

**DOCKET**

**BOARD OF VISITORS**

**University of Virginia**

**Regular Meeting**

**September 11, 2009**

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BOARD OF VISITORS  
SEPTEMBER 11, 2009

CONSENT ITEMS

1. APPROVAL OF STATE OPERATING BUDGET AMENDMENTS FOR THE 2010-2012 BIENNIUM FOR THE ACADEMIC DIVISION  
(approved by the Finance Committee on September 10, 2009)

WHEREAS, the 2010-2012 budget requests to the Governor were submitted on September 1, 2009, pending approval by the Board of Visitors; and

WHEREAS, the proposed 2010-2012 biennial budget requests have been reviewed carefully; and

WHEREAS, the proposed biennial budget requests represent the highest priority initiatives and are aligned with the mission of the institution;

RESOLVED, the Board of Visitors of the University of Virginia approves the 2010-2012 biennial budget requests as outlined in an attachment to this document; and

RESOLVED FURTHER, the Board of Visitors understands that to the extent these initiatives are not included in the Governor's 2010-2012 biennial budget, the Academic Division may want to pursue similar requests to the Legislature; and

RESOLVED FURTHER, the Executive Vice President and Chief Operating Officer is authorized to transmit to the General Assembly any request not funded by the Governor as long as there are no material differences from the items already endorsed by the Board of Visitors.

2. APPROVAL OF SIGNATORY AUTHORITY FOR MEDICAL CENTER PROCUREMENT OF HOUSE STAFF MEDICAL BENEFITS  
(approved by the Finance Committee on September 10, 2009)

RESOLVED, the Board of Visitors authorizes the Executive Vice President and Chief Operating Officer of the University to execute a contract for house staff medical benefits, based upon the recommendation of the Vice President and Chief Executive

Officer of the Medical Center in accordance with Medical Center procurement policy.

## ACTION ITEMS

### 3. APPROVAL OF THE AUDIT CHARTER

(approved by the Audit and Compliance Committee on September 11, 2009)

RESOLVED, the Audit Charter is approved as recommended by the Audit and Compliance Committee.

### 4. APPROVAL OF ENDOWMENT SPENDING DISTRIBUTION FOR FISCAL YEAR 2009-2010

WHEREAS, the University wishes to provide reliable, predictable distributions to support programs; and

WHEREAS, the Board of Visitors wishes to fund institutional priorities, including the recommendations of the Commission on the Future of the University; and

WHEREAS, recent decreases in state support have placed significant strain on University budgets; and

WHEREAS, the endowment spending policy calls for a percentage increase in the annual distribution from the endowment, unless such increase causes the distribution to fall outside a band defined as four percent to six percent of the market value of the Pooled Endowment Fund; and if the distribution falls outside of this range, the Finance Committee may recommend either raising or lowering the rate of increase; and

WHEREAS, applying the spending policy with the usual inflator would result in an annual payout for fiscal year 2009-2010 of 6.6 percent of the market value of the Pooled Endowment Fund, which is outside of the approved band of four percent to six percent;

RESOLVED, the annual endowment distribution for fiscal year 2009-2010 is set at 5.5 percent of the June 30, 2009 market value of the Pooled Endowment Fund.

5. REAPPOINTMENT TO THE BOARD OF THE UNIVERSITY OF VIRGINIA'S COLLEGE AT WISE

RESOLVED, Mr. Paul C. Buchanan is reappointed to The University of Virginia's College at Wise Board for a four-year term ending June 30, 2013, in accordance with the terms of the Board's bylaws.

6. MEMORIAL RESOLUTION ON DAVID NICOLLS MONTAGUE

WHEREAS, David Nicolls Montague of Hampton matriculated in the College in 1954, took his B.A. in 1958 and a J.D. from the School of Law in 1961; and

WHEREAS, David Montague was in every way a leader among his peers as a student, having been - among other activities - Editor of the Cavalier Daily, a member of the Student Council, of Beta Theta Pi, of TILKA. of the IMP Society, the Wrestling Team and, as a law student, Managing Editor of the Virginia Law Weekly, and later the Raven Society; and

WHEREAS, David Montague returned to Hampton and entered the practice of the law with his father, a well known figure in the Commonwealth and a former Member of the Board of Visitors; and

WHEREAS, David Montague took an active role in the life of his city, serving as a progressive and strong Mayor of Hampton at a time of rapid growth and change; and

WHEREAS, David Montague was appointed to the Board of Visitors by Governor Dalton in 1980 and served until 1984; and

WHEREAS, David Montague died in Hampton on July 1, 2009;

RESOLVED, the Board of Visitors notes with great regret the death of David Nicolls Montague and remembers his exemplary service to the University, both as a student and as a Member of the Board. In doing so, the Board of Visitors offers its deepest sympathy to Mr. Montague's family.

**ATTACHMENT**

**STATE OPERATING BUDGET REQUEST  
FOR THE 2010-2012 BIENNIUM**

AGENCY 207 - Academic Division:

*Fund UVa Health Plan Cost Increases (\$2.0 million GF in year one and \$2.0 million GF in year two)*- The University requests ongoing support to maintain the state's funding of the University-sponsored health care plan at a comparable level to the state funding provided for other state-sponsored health plans.

*Reimburse Capital Pre-planning Costs at Start of Construction (Language Only)* - Language was included by the 2009 General Assembly to allow the University to use non-general funds to complete pre-planning for New Cabell Hall and Ruffner Hall, with the advance to be reimbursed from state debt proceeds at the conclusion of the construction project. The amendment will provide for the reimbursement to come as soon as the construction funds are authorized, rather than at the end of the project.

*Reimburse Capital Construction Costs for New Cabell Hall Terrace Connector (Language Only)* - Language was included by the 2009 General Assembly to authorize the University to use up to \$3 million of non-general funds to fund the terrace connector for New Cabell Hall. This \$3 million budget item is within the state-funded \$80 million project; however, language was not included to allow this advance to be reimbursed from state debt proceeds. The amendment will provide for the reimbursement to come as soon as the construction funds are authorized.

*Graduate Financial Aid Restriction for In-State Students (Language Only)* - The University requests removal of the existing requirement that 50 percent of general funds allocated to graduate student financial assistance be made to Virginia residents. High-quality graduate students play a vital role in recruiting world class faculty, attracting external grant support, and improving the stature of the University's research enterprise. One no-cost measure of support for graduate students would be the elimination of this requirement. The University's highest-quality graduate student applicants are increasingly from out-of-state and require a higher level of financial commitment from the University. Many graduate students remain in the Commonwealth after graduation, even becoming faculty members at our public and private colleges and universities. Out-of-state graduate students frequently bring spouses and families to the region to settle here. Allowing the University to award state support to the highest-quality graduate students, regardless of their residency, will provide the University additional flexibility in building a world-renowned research enterprise.