

September 11, 2009

MEMORANDUM

TO: The External Affairs Committee:

A. Macdonald Caputo, Chair  
Robert D. Hardie  
Glynn D. Key  
Randal J. Kirk  
Austin Ligon  
The Honorable Lewis F. Payne  
Don R. Pippin  
John O. Wynne, Ex Officio  
John L. Nau III, Consulting Member  
Edmund W. Kitch, Consulting Member

and

The Remaining Members of the Board:

Daniel R. Abramson	Rahul Gorawara
The Hon. Alan A. Diamonstein	Vincent J. Mastracco, Jr.
Susan Y. Dorsey	Warren M. Thompson
Helen E. Dragas	E. Darracott Vaughan, Jr., M.D.
W. Heywood Fralin	

FROM: Susan G. Harris

RE: Minutes of the Meeting of the External Affairs  
Committee on Friday, September 11, 2009

The External Affairs Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 10:05 a.m., Friday, September 11, 2009, in the Board Room of the Rotunda; A. Macdonald Caputo, Chair, presided.

Present were Robert D. Hardie, Ms. Glynn D. Key, Randal J. Kirk, Austin Ligon, The Honorable Lewis F. Payne, Don R. Pippin, and John O. Wynne, Rector.

Also present were John L. Nau III and Edmund W. Kitch.

Present as well were Daniel R. Abramson, The Honorable Alan A. Diamonstein, Ms. Susan Y. Dorsey, Ms. Helen E. Dragas, W. Heywood Fralin, Vincent J. Mastracco, Jr., Warren M. Thompson, E. Darracott Vaughan, Jr., M.D., and Rahul Gorawara.

Also present were John T. Casteen III, Leonard W. Sandridge, Ms. Susan G. Harris, Paul J. Forch, Arthur Garson, Jr., M.D., Ms. Susan A. Carkeek, James L. Hilton, Ms. Patricia M. Lampkin, Marcus L. Martin, M.D., Ms. Yoke San L. Reynolds, David J. Prior, Ms. Colette Sheehy, Thomas C. Skalak, Robert D. Sweeney, and Ms. Jeanne Flippo Bailes.

#### Council of Foundations Report

The Chair asked Mr. Nau to give a report on the Council of Foundations. Mr. Nau said the gift assessment process has been implemented as of September 1 at all nine schools and units planning to assess a percentage on restricted gifts. He emphasized that the use of the percentage (in most cases 5%) being allocated from restricted gifts to unrestricted use is controlled by the Dean's or Director's priorities, and is not only for development.

The Council of Foundations is in the process of determining its areas of focus, and is currently considering the following six areas as it moves forward: Annual Giving; data accuracy/data mining; core services; collaboratively developing fundraising strategies that allow equally for school/unit-based and pan-university initiatives, by focusing on donor intent and interest; strategic planning for University-related foundations and their role in a 5-year, 25-year, and 50-year time horizon; and the Honor Code as a crucial component of the UVa experience. The consensus so far among members is that the highest priorities are the first two.

Mr. Nau said a task force has been formed to further discuss the relationship between foundations and the University of Virginia Investment Management Company (UVIMCO). The task force had their initial conference call with Chris Brightman in August. They will report to the Council of Foundations at the November meeting.

The foundations have been surveyed on which Development and Public Affairs core services their development operation is currently utilizing, and what services might be used in the future. This subject will be a main item on the agenda for the November meeting, and will help facilitate the foundations' completion of MOU addendums. The selection and term of the Chair of the Council of Foundations will also be discussed in November.

An orientation plan and materials for new Council of Foundation members is under development, with particular attention paid to the role of Consulting Members to Board of Visitors' committees. The plan

will be presented to the Council of Foundations for approval at the November meeting.

Mr. Nau concluded his remarks by thanking the Chair for the opportunity to update the Committee on the Council's progress.

Vice President's Remarks

The Chair called on Mr. Sweeney to provide his remarks. Mr. Sweeney reported on naming of the Aquatics and Fitness Center gymnasium the "Mark E. Fletcher Gymnasium" in honor of the former director of Intramural/Recreational Sports who passed away in June.

Mr. Sweeney said that the University "held its own" this year, but cash flow was down. For this new fiscal year (July and August) cash flow is up 5% over this period last year. All of philanthropy seems to be on a better trajectory than last year.

Executive Session

On approval of the following motion, the committee continued in closed session at 10:18 a.m.

That the External Affairs Committee of the Board of Visitors go into Closed Session for discussion and consideration of matters related to gifts and donor prospects and fundraising activity and strategy, as provided for in Section 2.2-3711(A) (4) and (8) of the Code of Virginia.

Open Session

The Committee resumed its meeting in Open Session at 11:32 a.m., and adopted the following resolution certifying that its discussions in Executive Session had been held in accordance with the exemptions permitted by the Virginia Freedom of Information Act:

That we vote on and record our certification that, to the best of each Board member's knowledge, only public business matters lawfully exempted from open meeting requirements and which were identified in the motion(s) authorizing the closed session, were heard, discussed or considered in closed session.

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On motion, the meeting was adjourned at 11:35 a.m.

SGH:lah

These minutes have been posted to the University of Virginia Board of Visitors website.

<http://www.virginia.edu/bov/externalminutes.html>