funds Invested by UVIMCO	Alumni Association Funds Invested by UVIMCO	Related Foundation Funds Invested by Direction of Foundation Board	Total
The University of Virginia Medical School and related foundations	\$ 567,487	\$ 27,989	\$ 5,296	\$ 171	\$ 600,943
The College of Arts and Sciences and related foundations	251,740	29,317	7,956	2,695	291,708
Darden School and related foundation	84,953	173,169	-	4,449	262,571
The University of Virginia Law School and related foundation	33,429	148,328	-	72,947	254,704
The McIntire School of Commerce and related foundation	61,677	-	19,084	387	81,148
School of Engineering and related foundation	59,967	218	1,990	1,107	63,282
University of Virginia's College at Wise and related foundation	30,640	2,718	1,577	6,407	41,342
Graduate School of Arts and Sciences	35,931	-	-	-	35,931
School of Nursing	27,943	-	1,202	-	29,145
Curry School of Education and related foundation	9,682	6,768	-	1,655	18,105
School of Architecture and related foundation	12,635	-	312	596	13,543
School of Continuing and Professional Studies	56	-	38	-	94
University of Virginia Medical Center and related foundations	239,133	43,185	3,343	15,942 **	301,603
Provost	146,439	-	-	-	146,439
Centrally Managed University Scholarships	115,124	-	-	-	115,124
Athletics and related foundation	30,181	47,291	287	-	77,759
University of Virginia Foundation and related entities	-	49,059	-	779	49,838
Alumni Association	-	-	38,392	9,350	47,742
Miller Center and related foundation	40,692	5,878	-	-	46,570
Alumni Board of Trustees	-	37,721	-	-	37,721
University Libraries	37,062	-	35	-	37,097
University - Unrestricted but designated	235,752	-	-	-	235,752
University - Unrestricted Quasi and True Endowment	141,252	-	-	-	141,252
University - Unrestricted Other	114,977	-	-	-	114,977
All Other	150,909	8,396	170,687 *	-	329,992
	<u>\$ 2,427,661</u>	<u>\$ 580,037</u>	<u>\$ 250,199</u>	<u>\$ 116,485</u>	<u>\$ 3,374,382</u>

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

\*\*Excludes approximately \$28.6 million of board designated pension funds.

## QUARTERLY BUDGET REPORT

As of December 31, 2008

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 2008-2009, 54.0 percent of the budgeted sources were collected and 53.1 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: University Budget Office

DATE: March 19, 2008

**University of Virginia Academic Division**  
**2008-09 Operating Budget Report**  
**As of December 31, 2008**

(in thousands)

	2008-09 Revised Budget	12/31/2008 Actual Results	Variance	12/31/2008 Results Percentage
<b>Sources of Available Funds, net of transfers to capital reserves</b>				
Tuition & Fees for Operating Plan	\$356,538	\$216,498	\$140,040	60.7%
State General Fund Appropriation for Operating Plan	156,657	150,656	6,001	96.2%
Sponsored Research for Operating Plan	294,300	151,183	143,117	51.4%
Endowment Distribution	131,959	1,988	129,971	1.5%
Net Gifts Available for Operating Plan	101,688	38,714	62,974	38.1%
Sales, Investment & Other	34,412	19,517	14,895	56.7%
Net Auxiliary Enterprises for Operating Plan	154,496	85,269	69,227	55.2%
<b>Total Sources of Available Funds</b>	<b>1,230,050</b>	<b>663,825</b>	<b>566,225</b>	<b>54.0%</b>
<b>Uses of Available Funds</b>				
Direct Instruction	\$315,633	\$151,927	\$163,706	48.1%
Research and Public Service	292,013	170,270	121,743	58.3%
Library, Information Tech., & Academic Administration	126,811	71,972	54,839	56.8%
Student Services	27,814	13,016	14,798	46.8%
General Administration	78,195	39,100	39,095	50.0%
Operation & Maintenance of Physical Plant	84,786	50,733	34,053	59.8%
Scholarships, Fellowships, & Other Graduate Support	125,213	55,932	69,281	44.7%
Athletics	43,205	25,769	17,436	59.6%
Bookstore	31,420	20,137	11,283	64.1%
Housing and Conference Services	20,949	10,420	10,529	49.7%
Other Auxiliary Operations	58,360	32,981	25,379	56.5%
<b>Total Operating Expenses</b>	<b>1,204,399</b>	<b>642,257</b>	<b>562,142</b>	<b>53.3%</b>
<b>Total Operating Reserves and Temporary Allocations</b>	<b>24,392</b>	<b>10,402</b>	<b>13,990</b>	<b>42.6%</b>
<b>Total Uses of Available Funds</b>	<b>1,228,791</b>	<b>652,659</b>	<b>576,132</b>	<b>53.1%</b>
<b>Net Sources and Uses of Operating Funds</b>	<b>\$1,259</b>	<b>\$11,166</b>	<b>(\$9,907)</b>	

## 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.

UNIVERSITY OF VIRGINIA  
QUASI-ENDOWMENT ACTIONS

October 1, 2008 to December 31, 2008

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 and Chief Financial Officer, under the delegation of authority from the Executive Vice President and Chief Operating Officer:

In October 1990 and June 1996 the Board of Visitors approved resolutions delegating to the Executive Vice President and Chief Operating Officer the authority to approve quasi-endowment actions, including establishments and divestments of less than \$2,000,000, with regular reports on such actions.

In February 2006, the Board of Visitors approved a 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. Additionally, 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.

<u>Additions from Gifts</u>	<u>Amount</u>
Athletics General Operations Quasi-Endowment	\$ 100.45
Brown, Charles L. Engineering Library Flower Fund*	82,258.80
Casscells, Oleda Undergraduate Internship Fund	40,124.65
Cole, Avalon Visiting Lectureship in Musculoskeletal Medicine	5,000.00
Gilbert, Harry Bramhall Merit Scholarship*	594,469.54
President's Fund for Excellence Unrestricted Quasi- Endowment	65,728.69
University Quasi-Endowment Fund (1)	506,997.78
Whitener, Ellen Quasi-Endowment Fund	<u>1,934.16</u>
 Total Additions from Gifts to Quasi-Endowments	 <u>\$ 1,296,614.07</u>

Additions from Endowment Income (Capitalizations)

Total Additions from Endowment Income to Quasi-Endowments	<u>\$ -0-</u>
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Divestments

McIntire School of Commerce Operations Fund	\$ <u>908,617.83</u>
Total Divestments from Quasi-Endowments	\$ <u>908,617.83</u>

NOTES:

\*Quasi-endowment newly established or originally funded since October 1, 2008.

(1) Includes current unrestricted gifts to the University which, under a standing Board of Visitors resolution, are required to be added to the University's Unrestricted Endowment Fund.

SOURCE: Financial Administration  
DATE: February 26, 2009

**SPONSORED PROGRAM RESTRICTED GRANTS & CONTRACTS REPORT OF AWARD DATA  
FOR FISCAL YEAR 2009  
Represented in Millions of Dollars**

<u>SCHOOL</u>	<u>DHHS</u>	<u>DOD</u>	<u>Non-Federal</u>	<u>DE</u>	<u>DOE</u>	<u>NASA</u>	<u>NSF</u>	<u>Other Federal</u>	<u>State</u>	<u>Mid-Year Total FY 2009</u>	<u>Mid-Year Total FY 2008</u>	<u>% Increase/Decrease</u>
Architecture			0.13					0.01		0.14	0.72	-81%
Arts & Scs.	6.17	1.49	6.51	0.56	1.89	1.44	6.34	2.12	0.31	26.83	21.72	24%
Education	1.03		3.01	1.45			1.32	0.04	2.58	9.43	6.14	54%
Engineering	2.33	6.16	8.26	0.03	0.2	0.78	8.76	2.68	1.17	30.37	24.06	26%
Law			1.57					0.19		1.76	1.96	-10%
Medicine	78.48	1.19	25.35		1.21		0.30		3.77	110.30	111.10	-1%
Nursing	1.55		0.45						0.02	2.02	1.83	10%
Other*	0.33	0.01	1.80	0.94	0.04		0.51	1.36	12.17	17.16	8.43	104%
<b>Mid-Year Total FY 2009</b>	<b>89.89</b>	<b>8.85</b>	<b>47.08</b>	<b>2.98</b>	<b>3.34</b>	<b>2.22</b>	<b>17.23</b>	<b>6.40</b>	<b>20.02</b>	<b>198.01</b>	<b>175.98</b>	<b>13%</b>
<b>Mid-Year Total FY 2008</b>	<b>92.70</b>	<b>7.55</b>	<b>35.97</b>	<b>2.70</b>	<b>2.40</b>	<b>2.68</b>	<b>15.85</b>	<b>4.42</b>	<b>11.70</b>	<b>175.98</b>		
<b>% Inc./Dec.</b>	<b>-3%</b>	<b>17%</b>	<b>31%</b>	<b>10%</b>	<b>39%</b>	<b>-17%</b>	<b>9%</b>	<b>45%</b>	<b>71%</b>			

45

\* 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 FY09 award totals are 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: Sponsored Programs  
DATE: February 26, 2009**

**SUMMER CONFERENCE RATES REPORT  
2009 and 2010**

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 27, 2009, and are hereby reported to the Board of Visitors as required.

**Summer Conference Rates - Housing**

<b>Economy Service</b>	<u>Actual</u>	<u>Approved</u>	<u>%</u>	<u>Proposed</u>	<u>%</u>
(Common areas cleaned only; no linens)	<u>Summer</u>	<u>Summer</u>	<u>Increase</u>	<u>Summer</u>	<u>Increase</u>
	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>	<u>2010</u>
<i>Air Conditioned</i>					
<b>Bice/Copeley III &amp; IV/ Faulkner/Lambeth</b>					
Per person, per night, double	\$24.00	\$25.00	4.2%	\$26.50	6.0%
Per person, per night, single	\$34.50	\$36.00	4.3%	\$38.00	5.6%
<b>Gooch/Dillard</b>					
Per person, per night, single	\$24.00	\$25.00	4.2%	\$26.00	4.0%
<b>Lewis/Hoxton</b>					
Per person, per night, double	\$24.00	\$25.00	4.2%	\$26.50	6.0%
Per person, per night, single	\$34.50	\$36.00	4.3%	\$38.00	5.6%
<b>Shea/French/Russian/Spanish (1)</b>					
Per person, per night, double	\$24.00	\$25.00	4.2%	\$26.50	6.0%
Per person, per night, single	\$31.50	\$33.00	4.8%	\$38.00	15.2%
<b>Alderman/McCormick GA Suites</b>					
Per suite, per night rate, single	\$25.00	\$26.00	4.0%	\$27.00	3.8%
<b>Cauthen/Woody/Kellogg</b>					
Per person, per night, double	\$24.00	\$25.00	4.2%	\$26.50	6.0%
Per person, per night, single	\$31.50	\$33.00	4.8%	\$35.00	6.1%
<b>Hereford</b>					
Per person, per night, single	\$24.00	\$25.00	4.2%	\$26.50	6.0%
<i>Non-Air Conditioned</i>					
<b>Alderman/McCormick/Munford/Gwathmey</b>					
Per person, per night, double	\$18.00	\$19.00	5.6%	\$20.00	5.3%
Per person, per night, single	\$24.00	\$25.00	4.2%	\$26.50	6.0%
<b>Average Economy Service Increase</b>			4.4%		6.4%

(1) Adjustment in 2010 to make comparable with Lewis/Hoxton rather than Cauthen/Woody/Kellogg.

<b>Premium Service</b>	<u>Actual</u>	<u>Approved</u>	<u>%</u>	<u>Proposed</u>	<u>%</u>
(all linens provided; six day housekeeping included)	<u>Summer</u>	<u>Summer</u>	<u>Increase</u>	<u>Summer</u>	<u>Increase</u>
	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>	<u>2010</u>

*Air Conditioned*

**Bice/Copeley/Faulkner/Lambeth**

Per person, per night, double	\$34.50	\$36.00	4.3%	\$38.00	5.6%
Per person, per night, single	\$48.00	\$50.00	4.2%	\$52.50	5.0%

**Brown college**

Per person, per night, double	\$34.50	\$36.00	4.3%	\$38.00	5.6%
Per person, per night, single	\$48.00	\$50.00	4.2%	\$52.50	5.0%

**Gooch/Dillard**

Per person, per night, single	\$37.50	\$39.00	4.0%	\$41.00	5.1%
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**Lewis/Hoxton**

Per person, per night, double	\$34.50	\$36.00	4.3%	\$38.00	5.6%
Per person, per night, single	\$48.00	\$50.00	4.2%	\$52.50	5.0%

**Shea/French/Russian/Spanish (2)**

Per person, per night, double	n/a	\$36.00	n/a	\$38.00	5.6%
Per person, per night, single	n/a	\$50.00	n/a	\$52.50	5.0%

**Cauthen/Woody/Kellogg**

Per person, per night, double	\$34.50	\$36.00	4.3%	\$38.00	5.6%
Per person, per night, single	\$45.00	\$47.00	4.4%	\$49.00	4.3%

**Hereford**

Per person, per night, single	\$37.50	\$39.00	4.0%	\$41.00	5.1%
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*Non-Air Conditioned*

**Lawn/Range**

Per person, per night, single	\$37.50	\$39.00	4.0%	\$41.00	5.1%
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**Average Premium Service Increase**

4.2% 5.1%

**Average All Services Increase**

4.3% 5.7%

(2) Premium service to be offered beginning Summer, 2009

<u>Graduation Housing</u>	<u>Actual</u>	<u>Approved</u>	<u>%</u>	<u>Proposed</u>	<u>%</u>
	<u>Summer</u>	<u>Summer</u>	<u>Increase</u>	<u>Summer</u>	<u>Increase</u>
	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>	<u>2010</u>

Graduation Package

Per person, 3 night, double room rate, includes Sunday brunch	\$130.00	\$135.00	3.8%	\$140.00	3.7%
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<u>Summer Student Housing</u>	<u>Actual</u>	<u>Proposed</u>	<u>%</u>
	<u>Summer</u>	<u>Summer</u>	<u>Increase</u>
	<u>2008</u>	<u>2009</u>	<u>2009</u>

Per person, per night, double (21 night minimum)	\$19.00	\$20.00	5.3%
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**Summer Conference Rates - Dining**

	Approved Summer 2007	Approved Summer 2008	Proposed 2009 Amt of Increase	Proposed Summer 2009	Percent Increase
<b>Summer Casual Meal Rates</b>					
Breakfast - Youth	\$5.00	\$5.00	\$0.50	\$5.50	10.0%
Breakfast - Adult	\$6.75	\$6.75	\$0.50	\$7.25	7.4%
Lunch - Youth	\$6.75	\$6.75	\$0.50	\$7.25	7.4%
Lunch - Adult	\$8.00	\$8.00	\$0.50	\$8.50	6.3%
Dinner - Youth	\$8.00	\$8.00	\$0.50	\$8.50	6.3%
Dinner - Adult	\$8.75	\$8.75	\$0.50	\$9.25	5.7%

**Summer Conference Rates  
Youth (17 & under)**

Breakfast	\$4.75	\$4.75	\$0.50	\$5.25	10.5%
Lunch	\$6.50	\$6.50	\$0.50	\$7.00	7.7%
Dinner	\$7.75	\$7.75	\$0.50	\$8.25	6.5%

**Adult**

Breakfast	\$6.50	\$6.50	\$0.50	\$7.00	7.7%
Lunch	\$7.75	\$7.75	\$0.50	\$8.25	6.5%
Dinner	\$8.50	\$8.50	\$0.50	\$9.00	5.9%

## **APPENDICES**

Bond resolution to be provided by Bond Counsel, and posted to the Board of Visitors website, by March 27, 2009.

Minutes

University of Virginia  
Board of Visitors Finance Committee Appointees on Retirement Administrative  
Committee  
March 16, 2009  
1:00 p.m.  
Madison Hall Lower Conference Room

**Board of Visitors Finance Committee Appointees:** John O. “Dubby” Wynne and Vince Mastracco (via phone).

**Also in Attendance:** Leonard Sandridge, Executive Vice President and Chief Operating Officer; Yoke San Reynolds, Vice President and Chief Financial Officer and Chair of the Retirement Administrative Committee (RAC); Chris Brightman, Chief Executive Officer of UVa Investment Management Company and Chair of the RAC Investment Subcommittee; Susan Carkeek, Vice President and Chief Human Resource Officer; Anne Broccoli, Director of Benefits and Megan Lowe, Assistant to the Executive Vice President and Chief Operating Officer.

Vice President and Chief Human Resource Officer Susan Carkeek began the meeting with a review of the Board of Visitors Finance Committee oversight of the University’s retirement programs. She reviewed the role of Mr. Wynne and Mr. Mastracco as appointees to oversee the program through the RAC and to report back to the Finance Committee on an annual basis.

There are two agenda items for this meeting: the final implementation of the investment procedures and the annual review of fund performance.

For the first item, Ms. Carkeek reminded the appointees that the Investment Procedures were approved in April 2008. The Procedures were revised in order to create a menu of investment options for plan participants that included the full range of funds, regardless of which vendor a participant selects. The plan participants can choose between TIAA-CREF, Vanguard and Fidelity. Ms. Carkeek explained that the Investment Procedures set out four categories of fund options. The first option, and the default fund option, is a "balanced" asset allocation fund (also known as “life cycle fund” or “targeted fund”). Participants are encouraged to seriously consider choosing this option. However, it may not be the most prudent option for all participants. For those interested in more sophisticated and diverse investment options, three additional categories of investment options are also offered: Fixed Income, Equity, and Specialty funds. The fund structure provides diversified options for both the lay-person with little to no investment expertise as well as the more sophisticated investor. Ms. Carkeek pointed out that the Plan’s Investment advisor, CAPTRUST, created a new fund line up by comparing the previous fund offerings to the new menu, identifying gaps and duplicates, and adding and removing funds.

The new fund line up was implemented in late Fall 2008. An aggressive communication campaign was undertaken by University Human Resources to notify participants of the changes.

Additionally, the vendors communicated directly with their own participants and increased on-grounds presence for one-on-one counseling sessions. Now that the new fund lineup is in place, this completes the work of implementing the Investment Procedures, approved by the Board in April 2008. Moving forward, the work of the Retirement Administrative Committee will in large part be maintaining the plan and funds to align with the Investment Policy and Investment Procedure documents.

For the second item, Ms. Carkeek continued with an overview of the annual report on fund performance, reminding the appointees that the RAC meets quarterly with CAPTRUST to monitor fund performance and each quarter, one of the vendors is invited to the RAC to present on their participant activity and fund performance. She reported that overall performance of the Plan is in line with the market and even with the creation of a better investment structure; these changes did not insulate us from the current market conditions. CAPTRUST advised that there were no funds that will be replaced at this time and recommends no changes as the vast majority of our funds outperformed their peers and their benchmarks over longer periods of time. The Retirement Administrative Committee concurs with CAPTRUST's recommendation and will continue to closely monitor fund performance.

Mr. Wynne wanted to better understand CAPTRUST's role and asked if they recommended the fund changes. Mr. Brightman explained that with the finalization of the Investment Procedures, responsibility was delegated to CAPTRUST to act as investment advisor. Previously, they acted as an investment consultant. In fact, a review of the contract in place with CAPTRUST provided that CAPTRUST could act as both consultant and advisor. Therefore no contract change was needed, and the RAC therefore chose to enact the change to investment advisor. As advisor, CAPTRUST is responsible for the fund selection and monitoring. The Investment Procedures contain guidelines for Investment selection, monitoring, evaluation, and termination of funds and CAPTRUST utilizes this structure in their investment review process. CAPTRUST then makes the changes based on this review. It is the responsibility of the RAC to ensure that CAPTRUST is following the process and criteria as defined in the Investment Procedures.

Mr. Mastracco asked for further information on the default funds and Mr. Brightman described the nature of the lifecycle or target retirement funds. A lifecycle fund, which is a selection of funds, invests in individual mutual funds that a fund company puts together to help investors meet their objectives without having to select individual funds. Each fund has a different level of risk and return, from conservative to aggressive. With these funds, an investor chooses a target retirement year, and the fund manager invests and reallocates the money more and more conservatively as the participant nears retirement.

Mr. Wynne asked how we communicate with participants when funds are no longer offered. Ms. Carkeek explained that any time a fund is eliminated it is no longer monitored by the RAC. Participants are notified of this in the communication campaign and advised that unless a participant takes action, new funds will be directed to the replacement fund option. It is not the University's practice to redirect money already in closed funds. Only new contributions are redirected. Currently, communications are not especially specific about why a fund is removed and Ms. Carkeek advised that future communications would consider including more detail. Ms.

Reynolds reminded the Committee that fund selections are limited only on the 401a plans, and that participants who also defer into the 403b plans have unlimited access to the vendor's platform of funds.

Mr. Wynne asked about the rationale for Fidelity Emerging Market remaining on the platform, when it is experiencing low performance in both the three- and five-year category and has high fees. The fund is currently under review and will continue to be monitored. Changes may be recommended at a future time. There were no further questions or discussion.

The appointees agreed to provide the annual report to the Finance Committee at the April 2, 2009 meeting and include these minutes as an attachment.

The meeting was adjourned at 1:40 p.m.

**UNIVERSITY OF VIRGINIA  
2007-2008 INSTITUTIONAL PERFORMANCE STANDARDS**

**1. Institution meets its State Council-approved biennial projection of total in-state student enrollment within the prescribed range of permitted variance. (Permitted range of variance for this measure is 5%.)**

**Definition:** Direct comparison of actual in-state enrollments to the most recent set of SCHEV approved enrollment projections.

**2007 Approved Projections**

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target	15,492	15,411	15,499	15,547	15,635	15,767	15,896	16,035	16,141	16,257
Threshold	14,717	14,640	14,724	14,853	14,853	14,979	15,101	15,233	15,334	15,444
Actual	15,287	15,826	15,360	15,322	15,506					

**2. Institution increases the percentage of in-state undergraduate enrollment from under-represented populations. (Such populations should include low income, first-generation college status, geographic origin within Virginia, race, and ethnicity, or other populations as may be identified by the State Council.)**

**Definition:** Data files used: Fall headcount and financial aid

An in-state undergraduate student is counted once, and only once, if any of the following are true:

RACE in (2,3,4,5) (excluding NSU and VSU) (race/ethnicity) –or–

PELL greater than 0 (low income) –or–

LOCDOMI from a locality as determined by SCHEV to be in the lowest quintile of participation rates at Virginia public four-year institutions. (0678-Lexington city, 0660-Harrisonburg city, 0147-Prince Edward County, 0105-Lee County, 0005-Alleghany County, 0530-Buena Vista city, 0029-Buckingham County, 0149-Prince George County, 0081-Greenville County, 0139-Page County, 0191-Washington County, 0035-Carroll County, 0009-Amherst County, 0143-Pittsylvania County, 0710-Norfolk city, 0520-Bristol city, 0173-Smyth County, 0750-Radford city, 0187-Warren County, 0089-Henry County, 0680-Lynchburg city, 0067-Franklin County, 0045-Craig County, 0025-Brunswick County, 0167-Russell County, 0031-Campbell County, 0540-Charlottesville city)

### 2008 Proposed Targets

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			3,469	3,509	3,549	3,606	3,651	3,701	3,750	3,800
Threshold			3,318	3,358	3,426	3,468	3,498	3,533	3,566	3,610
Actual	3,377	3,448	3,500	3,719						

### 3. Institution annually meets at least 95 percent of its State Council-approved estimates of degrees awarded.

**Definition:** Direct comparison of actual degree awards to the projections in the most recent set of SCHEV approved enrollment projections.

#### 2007 Approved Projections

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target	5,877	5,946	6,079	6,143	6,182	6,212	6,306	6,350	6,436	6,470
Threshold	5,583	5,649	5,775	5,836	5,873	5,901	5,991	6,033	6,114	6,147
Actual	5,877	6,035	5,898	6,339						

**4. With the intent of developing a clearly understandable measure of affordability no later than July 1, 2008, SCHEV shall report annually an institution's in-state undergraduate tuition and fees, both gross and net of need-based gift aid, as a percentage of the institution's median student family income. By October 1, 2008, each institution shall identify a "maintenance of effort" target for ensuring that the institution's financial commitment to need-based student aid shall increase commensurately with planned increases in in-state, undergraduate tuition and fees. The financial plan for these goals should be incorporated into the institution's 2009-2014 six-year plan as required under § 23-9.2:3.02.**

**Status:** Under development. No targets required at this time.

**5. Institution establishes mutually acceptable annual targets for need-based borrowing that reflect institutional commitment to limit the average borrowing of in-state students with established financial need, and the percentage of those students who borrow, to a level that maintains or increases access while not compromising affordability.**

**Definition:** Data files used: financial aid

Only in-state undergraduate students are included in this measure.

Loan columns limited to PERKINS, STALOA, LOANIN, LOANEF AS LOANS summed into one column with a unique student count for each student receiving at least one of these loans. Total loans divided by the total number of students with need (NEEDST='1').

**5.1 Average annual need-based student borrowing.**

**2008 Proposed Targets**

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			3,032	3,167	2,543	2,525	2,500	2,500	2,500	2,500
Threshold			3,289	3,424	2,678	2,678	2,678	2,678	2,678	2,678
Actual	2,648	2,678	2,356	2,307						

**5.2 Percent of In-state students with need who borrowed.**

**2008 Proposed Targets**

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			63.5%	63.40%	61.70%	61.60%	61.50%	61.40%	61.40%	61.40%
Threshold			67.5%	67.40%	64.00%	64.00%	64.00%	64.00%	64.00%	64.00%
Actual	63.7%	62.3%	55.6%	54.36%						

**6. Institution conducts a biennial assessment of the impact of tuition and fee levels net of financial aid on applications, enrollment, and student indebtedness incurred for the payment of tuition and fees and provides the State Council with a copy of this study upon its completion and makes appropriate reference to its use within the required six-year plans. The institution shall also make a parent- and student-friendly version of this assessment widely available on the institution's website.**

**Status:** Under development. No targets required at this time.

**7. Institution maintains acceptable progress towards an agreed upon target for the total number and percentage of graduates in high-need areas, as identified by the State Council of Higher Education.**

**Definition:** Data files used: degrees conferred, fall headcount (teaching only)

"Engineering" graduates are defined as students who graduated with a major (progone) or second major (progtwo) with CIP Code Family 14.

"Medicine" is defined by a first or second major of CIP Code 51.1201 (MEDICINE, MD).

"Nursing" graduates are defined by first or second major with an IPEDS CIP Code of 51.16XX.

"Teaching" graduates are defined as those who have a first or second major within the CIP Code Family 13 OR who were flagged as teaching education students (TEACHED) in the fall headcount file the same year they received their degree.

Within each of these areas, a student is only counted once per degree area per level per year. For instance, if a student double majors in Electrical Engineering and Computer Engineering, they will only be counted once. If a student completes an undergraduate degree in Electrical Engineering, and then later in the same year receives a post-baccalaureate certificate, they will be counted for each completion.

#### 2008 Proposed Targets

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			1,567	1,579	1,558	1,572	1,602	1,619	1,648	1,663
Threshold			1,458	1,470	1,449	1,463	1,490	1,506	1,533	1,547
Actual	1,496	1,505	1,475	1,602						

**8. Institution reports on total programs reviewed under Southern Association of Colleges and Schools assessment of student learning outcomes criteria within the institution's established assessment cycle in which continuous improvement plans addressing recommended policy and program changes were implemented.**

In 2007-2008, the University completed these reviews: French, Spanish, Slavic Languages and Literature, ASL, Classics, German, and ROTC. In the current 2008-2009 academic year, program reviews are in progress for the School of Engineering and Applied Sciences, for the Curry School of Education, and for the following departments in the College of Arts and Sciences: Astronomy; Chemistry; Environmental Sciences; Physics, and Psychology.

**9. Institution demonstrates a commitment to ensuring that lower division undergraduates have access to required courses at the 100- and 200-level sufficient to ensure timely graduation by reporting annually to the State Council of Higher Education on the number of students denied enrollment in such courses for each fall and spring semesters. No later than July 1, 2008, to the extent the institution does not currently track student access and registration attempts at the course level, the institution shall, in consultation with the State Council of Higher Education, establish an appropriate quantitative method to identify the extent to which limited access to 100- and 200-level courses reduce progression, retention, and graduation rates. After July 1, 2008, each institution shall include in its annual report to the State Council its plan of action to increase such access and remediate the identified problems.**

**Status:** Under development. No targets required at this time.

### 10. Institution maintains or increases the ratio of degrees conferred per full-time equivalent instructional faculty member, within the prescribed range of permitted variance.

**Definition:** Data files used: Degrees Conferred

Institutions should provide an annual calculation of FTE for the instructional component of all faculty (Instruction, Research, and Public Service) to be used as the denominator for this measure. The numerator will be the total number of awards reported on the degrees conferred file.

#### 2008 Proposed Targets – Ratio degrees conferred per FTE faculty

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			5.20	5.16	5.12	5.08	5.04	5.00	4.96	4.92
Threshold			4.99	4.95	4.93	4.89	4.85	4.81	4.77	4.73
Actual	5.25	5.28	5.16	5.32						

### 11. Institution maintains or improves the average annual retention and progression rates of degree-seeking undergraduate students.

**Definition:** Data files used: Fall headcount

Student levels used: (21, 22, 26, 27, 41)

Match by UNITID and SOCSEC1 in base year (0304) against second year (0405). Each record is assigned a 1 if student is present in second fall, otherwise a 0. Results are summed aggregated by LEVEL and then averaged for each year.

#### 2008 Proposed Targets

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			92.00%	92.00%	92.00%	92.00%	92.00%	92.00%	92.00%	92.00%
Threshold			90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
Actual	92.40%	92.20%	92.90%	93.17%						

**12. Within the prescribed range of permitted variance, the institution increases the ratio of total undergraduate degree awards to the number of annual full-time equivalent, degree-seeking undergraduate students except in those years when the institution is pursuing planned enrollment growth as demonstrated by its SCHEV-approved enrollment projections.**

**Definition:** Data files used: Degrees Conferred, Course Enrollment

For four-year institutions, "Degree-seeking undergraduates" are defined as students seeking a four-year baccalaureate degree (plevone=40). Consistent with the above, an "undergraduate degree award" is defined as 4-year baccalaureate degrees (plevone=40).

FTE is calculated using the traditional SCHEV definition of annual FTE (30 credit hours a year=1 FTE).

The percentage score in this area uses the formula (Degrees/FTE).

#### 2008 Proposed Targets – Degrees/FTE

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			0.2450	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450
Threshold			0.2385	0.2385	0.2400	0.2400	0.2400	0.2400	0.2400	0.2400
Actual	0.2450	0.2510	0.2450	0.2512						

**13. Institution increases the number of undergraduate programs or schools for which it has established a uniform articulation agreement by program or school for associate degree graduates transferring from all colleges of the Virginia Community College System and Richard Bland College consistent with a target agreed to by the institution, the Virginia Community College System, and the State Council of Higher Education for Virginia.**

**Status:** Goal will be complete by 2012.

In its 2006-2012 Six-Year Plan, the University stated that it would do the following:

- In 2006-08, the University will implement articulation agreements applicable to all 23 community colleges to permit students with specified credentials to matriculate to the College of Arts & Sciences.
- In 2008-10, the University will pursue agreements for the 8 community colleges which offer pre-engineering programs to permit students with specified credentials to matriculate to the School of Engineering & Applied Science.
- In 2010-12, we will implement articulation agreements for all community colleges having appropriate preparatory programs for the Schools of Nursing, Architecture, Commerce and Education, which completes all of the undergraduate schools at the University.

**Performance:**

In early 2006, the University implemented its inaugural articulation agreement with the VCCS, applicable to all 23 community colleges, to permit students with specified credentials to matriculate to the College of Arts & Sciences. In early 2008, the University consummated its agreement with the VCCS for admission to the School of Engineering and Applied Science, well ahead of schedule. During 2008-10, the University is reviewing its experience to date and hopes to implement a third agreement, ahead of the original schedule which was for 2010-12. This plan would implement articulation agreements for all community colleges having appropriate preparatory programs for the Schools of Nursing, Architecture, Commerce and Education, which will complete all of the undergraduate schools at the University.

**14. Institution increases the total number of associate degree graduates enrolled as transfer students from Virginia's public two-year colleges with the expectation that the general education credits from those institutions apply toward general education baccalaureate degree requirements, as a percent of all undergraduate students enrolled, within the prescribed range of permitted variance.**

**Definition:** Data files used: Degrees conferred, fall headcount

Only in-state students are included in this measure.

A student is counted if she/he received an Associate's degree from the VCCS or RBC and is enrolled at a four year institution in the fall of the following year.

**2008 Proposed Targets**

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			98	117	107	116	126	136	147	159
Threshold			78	97	86	95	104	113	124	136
Actual	78	84	89	125						

**15. Institution increases the number of students involved in dual enrollment programs consistent with a target agreed upon by the institution, the Department of Education and the State Council of Higher Education for Virginia.**

**Status:** The measure does not apply to four-year institutions.

**16. In cooperation with the State Council, institution develops a specific set of actions to help address local and/or regional economic development needs consisting of specific partners, activities, fiscal support, and desired outcomes. Institution will receive positive feedback on an annual standardized survey developed by the State Council, in consultation with the institutions, of local and regional leaders, and the economic development partners identified in its plans, regarding the success of its local and regional economic development plans.**

**Status:** No targets required for this measure.

**17. Institution maintains or increases the total expenditures in grants and contracts for research, within the prescribed range of permitted variance, according to targets mutually agreed upon with SCHEV and/or consistent with the institution's management agreement.**

**Definition:** Data files used: IPEDS F1 Survey.

Total research expenditures from the annual F1 report, three-year moving average.

**This measure applicable to research institutions only.**

**2008 Proposed Targets – three-year moving average (x 1,000)**

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			264,100	278,700	235,000	235,000	239,700	244,500	249,400	254,400
Threshold			201,900	215,300	206,800	206,800	210,900	215,200	219,500	223,800
Actual	224,400	236,800	235,700	242,195						

**18. Institution maintains or increases the annual number of new patent awards and licenses, within the prescribed range of permitted variance, according to targets mutually agreed upon with SCHEV and/or consistent with the institution's management agreement.**

**Definition:** Research institutions only, three-year moving average, Association University Technology Managers (AUTM) definition.

**2008 Proposed Targets – three-year moving average**

Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Target			55	55	56	56	57	57	58	58
Threshold			53	53	50	50	51	51	52	52
Actual	53	55	56	59.7						

**19. In cooperation with the State Council, institution develops a specific set of actions with schools or school district administrations with specific goals to improve student achievement, upgrade the knowledge and skills of teachers, or strengthen the leadership skills of school administrators. Institution will receive positive feedback on an annual standardized survey developed by the State Council, in consultation with the institutions, of the superintendents, principals, and appropriate other parties.**

**Status:** No targets required for this measure.

**UNIVERSITY OF VIRGINIA  
FINANCIAL AND ADMINISTRATIVE STANDARDS  
Fiscal Year 2007-2008 Performance**

**Measure:** An unqualified opinion from the Auditor of Public Accounts upon the audit of the public institution's financial statements.

*Result: Unqualified opinion received on statements for year ending June 30, 2008.*

**Measure:** No significant audit deficiencies attested to by the Auditor of Public Accounts.

*Result: No significant audit deficiencies in the Auditor of Public Account's internal control report for the year ending June 30, 2008.*

**Measure:** Substantial compliance with all financial reporting standards approved by the State Comptroller.

*Result: Completed.*

**Measure:** Substantial attainment of accounts receivable standards approved by the State Comptroller, including, but not limited to, any standards for outstanding receivables and bad debts.

*Result: Standard is accounts greater than 120 days past due must be less than 10 percent of total receivables. Accounts more than 120 days past due were 5.07 percent of total receivables at September 30, 2008; 2.38 percent of total receivables at December 31, 2007; 9.09 percent of total receivables at March 31, 2008; and 9.23 percent of total receivables at June 30, 2008.*

**Measure:** Substantial attainment of accounts payable standards approved by the State Comptroller including, but not limited to, any standards for accounts payable past due.

*Result: Prompt pay standard is 95 percent of bills accepted and on time. For 2007-2008, performance was 98.84 percent prompt pay.*

**Measure:** Institution complies with a debt management policy approved by its governing board that defines the maximum percent of institutional resources that can be used to pay debt service in a fiscal year, and the maximum amount of debt that can be prudently issued within a specified period.

*Result: UVa has a Board of Visitors-approved debt policy, with which it is in compliance. This policy was held up as a best practice in a very recent State Auditor report on debt statewide.*

**Measure** (as included in § 4-9.02.K.4.a of the 2008-10 Appropriations Act): The institution will substantially comply with its annual approved Small, Women and Minority (SWAM) plan as submitted to the Department of Minority Business Enterprise; however, a variance of 15 percent from its SWAM purchase goal, as stated in the plan, will be acceptable.

*Result: UVa's SWAM purchase goal for FY2007-08 was 40 percent; actual spend was 42.5 percent or 106 percent of the stated goal.*

**UNIVERSITY OF VIRGINIA  
HUMAN RESOURCES  
FY2007-2008 Performance Measures**

**General Accountability Measures**

- No material audit findings
- Compliance with Board of Visitors approved restructuring policy
- Compliance with Restructuring Act reporting requirements

**Specific Performance Measures**

Measure	Benchmark	FY 2005-2006 Baseline	FY 2006-2007	FY2007-2008
Percentage of turnover as an indicator of staff stability and staff satisfaction	Average percentage turnover rate should trend with College and University Personnel Administrators ("CUPA")-Human Resources ("HR") benchmark.  <u>2001 CUPA Benchmarks:</u> Average range of 9% - 11%	10.9%  Turnover = 512	10.5%  Turnover = 504	8.7%  Turnover = 426
Internal transfers/promotions as a percentage of total number of hires as a measure of the extent to which the institution hires or promotes from within	Percentage rate should be equal to or greater than CUPA-HR benchmark  <u>2001 CUPA Benchmarks:</u> Average range of 18% - 41%	58.8%	54.0%	42.1%
Average number of days to classify new positions or reclassify a staff position as a measure of effectiveness of the classification process	Average should be equal to or less than CUPA-HR benchmark.  <u>2001 CUPA Benchmarks:</u> Average range of 7 – 16 days	33 days	17 days	21 days
Average number of days to hire staff, from recruitment posting to the candidate's acceptance or effective date of hire (start date)	Trend data against baseline average in 2005-06.	74 days *  * Candidate acceptance date	75 days	62 days
Compliance with Restructuring Act election provisions	Track percent of (i) total employees who are participating in the state HR system and (ii) current employees who have elected to participate in the institutional HR system	N/A	N/A	N/A

**UNIVERSITY OF VIRGINIA  
PROCUREMENT AND SURPLUS PERSONAL PROPERTY  
FY2007-2008 Performance Measures**

**General Accountability Measures**

- Compliance with current and/or revised Commonwealth management standards, including prompt pay compliance and no material audit findings
- Compliance with Board of Visitors approved restructuring policy and procurement rules document

**Specific Performance Measures**

<b>Measure</b>	<b>Benchmark</b>	<b>FY 2005-2006 Baseline</b>	<b>FY 2006-2007</b>	<b>FY2007-2008</b>
Goals established in the plan submitted to the state under current law for Small, Woman-owned and Minority-owned procurement. Performance will be reported quarterly.	Accomplishment of goals and improvement on previous performance	Plan: 36% Actual: 41.8% Actual to Plan: 116% SWaM: \$109,438,308	Plan: 40% Actual: 43.3% Actual to Plan: 108% SWaM: \$130,128,786	Plan: 40% Actual: 42.5% Actual to Plan: 106% SWaM: \$157,607,369
Maximize operational efficiencies and economies through the adoption of best practices for electronic procurement	Increased use of electronic procurement as measured by dollar value	\$219,485,503 in spend sent to eVa	\$315,114,341 in spend sent to eVa	\$393,875,673 in spend sent to eVA
Volume of cooperative procurements	Measure increase in the number of existing contracts renewed and new contracts over the number of current contracts	49	615	861 (increase of 246 over FY2006-07)
Vendor protests with a legal basis for the protest	Number of such vendor protests as compared to 2005-2006	0	0	0

**UNIVERSITY OF VIRGINIA  
INFORMATION TECHNOLOGY  
FY2007-2008 Performance Measures**

**General Accountability Measures**

- Campus infrastructure supporting the expansion of cutting edge research and new forms of instruction consistent with peer research institutions
- Facilities and support for high performance computing and communications and large scale (i.e. peta-scale) data repositories consistent with peer research institutions
- Compliance of institution's security programs with professional best practices
- Development and implementation of up-to-date institutional information technology strategic plan
- Compliance with Board of Visitors approved restructuring policy

**Specific Performance Measures**

Measure	Benchmark	FY 2005-2006 Baseline	FY 2006-2007	FY2007-2008
Major information technology projects will be completed on approved schedules and within approved budgets	Projects are completed on time and within budget at a rate that matches industry	None completed	100% compared to the 2006 industry average of 35% <sup>1</sup> .  One major project, UVa Marketplace, was completed. The Pre-implementation Phase of the Student Systems Project was also completed. Both were on time and within budget.	100% compared to the 2006 industry average of 35% <sup>1</sup> .  The Implementation Phase of the Student Systems Project is on time and within budget.
All faculty and students have convenient access to a distributed learning and collaboration environment, with course management systems in support of such services as online content; student information and library systems upgraded as major changes in technology warrant <sup>2</sup>	% (based on individual university metric) of all courses utilizing technically up-to-date course management systems	96.8% of U.Va.'s fall 2005 & spring 2006 courses utilized course management systems.  7,998 unique users of MyUVa	95.5% of U.Va.'s Fall 2006 & Spring 2007 courses utilizing course management systems.  31.8% of U.Va. at Wise's Fall 2006 & Spring 2007 courses utilizing course management systems.  8,660 unique users of MyUVa Portal  3,602 unique users of the "Collab" collaborative	Use of course management systems within U.Va.'s Academic Division continues to be ubiquitous. The high usage rate at U.Va. at Wise also continues.  UVaCollab, our Sakai-based collaboration and learning environment, was successfully used by almost 200 courses during the early adopter phase of Spring 2008. The environment also

<sup>1</sup> Source: Standish Group 2006 CHAOS Survey

<sup>2</sup> The University is currently piloting new tools, such as "Collab," for support of the learning and collaboration environment. Because of this planned migration to newer tools, usage statistics for the legacy course management systems will decline and those for the new capabilities will rise over time.

Measure	Benchmark	FY 2005-2006 Baseline	FY 2006-2007	FY2007-2008
			environment	has over 1500 sites and over 20,000 users.
<p>Institutions will leverage their collective expertise to save money and help strengthen security programs</p>	<p>There is evidence of collaboration among institutions, such as the Higher Education Virginia Alliance for Security Computing and Networking (VA SCAN)</p>	<p>Engaged in these significant collaborations:</p> <ul style="list-style-type: none"> <li>• Virginia HE CIO Council</li> <li>• Virginia Alliance for Secure Computing &amp; Networking</li> <li>• Association of Collegiate Computing Services</li> <li>• Implementation of Vortex (connection to National Lambda Rail)</li> <li>• Southeastern University Research Association</li> <li>• ACC Chief Information Officers summits</li> <li>• National Internet2 and EDUCAUSE task forces</li> <li>• National Common Solutions Group</li> </ul>	<p>Engaged in these significant collaborations:</p> <ul style="list-style-type: none"> <li>• Virginia HE CIO Council</li> <li>• Virginia Alliance for Secure Computing &amp; Networking</li> <li>• Association of Collegiate Computing Services</li> <li>• Implementation of Vortex (connection to National Lambda Rail)</li> <li>• Southeastern University Research Association</li> <li>• ACC Chief Information Officers summits</li> <li>• National Internet2 and EDUCAUSE task forces</li> <li>• National Common Solutions Group</li> <li>• Virginia Tech/U.Va. disaster recovery &amp; research computing collaboration</li> </ul>	<p>Engaged in these significant collaborations:</p> <ul style="list-style-type: none"> <li>• Virginia HE CIO Council</li> <li>• Virginia Alliance for Secure Computing &amp; Networking</li> <li>• Association of Collegiate Computing Services</li> <li>• Implementation of Vortex (connection to National Lambda Rail)</li> <li>• Southeastern University Research Association</li> <li>• ACC Chief Information Officers summits</li> <li>• National Internet2 and EDUCAUSE task forces</li> <li>• National Common Solutions Group</li> <li>• Research Universities CIO Council</li> <li>• Virginia Tech/U.Va. disaster recovery collaboration</li> <li>• Virginia Tech/ U.Va. research computing training collaboration (estimated yearly \$300,000 savings to the Commonwealth)</li> <li>• Providing high performance computing cycles to JMU (an estimated \$5,000 to \$17,500 <u>weekly</u> savings to the</li> </ul>

Measure	Benchmark	FY 2005-2006 Baseline	FY 2006-2007	FY2007-2008
				Commonwealth) <ul style="list-style-type: none"> <li>Operating nine Sakai-based collaboration worksites for the Secretary of Technology's Office (estimated yearly \$44,000 savings to the Commonwealth)</li> </ul>
The institution complies with policies for the procurement of information technology goods and services, including professional services, that are consistent with the requirements of § 23-38.110 of the Restructured Higher Education Financial and Administrative Operations Act and that include provisions addressing cooperative arrangements for such procurement as described in § 23-38.110	Results of external and internal audits indicate compliance	IT goods and services are procured in compliance with the appropriate policies.  No audit findings	IT goods and services are procured in compliance with the appropriate policies.	IT goods and services are procured in compliance with the appropriate policies.

**UNIVERSITY OF VIRGINIA  
FINANCE AND ACCOUNTING  
FY2007-2008 Performance Measures**

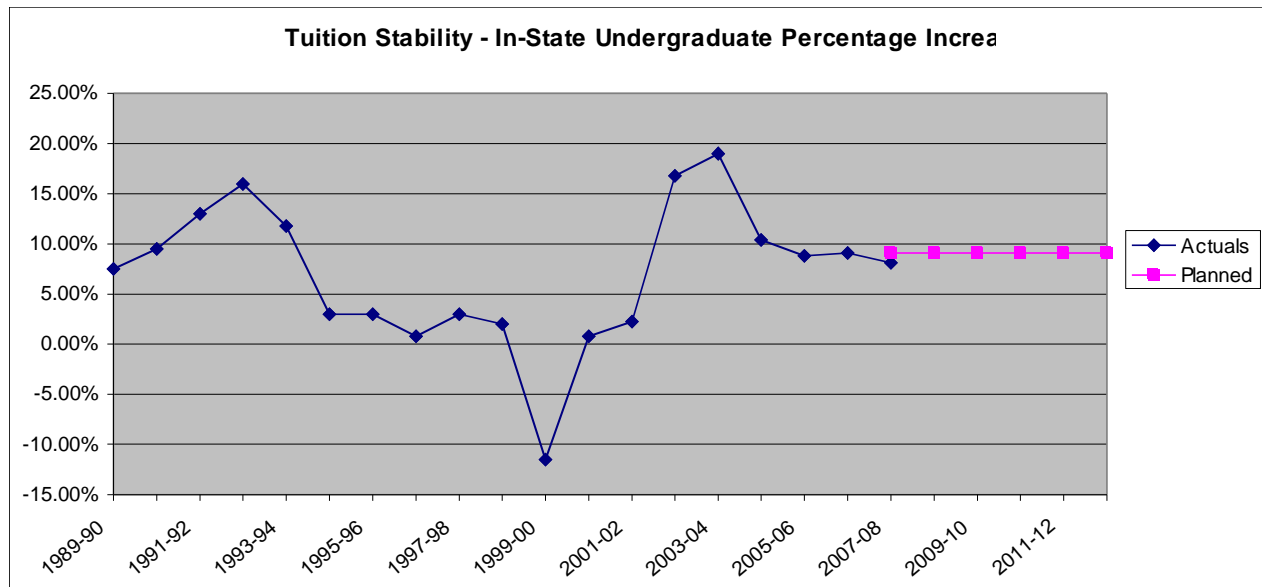
**General Accountability Measures**

- Compliance with current and/or revised Commonwealth management standards, including unqualified audit opinion and no material audit findings
- Compliance with Board of Visitors approved restructuring policy
- Maintain an independent and effective internal audit function reporting directly to the Board of Visitors and have no significant internal audit findings

**Specific Performance Measures**

Measure	Benchmark	FY 2005-2006 Baseline	FY 2006-2007	FY2007-2008
Stability of tuition and fee increases over time	Trend in-state undergraduate tuition and fee percentage increases from 1990-2005 compared to percentage increases over the timeframe of the six-year plan	See graph	See graph	See graph  (8.1% actual increase compared to 9.1% planned)
Bond rating from at least one of three rating agencies	An unenhanced rating received in the last three years within the double –A range or better from either Moody's, S&P, or Fitch	AAA	AAA	AAA
Annualized investment returns earned on operating cash balances invested by the institution over a rolling three year period	The annualized yield on the 91-day Treasury Bill Index over a rolling three year period	Not applicable	The one-year return for the fiscal year, 7/1/06 to 6/30/07, on operating cash was 5.46%. Comparatively, the one-year return on the 91-day T-bill was 5.21%.	The return on operating cash, 7/1/06 to 6/30/08, on operating cash was 3.85%. The return on the 91-day T-bill, 7/1/06 to 6/30/08, was 4.27%.
Debt burden ratio (actual annual debt service on long-term debt, excluding commercial paper or other bond anticipation notes, divided by total operating expenses)	Equal to or less than 7%	1.95%	2.18%	1.94%
Write off of bad debts from tuition, fees, room, and board charges	Less than or equal to 1% of prior year's operating revenues, over a rolling three year period	.006%	.004%	.013%

Measure	Benchmark	FY 2005-2006 Baseline	FY 2006-2007	FY2007-2008
Percentage of recovery of delinquent accounts receivable sent to outside collection agencies or litigation	Greater than or equal to 10% of dollar value of the accounts referred to collection agencies, averaged over the last three years	16.35%	17.02%	15.35%
Amount of need-based financial aid for undergraduate Virginia students	Trend data against a baseline calculation in 2005-06	\$20,685,551	\$21,840,299	\$26,802,173
Amount of need-based grants for undergraduate Virginia students	Trend data against a baseline calculation in 2005-06	\$14,215,897	\$16,007,299	\$19,477,711



**UNIVERSITY OF VIRGINIA  
CAPITAL OUTLAY, LEASES, AND REAL ESTATE  
FY2007-2008 Performance Measures**

**General Accountability Measures**

- No material audit findings
- Compliance with Board of Visitors (“BOV”) approved restructuring policy
- Regular reports to the BOV by the designated building official related to his/her duties as the official responsible for project compliance with the building code. The building official has direct access to the BOV.
- Compliance with the Restructuring Act’s reporting requirements for all BOV project authorizations
- All Certificates of Use issued subsequent to the State Fire Marshal’s favorable occupancy report

**Specific Performance Measures**

Measure	Benchmark	FY 2005-2006 Baseline	FY 2006-2007	FY2007-2008
Number of days on average for institution to process change orders locally	25 days	4 days	3 days 285 change orders processed (total value of \$20,201,218) 22 days saved on average \$121,760 total cost savings	3.8 days 361 change orders processed (total value of \$12,385,461) 20 days saved on average \$67,866 total cost savings.
Number of days on average for institution to complete full code and fire and life safety reviews	71 days for new construction 42 days for renovation and infrastructure <sup>3</sup>	11 days	11 days on average to complete code review. 16 days on average for new construction; 8 days for renovation.  <u>Total cost savings:</u> \$280,078 for new construction \$112,078 for renovation	10 days on average to complete code review. 20 days on average for new construction; 9 days for renovation.  <u>Total cost savings:</u> \$1,631,933 for new construction \$138,834 for renovation
Number of days saved by BOV approval of NGF projects compared to state approval	Number of days that would have been required from BOV approval to: a) Appropriation Act effective date OR b) Governor emergency approval	Not applicable	<u>Wise Chancellor's residence</u> (cost \$1 M) 221 days saved (compared to legislative process [LP]) 60 days saved (compared to Governor's emergency process [GEP])  <u>McCue renovations</u> (cost \$3 M) 506 days saved (compared to LP) 60 days saved (compared to GEP)  <u>Total cost savings</u>	<u>Old Medical School 3<sup>rd</sup> Floor Lab Renovation – Dr. Rich</u> (cost \$2.8 M) 328 days saved over legislative process (LP) 60 days saved over Governor's emergency process (GEP)  <u>Old Jordan Hall 4<sup>th</sup> Floor Department of Medicine Renovation</u> (cost \$3 M) 328 days saved over LP 60 days saved over GEP  <u>Law School Faculty Office Renovation</u> (cost \$2,537,500)

<sup>3</sup> No recent BCOM U.Va. review history as U.Va. has been completing delegated code reviews since 1996. This also represents review of CDs only.

Measure	Benchmark	FY 2005-2006 Baseline	FY 2006-2007	FY2007-2008
			\$476,430 over LP \$65,752 over GEP	328 days saved over LP 60 days saved over GEP <u>Scott Stadium Waterproofing</u> (cost \$2,537,500) 328 days saved over LP 60 days saved over GEP  <u>Monroe Hall Maintenance &amp; Adaption</u> (cost \$3,960,000) 328 days saved over LP 60 days saved over GEP  <u>UH Emergency Power Upgrade Phase I</u> (cost \$2,537,500) 328 days saved over LP 60 days saved over GEP  <u>Rugby Administrative Building Renovation</u> (cost \$17.7) 447 days saved over LP 60 days saved over GEP  <u>Acquire 2400 Old Ivy Road</u> (cost \$5,916,500) 209 days saved over LP 60 days saved over GEP  <u>Physical/Life Sciences Building</u> (cost \$88.9 M) 209 days saved over LP 60 days saved over GEP  <u>Ivy Translational Research Building</u> (cost \$93.3 M) 209 days saved over LP 60 days saved over GEP  <u>Expand/Replace Science/Engineering Chiller Plant</u> (cost \$21 M) 448 days saved over LP 60 days saved over GEP  <u>Total Cost Savings</u> \$18,260,644 over LP \$3,453,589 over GEP
Average number of days for institution to approve a lease	Average number of days for Real Estate Services to approve a lease (U.Va. and VT proxy data) 187 days before delegation	Not available	11 days (average for 15 leases)	13 days (average for 12 leases)

**UNIVERSITY OF VIRGINIA**  
**Management Agreement VCCS Transfer Enrollment**

The Management Agreement commits VA Tech, the University of Virginia, and the College of William and Mary in Virginia to collectively enroll VCCS and Richard Bland College transfers (i) by the 2007-08 fiscal year, not less than approximately 300 new such transfer students each year over the number enrolled in 2004-05, for a total of approximately 900 such transfer students each year, and (ii) by the end of the decade, not less than approximately 650 new such transfer students each year over the number enrolled in 2004-05, for a total of approximately 1,250 such transfer students each year. UVa's proportionate share will be 282 total transfers by 07-08 and 392 by 09-10.

<b>Institution</b>	<b>2004-2005 Transfers</b>	<b>% of Total</b>	<b>2006-2007 Actual</b>	<b>2007-2008 State Target</b>	<b>2007-2008 Actual</b>	<b>2009-2010 State Target</b>
CWM	45	7.5%	104	68	NA	94
Va. Tech	367	61.2%	462	551	550	765
UVa	188	31.3%	234	282	299	392
<b>TOTAL</b>	<b>600</b>	<b>100%</b>	<b>800</b>	<b>900</b>	<b>NA</b>	<b>1250</b>

\*This number represents any transfer student entering UVa in either the fall, spring, or summer term of an academic year whose most recent previous school attended is a VCCS institution. If a student transferred from a VCCS institution to a four-year institution and then transferred to UVa, they are not included in this number. However, if a student attended a VCCS institution, sat out a year or more, and then transferred to UVa, they are still counted as a VCCS transfer.

**UNIVERSITY OF VIRGINIA  
Management Agreement Economic Development**

Required to work with an economically distressed region and stimulate economic development and improve student achievement and teacher and administrator skill sets in a school division.

Selected the Coalfield Region of Southwest Va. Partnering with UVA-Wise and Virginia Coalfield Economic Development Authority (VCEDA).

Plan focuses on: Business Support; Health Care; K-12 Education

Submitted action plan to the Governor and the General Assembly in December 2006 and progress reports on August 31, 2007, and August 27, 2008.

**Management Agreement Research**

In addition to the University's six-year target (\$337 M by 2011-12), the institution commits to match from institutional funds, any additional research funds provided by the state in the Appropriation Act above the amount provided from institutional funds for research in 2005-06.

In the recent research report (October 1, 2008) submitted to the Chairman of the House Appropriations and Senate Finance Committees the following was reported: As a result of the state's investment of \$21.3 million (\$13.45 million GF and \$7.85 million ETF), the University has received \$79.86 million in external federal and private funds (excluding any pending funding), representing a return of 375 percent and an increase of \$27.26 million from FY07.

**UNIVERSITY OF VIRGINIA**  
**Management Agreement Financial Aid**  
**First-Year Students (does not include transfers)**

Metric	2004-2005 (Baseline)	2006-2007	2007-2008
Applications from low-income students	701	790	951
Low-income applicants offered admission	267	301	304
Low-income applicants who accepted offers	133	172	180
Yield of low-income students	50%	57.14%	59.21%
Percentage of low-income students in student body (first-time first-year students)	4.30%	5.56%	5.54%

**Cap Need-based Loans to a Maximum of 25% of Total In-state Cost of Attendance**  
**Target: Middle-income Students (family income between \$75,000 and \$149,999) \***

Metric	2004-2005 Baseline*	2006-2007	2007-2008
1 <sup>st</sup> -Year Applications from middle-income students	3,053	3,312	3,461
Participation of financial aid recipients in study abroad, internships, volunteer work, student activities, etc.	<p><b><u>National Survey of Student Engagement</u></b>            Enriching Educational Experiences Index (based on 11 questions, 100 point scale)            1st Year Need-based financial aid recipients            Mean=31.9 n=359            4th Year Need-based financial aid recipients            Mean=47.4 n=249            Survey of Financial Aid Recipients            Individual question data available upon request (study abroad, community service, hours spent participating in co-curricular activities)**</p>	<p><b><u>NSSE</u></b> is being administered again in the spring of 2008; results will be available Fall 2008</p>	<p><b><u>National Survey of Student Engagement</u></b>            Enriching Educational Experiences Index (based on 11 questions, 100 point scale)            1st Year Need-based financial aid recipients            Mean=31.3 n=253            4th Year Need-based financial aid recipients            Mean=48.2.4 n=163            Survey of Financial Aid Recipients            Individual question data available upon request (study abroad, community service, hours spent participating in co-curricular activities)***</p>

Metric	2004-2005 Baseline*	2006-2007	2007-2008
Post graduate choices and starting salaries	<p><b><u>Survey of Financial Aid Recipients</u></b>            Plans of fourth-year need-based financial aid recipients            59.9% work full time n=122            23.8% full-time grad school n=48            2.6% volunteer work n=5            84.1% 4th-year need-based financial aid recipients satisfied or very satisfied with opportunities for involvement in extra-curricular activities**</p>	NA (survey conducted every third year)	<p><b><u>Survey of Financial Aid Recipients</u></b>            Plans of fourth-year need-based financial aid recipients            55.3% work full time n=57            30.1% full-time grad school n=31            1.9% volunteer work n=2            85.5% n= 88 4th-year need-based financial aid recipients satisfied or very satisfied with opportunities for involvement in extra-curricular activities***</p>

\* Beginning fall 2005; full implementation by fall 2008.

\*\* Full report available upon request: AccessUVa Year One.

\*\*\* Full report expected spring 2009.

Metric	Baseline ****	2006-2007	2007-2008
Usage figures of educational programs provided on financial planning and debt management	NA	NA	200 students participated in 9 financial literacy workshops conducted by Student Financial Services. 60 students participated in a trial implementation of an Identity Theft Module, which will be available to all new students in March 2009.
Percent of financial aid applicants participating in financial management programs	NA	NA	2.8%

Metric	Baseline ****	2006-2007	2007-2008
Evaluation of effectiveness of the educational programs	NA	In process for 2006-07 pilot study. Pre-post surveys of participants and non-participants. Results expected, Spring 2008	Survey results indicate that workshop participants (Pell Grant recipients), compared to other Pell recipients who did not participate in the workshop, had twice the increase in mean score on a knowledge of financial literacy index. Workshop participants exhibited healthy financial behaviors, including paying bills on time, not bouncing checks, and having no or low credit card debt. *****

\*\*\*\* No baseline measures as programs were designed as part of terms of Management Agreement.

\*\*\*\*\* Supplemental report available upon request: Supplement to the 2007 AccessUVa Surveys' Report: Financial Literacy Surveys