All members of the Board of Visitors of the University of Virginia met in Retreat and in Open and Executive Session, in the Abbott Center at the Darden School of Business in Charlottesville, Virginia on Friday and Saturday, August 2-3, 2013; George Keith Martin, Rector, presided.

Frank B. Atkinson, Hunter E. Craig, Allison Cryor DiNardo, Helen E. Dragas, Kevin J. Fay, Frank E. Genovese, Marvin W. Gilliam Jr., William H. Goodwin Jr., John A. Griffin, Victoria D. Harker, Bobbie G. Kilberg, Stephen P. Long, M.D., Edward D. Miller, M.D., John L. Nau III, Timothy B. Robertson, Linwood H. Rose, Blake E. Blaze, and Leonard W. Sandridge Jr., were present on Friday and all were present on Saturday except Mr. Atkinson.

Also present were Teresa A. Sullivan, John D. Simon, Patrick D. Hogan, Betsy V. Ackerson, J. Milton Adams, Anthony de Bruyn, Paul J. Forch, Susan G. Harris, McGregor McCance, and Debra D. Rinker.

Also present were Faculty Consulting Members Timothy Beatley, George C. Cohen, Adelaide Wilcox King, and Dennis R. Proffitt. From Faculty Senate, present were Joe Garofalo, Christopher P. Holstege, M.D., Robert S. Kemp, and Gweneth L. West.

Presenters were Sarah L. Collie, Maria J.K. Everett, Rick Horwitz, Patricia M. Lampkin, Megan K. Lowe, and Todd Stottlemyer.

Friday, August 2

The retreat began at 8:30 a.m. with a welcome from the dean of the Darden Graduate School of Business Robert Bruner. Rector Martin also welcomed the Board members and gave a brief overview of the topics that would be covered during the retreat.

Following the Rector’s remarks, a briefing on the Virginia Freedom of Information Act (FOIA) was provided by Maria Everett, the Director of the state FOIA Advisory Council. Ms. Everett explained what is a public record and related issues including e-mails. She spent substantial time on the legal requirements for public meetings including closed meetings. She explained that simultaneous correspondence by board members on e-mail could constitute an illegal meeting. She said anyone can sue for a violation of FOIA, and if they are successful, they are entitled to attorneys’ fees and costs. A
knowing and willful violation can result in a personal monetary penalty. Her advice was to be as transparent as possible and not to put anything in writing that you would not be comfortable with others seeing.

**Executive Session:**

After adopting the following motion, the Board went into closed session at 9:50 a.m.:

To consult legal counsel on litigation developments relevant to university operations and on code requirements relevant to both university operations and governance, as authorized by section 2.2-3711(a)(7) of the **Code of Virginia**.

At 10:45 a.m., the Board resumed in open session. On motion, the Board adopted the following resolution certifying that the deliberations in closed session had been conducted 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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At 10:50 a.m., the Rector introduced Todd Stottlemyer, the Rector of the William & Mary Board of Visitors. Mr. Stottlemyer spoke about the William and Mary Promise. He said the program includes a tuition guarantee for four years and a reduction of student loan debt. The tuition model is reset every year for entering in-state students, however, it will always be less than the cost of their education. He said the administration and board had strong concerns about recruiting and retaining high-level faculty, and with the trend line of decreasing state support, they had to find a way to generate revenue to increase faculty salaries which now average in the 7th percentile of their SCHEV peer group. As part of this investment in the faculty, they will be asked to teach more courses.

Part of the program includes a promise to enhance affordability for Virginia students, particularly middle income students, which he defined as those with family incomes between 200% and 400% of the federal poverty level. He said the predictability of the tuition level over four years is an important factor for families, however, he acknowledged that student fees and room and board costs will not be constant for four years. The William and Mary Board approved a 20% increase in tuition for this year’s entering class.

After hearing about the William & Mary Promise, Executive Vice President and Chief Operating Officer Patrick Hogan began a discussion
of the University's financial aid program, AccessUVA. Mr. Hogan gave an overview of the components of the program, which include meeting 100% of student financial need, providing all-grant aid to low income students (family income of up to 200% of the federal poverty level), capping need-based loans for others with need, and a financial literacy education and debt management program for students receiving financial aid. The University has continued to admit prospective students based on merit and not on ability to pay, which is known as "need blind" admissions.

Mr. Hogan called on Megan Lowe to explain the proposal brought to the Board for consideration. She said the significant increase in students with need from approximately 24% of the undergraduate student population in 2005, when AccessUVA began, to 33% of the current population, caused a sharp increase in the cost of the financial aid program. Institutional grants that must be funded from unrestricted funds are now $40 million a year, up from $11.5 million in 2004-2005. She indicated that $21.1 million is provided to low income students.

Ms. Lowe explained that a consultant, Art & Science Group LLC, was hired in late 2011 to assess the effects of financial aid on the admission process and outcome. They concluded that the program is generous for a public institution, that prospective students are more sensitive to changes in aid than in changes in price (tuition, fees, housing, and dining), and that reductions in aid would have negative enrollment effects. They said the University is underpriced in comparison with peers with both in-state and out-of-state tuition, but prospective students overestimate the price of attendance and are unaware of the generous financial aid program. Areas for improvement include fundraising for financial aid, and marketing the program more heavily.

Ms. Lowe said some administrative changes were made to the program that will affect the 2013-2014 entering class, which will moderate the escalation of annual program costs by $4.3 million by 2017-18. One of these changes is to offer work-study as part of the financial aid package for low income students, with the intent of providing some working opportunities that will be meaningful to the students in terms of the course of study.

The administrative changes do not reduce the cost of the program to the extent necessary, and so the administration recommended some additional changes, including offering loans in all financial aid packages with a loan cap over four years of $28,000. Ms. Lowe said this would moderate the escalation of annual program costs by $6 million upon full implementation in 2017-18; these changes would not affect any current students. She said unrestricted institutional grants will escalate to $52.1 million by 2017-18 without the changes.

In addition to the recommended changes, the University would create an ongoing communications and marketing plan and institute a campaign for private fundraising for both need-based and merit aid to
students. She said the next step is to develop an "affordable excellence" model that generates adequate resources to sustain academic excellence in all schools of the University while promoting a diverse student body and University community, and enhancing financial predictability and affordability through the AccessUVA program and additional measures envisioned in the Commonwealth of Virginia's Higher Education Opportunity Act.

Extensive discussion ensued, and it was generally agreed to table consideration of a resolution until the following day. Board members asked Mr. Hogan to provide additional information, including the number of in-state and out-of-state students in the program, and a forecast of the savings if out-of-state loans were capped at one year of out-of-state costs.

Following a break for lunch, a brief Executive Committee meeting was held. Those minutes may be found separately.

At 2:10 p.m., the full Board reconvened to consider some business matters. Mr. Martin asked Mr. Hogan to introduce two legislative proposals for the Board's consideration. The first proposal is to amend the Code of Virginia to include certain administrative investigations conducted by institutions of higher education within existing exemptions under the Freedom of Information Act: investigations of employment discrimination complaints and audit investigations conducted by institutions of higher education. The amendments appear in underlined italics in the body of the resolution.

The second proposal is to amend the Code of Virginia as it pertains to vesting schedules for Optional Retirement Plans (ORPs). Mr. Hogan said the University seeks to amend § 51.1-126 of the Code of Virginia to allow institutions of higher education managing ORPs (in addition to UVa, George Mason University, Virginia Tech, and Virginia Commonwealth University) to implement a vesting program for employees hired on or after July 1, 2014. He noted the proposed language is permissive and does not require that an institution implement a vesting schedule. The University contributes 10.4% of an employee's salary to the ORP for employees hired prior to July 1, 2010, and 8.9% for employees hired on or after July 1, 2010. Implementing a vesting requirement for ORPs would result in estimated savings to the University of up to $1 million per year. All savings realized as a result of the implementation of a vesting schedule would revert to a forfeiture account to be used to offset future retirement plan contributions.

On motion, both resolutions were approved.
APPROVAL OF LEGISLATIVE PROPOSAL TO AMEND CODE OF VIRGINIA SECTION 2.2-3705.3

RESOLVED, the Board of Visitors approves and endorses amending the Code of Virginia as it pertains to the Freedom of Information Act.

The proposed amendments to § 2.2-3705.3 of the Code of Virginia are as follows:

§ 2.2-3705.3. Exclusions to application of chapter; records relating to administrative investigations.

The following records are excluded from the provisions of this chapter but may be disclosed by the custodian in his discretion, except where such disclosure is prohibited by law:

1. Confidential records of all investigations of applications for licenses and permits, and of all licensees and permittees, made by or submitted to the Alcoholic Beverage Control Board, the State Lottery Department, the Virginia Racing Commission, the Department of Agriculture and Consumer Services relating to investigations and applications pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2, or the Private Security Services Unit of the Department of Criminal Justice Services.

2. Records of active investigations being conducted by the Department of Health Professions or by any health regulatory board in the Commonwealth.

3. Investigator notes, and other correspondence and information, furnished in confidence with respect to an active investigation of individual employment discrimination complaints made to the Department of Human Resource Management, to any public institution of higher education, or to such personnel of any local public body, including local school boards as are responsible for conducting such investigations in confidence. However, nothing in this section shall prohibit the disclosure of information taken from inactive reports in a form that does not reveal the identity of charging parties, persons supplying the information or other individuals involved in the investigation.

4. Records of active investigations being conducted by the Department of Medical Assistance Services pursuant to Chapter 10 (§ 32.1-323 et seq.) of Title 32.1.

5. Investigative notes and other correspondence and information furnished in confidence with respect to an investigation or conciliation process involving an alleged unlawful discriminatory
practice under the Virginia Human Rights Act (§ 2.2-3900 et seq.) or under any local ordinance adopted in accordance with the authority specified in § 2.2-524, or adopted pursuant to § 15.2-965, or adopted prior to July 1, 1987, in accordance with applicable law, relating to local human rights or human relations commissions. However, nothing in this section shall prohibit the distribution of information taken from inactive reports in a form that does not reveal the identity of the parties involved or other persons supplying information.

6. Records of studies and investigations by the State Lottery Department of (i) lottery agents, (ii) lottery vendors, (iii) lottery crimes under §§ 58.1-4014 through 58.1-4018, (iv) defects in the law or regulations that cause abuses in the administration and operation of the lottery and any evasions of such provisions, or (v) the use of the lottery as a subterfuge for organized crime and illegal gambling where such official records have not been publicly released, published or copyrighted. All studies and investigations referred to under clauses (iii), (iv), and (v) shall be open to inspection and copying upon completion of the study or investigation.

7. Investigative notes, correspondence and information furnished in confidence, and records otherwise exempted by this chapter or any Virginia statute, provided to or produced by or for (i) the Auditor of Public Accounts; (ii) the Joint Legislative Audit and Review Commission; (iii) an appropriate authority as defined in § 2.2-3010 with respect to an allegation of wrongdoing or abuse under the Fraud and Abuse Whistle Blower Protection Act (§ 2.2-3009 et seq.); (iv) the Office of the State Inspector General with respect to an investigation initiated through the State Employee Fraud, Waste and Abuse Hotline or an investigation initiated pursuant to Chapter 3.2 (§ 2.2-307 et seq.); (v) the committee or the auditor with respect to an investigation or audit conducted pursuant to § 15.2-825; or (vi) the auditors, appointed by any public institution of higher education or the local governing body of any county, city or town or a school board, who by charter, ordinance, or statute have responsibility for conducting an investigation of any officer, department or program of such body. Records of completed investigations shall be disclosed in a form that does not reveal the identity of the complainants or persons supplying information to investigators. Unless disclosure is prohibited by this section, the records disclosed shall include, but not be limited to, the agency involved, the identity of the person who is the subject of the complaint, the nature of the complaint, and the actions taken to resolve the complaint. If an investigation does not lead to corrective action, the identity of the person who is the subject of the complaint may be released only with the consent of the subject person. Local governing bodies shall adopt guidelines to govern the disclosure required by this subdivision.
RESOLVED, the Board of Visitors approves and endorses amending the Code of Virginia as it pertains to optional retirement plans managed by institutions of higher education.

The proposed amendment to § 51.1-126 of the Code of Virginia is as follows:

§ 51.1-126. Employees of institutions of higher education.

For purposes of this section, "optional retirement plan" means a retirement plan covering the employee for retirement purposes other than the Virginia Retirement System defined benefit retirement plan established under this chapter or the hybrid retirement program described in § 51.1-169.

F.1. The contribution by the Commonwealth on behalf of an employee participating in an optional retirement plan maintained by the Board or on behalf of an employee participating in an optional retirement plan established by his institution of higher education under this section to such employee's retirement plan shall be (i) at least 8.5 percent but not in excess of 8.9 percent of creditable compensation for any person who becomes a member on or after July 1, 2010, and (ii) 10.4 percent of creditable compensation for all other employees. Any institution of higher education that elects a contribution in excess of 8.5 percent of creditable compensation for any employee described in clause (i) shall provide for the same percentage of creditable compensation as contributions for each of its employees described in clause (i) who participates in such optional retirement plan. The portion of the contribution in excess of 8.5 percent of creditable compensation pursuant to clause (i) shall not be funded from the general fund of the state treasury, but shall be paid by the institution of higher education from other funds. In addition, any person who becomes a member on or after July 1, 2010, shall, pursuant to procedures established by the Board, pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code, in an amount equal to five percent of his creditable compensation, to the optional retirement plan maintained by the Board on his behalf or the optional retirement plan established by his institution of higher education on his behalf, as applicable. Each employee making such member contribution shall be deemed to consent and agree to any salary reduction for purposes of the member contribution. Such member contributions shall be in addition to all contributions pursuant to clause (i). An institution of higher education may make an additional contribution for participants who, before January 1, 1991, exercised the election to participate in the plan provided by the institution employing them. Such additional contributions shall be made using funds other than general funds,
tuition or fees, up to an additional 2.17 percent of creditable compensation.

2. The Board of any institution of higher education that establishes its own optional retirement plan under this section may impose a vesting schedule on employer contributions made pursuant to subdivision 1 for any person who becomes a member on or after July 1, 2014. Contributions made by the employer on behalf of the member under subdivision 1 that are not vested, shall be forfeited upon the member’s termination of employment. The employer may establish a forfeiture account and may specify the uses of the forfeiture account.

3. These contribution rates shall be examined by the Board at least once every six years. The examination shall consider the salary peer group mean contribution as determined by the State Council of Higher Education and the Virginia Retirement System actuary, and, if deemed advisable, recommend a revision to the rate of contribution by the Commonwealth.

The Board also approved a resolution on Board Manual changes. Legislation was enacted by the General Assembly, effective July 1, 2013, that, inter alia, requires the Board to revise its bylaws. The Manual of the Board of Visitors of the University of Virginia contains the bylaws. The resolution addresses all of the new legislative requirements that were not already included in the Manual except two: an annual closed meeting of the Board with the president to deliver an evaluation of the president’s performance, and the annual reporting requirement. A separate resolution amending the presidential evaluation policy covers the first requirement, and the Board Office will handle the reporting as it does with other legislatively mandated reporting requirements concerning Board activities.

REVISIONS TO THE MANUAL OF THE BOARD OF VISITORS OF THE UNIVERSITY OF VIRGINIA

RESOLVED, the Board of Visitors authorizes the attached revisions (Attachment A) to the Manual of the Board of Visitors of the University of Virginia, 2004 edition as amended through November 9, 2012 (the Manual), to conform the provisions of the Manual to the Code of Virginia, specifically § 23-2.01 through § 23-2.05, effective July 1, 2013.
Legislation was enacted by the General Assembly and effective July 1, 2013, (Code of Virginia §23-2.03) that requires the Board of Visitors of all institutions of higher education to meet with the president of the institution “at least once annually in a closed meeting pursuant to subdivision A 1 of § 2.2-3711, and deliver an evaluation of the president’s performance.” The presidential evaluation policy adopted by the Board in 2011 does not contain this specific requirement.

In addition, the presidential evaluation policy should explain the process for evaluating the president with sufficient specificity to be consistent from year-to-year, and the assessment committee should be representative of the Board membership as a whole.

The proposed resolution addresses the legislative requirement and provides a timeline and process for the evaluation. It also expands the assessment committee to six members, the Board’s executive committee, rather than the three-member assessment committee included in the current policy.

On motion, the Board approved the following resolution.

**AMENDED POLICY ON ANNUAL PRESIDENTIAL EVALUATION**

WHEREAS, the Board of Visitors in November 2011 adopted guidelines for annually evaluating the President; and

WHEREAS, the annual performance assessment is an important tool for monitoring the institutions’ progress in meeting its strategic goals and for integrating leadership activities with such goals and with emerging external issues, and is intended to clarify and communicate the Board’s expectations and level of satisfaction regarding the President’s performance; and

WHEREAS, in order to assure that the annual evaluation is consistently conducted in an effective fashion, the Board desires to institute and adopt a systematic and formal method of conducting the evaluation of the President; and

WHEREAS, Section 23-2.03 of the Code of Virginia requires an annual meeting with the president in closed session for the purpose of delivering an evaluation of the president’s performance;

RESOLVED, the Board of Visitors adopts the following process to guide its annual evaluation and potential renewal of the President's contract:

1. Annually in the fall, but no later than October 15, the Rector shall solicit the self-evaluation of the President for the fiscal year ending the previous June 30, and the President’s goals for the current fiscal year. The self-evaluation shall be in the form of a narrative.
reviewing progress on the mutually agreed-upon goals for the previous year.

2. Concurrent with the transmittal of the self-evaluation, the President shall provide to the Rector a full accounting of all earned outside income for the previous calendar year, and all anticipated earned outside income for the current calendar year, from service on boards of directors and any other source, as required by the Commonwealth's annual budget act, and shall additionally provide any other accounting required by the Board Manual, the President's contract, or other applicable source.

3. The Executive Committee of the Board of Visitors shall serve as the Assessment Committee to evaluate the President.

4. The Rector shall distribute the President’s self-evaluation and goals to every member of the Board for their review. Each Board member shall have an opportunity to provide his or her observations and counsel regarding the self-evaluation and goals of the President, in writing, to the Rector, or if preferred, another member of the Assessment Committee by completing an evaluation in a form similar to the one attached to this policy. The Assessment Committee shall then review the Board input, develop a written evaluation, and send the draft evaluation and goals to the President and Board members. The draft evaluation and goals shall be considered part of the President's confidential personnel record.

5. At the late fall regular meeting of the Board, the Board shall meet, in closed session, to review the evaluation and goals with the President, and to gain the President’s input. The Assessment Committee shall also formulate a recommendation to the full Board regarding any compensation adjustments.

6. Following the meeting with the President, the Assessment Committee shall finalize the evaluation, and a set of goals for the current fiscal year and the future that are mutually agreed on by the President and the Board, and send the final evaluation and goals to the President and Board members. The final evaluation and goals shall be considered part of the President’s confidential personnel record.

7. If the Board is considering contract renewal, it may seek and consider input from key University constituencies (including faculty), in which case such input shall be considered part of the President’s confidential personnel record.

Meetings of the Board and the Assessment Committee shall be coordinated through the Secretary to the Board.
ANNUAL APPRAISAL OF THE PRESIDENT’S PERFORMANCE AND EFFECTIVENESS
UNIVERSITY OF VIRGINIA

INSTRUCTIONS: Please rate the President on the following aspects of performance.

BOARD OF VISITORS RELATIONS
- Disseminates adequate and accurate information to the BOV in a timely manner.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Enjoys a positive overall relationship with the BOV.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed

INSTITUTIONAL LEADERSHIP/MANAGEMENT
- Has assembled a strong leadership team.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Advances the mission of the University.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Assures quality academic and support programs.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Operates the University with a commitment to strategic planning, goal setting and evaluation.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Manages resources proficiently.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Has established a pattern of success in achieving goals.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed

EXTERNAL RELATIONS
- Effectively and enthusiastically advocates for the University.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Effectively presents the University’s resource needs to government officials and private contributors.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Appreciates the need for institutional accountability.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Relates well with alumni, parents, and donors.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
- Represents the University in national higher education organizations.
  □ Poor    □ Fair    □ Good    □ Excellent    □ Not Observed
RELATIONSHIPS
- Enjoys a positive relationship with local community leaders.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Maintains a positive relationship with the faculty and staff.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Maintains a positive relationship with students.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Maintains an effective relationship with legislators and their staff and with executive branch senior management.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed

PERSONALITY TRAITS
- Poised under pressure.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Communicates effectively.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Integrity.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Energy.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Forward-looking.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Skillful in relating to others.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Respected.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed
- Deliberate decision-maker.
  - Poor  □  Fair  □  Good  □  Excellent  □  Not Observed

PLEASE COMMENT ON ANY ASPECT OF THE PRESIDENT’S PERFORMANCE AND EFFECTIVENESS:


Following the business items, Mr. Atkinson opened the strategic planning discussion. He said he has met with the related foundation boards and taken into consideration feedback from members of the Board of Visitors following the presentation in May. He said President Sullivan would say more about that, and he referred members to a document at their places that includes responses to comments from members of the Board.

President Sullivan gave an overview of the strategic planning process and initiatives, explaining that the best universities are resilient and durable. This comes from welcoming debate and new knowledge. She asked, with whom do we compete? She concluded that the University competes beyond the higher education institutions in Virginia—the leading schools to whom we lose faculty are Harvard, Stanford, Chicago, and similar institutions; a national list that consists mostly of private institutions. We also compete internationally because other countries have escalated their investment in education while the United States is disinvesting. We are starting to lose our edge, particularly in graduate programs. Although the University is a traditional place, we are also very innovative.

President Sullivan asked, should we be residential, or go further as an online presence? We are at the top in residential education, but we are also in the online space. The University, when given a choice, is frequently outward-facing—we seek to bring in the ideas and views from the outside.

She asked, how do we balance quality and efficiency? She said we cannot ignore the issues of efficiency as a public institution, but at some point you begin to compromise quality and that is the line we cannot cross.

Finally, she asked, how do we turn weaknesses into strengths? Location is one: the University is in a fairly rural setting, but it is a great place to raise children, and the proximity to Washington, D.C. is a positive factor. We are a relatively small size, but this is an advantage for our undergraduates. We can capitalize on the relatively small size of our faculty even in research.

President Sullivan said since May, we have edited the six strategic planning drivers to five, and we are now calling them pillars. She briefly reviewed the five pillars and explained the strategies underlying the pillars. The five pillars are: 1. Extend and Strengthen the University’s Distinctive Residential Culture; 2. Strengthen the University’s Capacity to Advance Knowledge and Serve the Public through Research, Scholarship, Creative Arts and Innovation; 3. Provide Educational Experiences that Deliver New Levels of Student Engagement; 4. Assemble and Support a Distinguishing Faculty; and 5. Steward the University’s Resources to Promote Academic Excellence and Affordable Access.
President Sullivan introduced Provost Simon, who spoke about the philosophical underpinnings of the draft strategic plan. His full remarks are attached to these Minutes. He said the American Association of Universities (AAU) institutions are our peers and we need to compete with the top half of this group; faculty salaries should be in the top third. Distinctive characteristics must be at the core of the strategic planning exercise and these arise from the talents of the faculty that we have on Grounds. He said choice, not chance, determines our destiny. It is a collective challenge to put together the strategic plan. Ideas can be just as disruptive as technology in changing higher education institutions.

Mr. Simon emphasized that we need to determine what we do well and strive to be the best in these areas. We are one of the best in class in the residential space; we should not be complacent, but challenge ourselves to be even better. Our focus and strategy is about the people we educate and the programs that help us do it. He gave two examples of how the University can be great in an area even if we do not have the size of other research universities. What matters is who you hire and how you build excellence in the disciplines. He said that we have the opportunity to build connections and community building across this institution—this is one of the key goals of the faculty development plan in the strategic plan. He introduced Mr. Rick Horwitz, who presented one of the initiatives, an interdisciplinary, cross-Grounds institute focused on Big Data. This is the first institute of several in the planning stages. Mr. Simon said we can be in the Big Data space in distinctive ways.

Mr. Horwitz said Big Data is when the volume, velocity, or variety of data creates a problem. The challenges include the following: management—how to acquire and store it; computation; analytics; visualization of huge data sets; ethics; and training of people who are competent at handling big data. We see examples every day—on our computers, for instance, Amazon is collecting data and doing experiments all the time. The National Security Agency (NSA) is mining social media for information. There are many other examples.

Mr. Horwitz reviewed areas of the University using Big Data, which is in the sciences and medicine, but also Big Data is used in the humanities and social sciences. Examples include the Bay Game, and neonatal intensive care unit (NICU) analysis of heart rates of neonates to predict sepsis before there are indications of sepsis.

Mr. Horwitz said Big Data is transforming marketing, retail, finance, manufacturing, energy production, health care, government, sports, and almost everything else. There is a dire need for data literate scientists and managers. So, there is an opportunity to do research and train our students in this area. He explained his process to develop a cross-Grounds institute. There is computational modeling going on all over, but unconnected, and complex data sets
are everywhere and untapped. A Big Data Summit last spring revealed a need: 170 people attended from 32 departments. The summit revealed data and analytic synergies among diverse disciplines, strengths and opportunities, and the emergence of a new community. The Summit stimulated planning for collaborative, interdisciplinary projects, grants, and an institute.

Mr. Horwitz ended his initial presentation and said that he would continue with the "meat" of the proposal the following day. Ms. Kilberg volunteered that many universities in Virginia are rolling out Big Data initiatives, and she suggested that the University have a focus. An area that the University could really shine is in the curriculum and the workforce. She urged defining what we want to do and how we want to do it. Mr. Horwitz said that Mr. Simon had said everyone is going to be in the space, we are aware of that, but we see a strength in an innovative curriculum.

Dr. Miller asked if we had thought about a price. Mr. Horwitz said the price tag is hard to define because many of the hires will occur anyway, but it is scalable—can work in the million dollar range or in the tens of millions range. President Sullivan added that there is some reallocation occurring to accomplish this, but it is money we were going to spend anyway.

Mr. Goodwin said it would be beneficial to survey those who have funded research to ask if they believe they have received good value. Mr. Horwitz said the next step in the plan is to go to companies and ask what they need in terms of research and training.

Mr. Goodwin focused the group on Mr. Simon's opening comments, and said perhaps we cannot be a "big deal" in everything, and are we focused on developing certain areas? Mr. Simon said yes, there are areas where we are strong now and we are focused on strengthening those areas rather than all areas. These foci shape the hiring plan, and coordination across the institution will strengthen the entire institution.

On motion, the meeting was recessed at 4:10 p.m. until the following day.

Saturday, August 3

The session began at 9:00 a.m. with continued discussion and briefings on the Strategic Plan. Mr. Horwitz continued his presentation on Big Data, explaining that the University has differentiating research and scholarship impacted by Big Data. He gave several examples in sciences, humanities, and social sciences. Differentiating infrastructure is important, and we are pursuing unique access to the digital library of the Library of Congress, and other areas including becoming the Micron Center for Automata Computing.
Mr. Horwitz explained the planning process for creating a Big Data institute. A planning committee has been formed, and all the deans have had input. Now, they are planning to go outside the University to seek potential corporate and government partners.

Mr. Horwitz said they are developing transformative curricula, which will provide a Masters (and certificate) in Data Science. There will be several undergraduate minors as well as promoting Big Data literacy broadly. He said they have identified resources and needs and are prepared to coordinate resources, instruction, and service. He said industry is far ahead of academia in terms of analytics, and they are developing ways for students to be involved in industry analysis. They have been awarded a Jefferson Trust team building grant with students organizing collaborations. He said there are many potential partnerships with companies for funding and for opportunities for students; he has presented to some and they are very interested.

Mr. Horwitz presented a timeline for the Institute. He said they will know that they succeeded when there are research centers of excellence, a new curriculum, new institutional focus on collaboration and synergy, and partners participating in the initiatives.

There was much discussion about whether or not the administration was asking the Board to vote on this initiative. Dr. Miller said it didn’t need approval of the Board. He said we needed to get started immediately and it will differentiate the University; it is important to have a passionate leader, and we have that in Rick Horwitz. Mr. Rose said the Board is not required to approve every component of the Strategic Plan. He said as soon as we can, we should put together the numbers and create a budget, however, the numbers should not hold up the planning process. Mr. Hogan said this is an area where you could spend a little, a lot more, or a ton of money. Corporate partners may be an important component for funding these initiatives. The Commonwealth Center for Advanced Manufacturing (CCAM) is a model. Ms. Kilberg said the Northern Virginia Technology Center (NVTC) can devote their November meeting to Big Data.

Patricia Lampkin, Vice President for Student Affairs, gave a briefing on Total Advising. She asked members to tell the group who advised them when they were students. She said that now students look to the internet, and Student Affairs works on providing services so that students will not depend on technology alone.

Ms. Lampkin said there are three types of advising: personal, academic, and career. She said the University has the key building blocks in place, but the challenge is to make sure all students are getting the support they need—an opt-out rather than opt-in system.
She explained the personal and academic advising process from new student orientation through their student years at the University, including the system of association deans and College Advising Seminars (COLAs) for first years.

Career advising is the focus of the presentation today, Ms. Lampkin said. The "how" is complicated. With students, we want to move from a "how-to" environment to engaging early, often, and in the context of academic studies. This would include engaging alumni by facilitating meaningful connections between students and alumni with common interests. For employers, we want to move from on-campus recruiting to creating strong employer partnerships. She said the vision is to create a system that draws on the best that technology can offer with thoughtful face-to-face interactions. Faculty, staff, alumni, and parents will participate in a team advisors model.

Ms. Lampkin explained how they would move to realize this model and the timeframe. Components include an "anytime, anywhere" approach to career services with a web-based roadmap. Counseling by career cluster will take the place of counseling within academic units. An internship brokerage program will be created to actively reach out to parents, alumni, and companies, and will be coordinated centrally and focused on internships and other opportunities for experiential learning. She predicted it would take three years to put all the components in place.

In answer to a question about benchmarks, Ms. Lampkin said they will pull pieces from several institutions. No one does it quite the way we want to do it. She said they looked at Wake Forest, University of Chicago, Harvard, and other institutions. Ms. Lampkin was asked about a course on writing a resume, etc. Ms. Lampkin said they plan to scale up the COLAs to include more students. She explained that the COLAs teach a subject, but one-third of the time is spent on advising.

President Sullivan asked Patrick Hogan and Sarah Collie to present on Organizational Excellence, which Mr. Hogan said would enable the achievement of institutional strategic goals and priorities. He said the University has been cited by many as very efficient, including Princeton Review and U.S. News and World Report.

He said the University is very decentralized and a unique democracy. A number of areas should be centralized, including Human Resources, information technology, and communications among other areas. He said our goal should be world class performance with the right balance between efficiency and effectiveness. He used the University of Virginia Investment Management Company as one example, and the Treasury functions as another. He asked Sarah Collie to provide the details of the plan. Ms. Collie has a background in process simplification, and Organizational Excellence will be her full-time job going forward.
Ms. Collie said there are a variety of efficiency programs at institutions, but the organizational excellence concept is unique because it blends elements of continuous improvement and operational excellence programs and is comprehensive, spanning academic and administrative areas. It also links to and enables strategic priorities and has a long-term focus. She explained the structure, methodology, and opportunities. Three sponsors will be the overall champions working with a leadership council. Projects teams will have members from both faculty and staff.

There are three phases: discover, redesign, and realize, beginning with learning from other institutions and engaging outside consultants for specific, focused purposes such as comparison data with other institutions and within the University in the target areas. She highlighted six initiatives including creating more centers of excellence, adopting shared services in certain areas, and developing an enterprise long-term space planning and management approach for all owned and leased space. Other ideas include capitalizing on a versatile sourcing model, cataloging centers and institutes and developing a systematic process for establishment, evaluation, and sun setting, and improving the administration of research grants and contracts.

Ms. Collie said some of the initiatives are long-term efforts, but there are some near-term opportunities. The “paying forward” process produced some good ideas in procurement, and other areas being explored are the feasibility and prudence of monetizing certain assets, reviewing non-productive assets, and modifying the health benefits plan to contain escalating costs.

Mr. Hogan finished up the presentation by explaining the 5-year timeline. He said we are making good progress on near-term opportunities. We achieved savings of $8 million last fiscal year, and are committed to a goal of $45 million over the 5-year period. He said $400 million of the $1.2 billion budget is faculty compensation and student services, and $473 million is research, depreciation and maintenance, and these areas should not be decreased. So, the opportunities are in the part of the budget that is $366 million. He said they are capturing the savings in a fund.

Mr. Rose made some closing comments, emphasizing that the objective was to give some examples in detail instead of an overview of all strategies. He said for the next meeting he would like to share the other strategies in advance and get an idea of what the Board would like to hear about rather than reviewing all fifteen.

At 11:00 a.m., AccessUVA was discussed further. Ms. Harker provided some background on the process for reviewing the program. She said it was a very comprehensive review, and now the Board needed to make a decision. Mr. Hogan said the maximum loan balance of $28,000 relates to out of state students because of the higher tuition and fees. For in-state students, the maximum amount of debt
would be $14,000. He said this is an important change because, like many other institutions such as Yale, Cornell and MIT, backing off of all-grant packages is necessary to sustain the program over the long-term and preserve the quality and diversity of the incoming classes. He addressed a comment about eliminating aid for out of state students as an alternative. He said out of state students have higher SAT mean scores, and without full aid packages we would lose some of the best students. The average debt upon graduation is $11,000 for those who graduated in 2012.

Greg Roberts, dean of Admission, clarified that “meeting full need” does not mean meeting with grants only. Need can be met with loans, grants, and work-study, however, the University is limited in the amount of federal loans that can be offered, so much of the financial aid is grants.

Mr. Hogan said a comprehensive analysis of tuition, fees and financial aid would be the ideal situation, but that was attempted last spring and not pursued by the Board. He said he was not confident that the Board would be willing to undertake a comprehensive analysis by a date certain.

On motion, the Board approved the following resolution. Ms. Dragas and Mr. Fay voted against the resolution. Mr. Fay said he could not support the resolution without a commitment to do a comprehensive analysis of tuition, fees, and financial aid by a date certain.

REAUTHORIZATION OF ACCESSUVA

WHEREAS, at its February 2004 meeting, the Board of Visitors authorized the implementation of AccessUVa beginning in the academic year 2004-2005; and

WHEREAS, the University is committed to need-blind admissions for undergraduate applicants and meeting 100% of need for all admitted undergraduate students to help ensure access to and affordability of education at the University, regardless of a student’s financial circumstances; and

WHEREAS, in order to understand the consequences of potential restructuring of the AccessUVa program, the University conducted a comprehensive study of AccessUVa, specifically assessing the effects of financial aid on the admissions process and outcome; and

WHEREAS, the University seeks to attract, enroll and graduate a socio-economically diverse student body; and

WHEREAS, the University seeks to ensure financial support to students demonstrating financial need and desires to preserve AccessUVa program’s position as one of the strongest commitments to guaranteed need-based aid in the country; and
WHEREAS, the University values the prudent use of scarce unrestricted institutional resources, and desires to move to a financial aid model in which increases are more predictable and sustainable;

RESOLVED, the Board of Visitors reauthorizes AccessUVa as it was originally envisioned in 2004, with one modification: to standardize the financial aid package components by offering loans to all students with financial need, beginning in 2014-15; and

RESOLVED FURTHER, implementation of this change will be phased in by class, beginning with the class entering in 2014-2015 (fully implemented by 2017-2018); this change will not be applied to any current student receiving financial aid.

RESOLVED FURTHER, a need-based loan cap of $28,000 (over four years) will be implemented to limit the amount of indebtedness all students will have incurred by graduation.

On motion, the meeting was adjourned at 11:30 a.m.

Respectfully Submitted,

Susan G. Harris Secretary

SGH:ddr
These minutes have been posted to the University of Virginia’s Board of Visitors website.
http://www.virginia.edu/bov/publicminutes.html
ATTACHMENTS
PREFACE

THE UNIVERSITY of Virginia is an educational institution of the Commonwealth of Virginia. The duties and powers of its governing body, the Board of Visitors, are determined and controlled by set-forth-in general terms in the statutes of the State, as amended by the General Assembly. The most pertinent statutory provisions are printed in an appendix to this Manual. The portions of the Code of Virginia that treat the general organization and governance of the University may be found in Va. Code Sections 23-62 et seq. The Board itself, however, through the Manual, largely determines its internal organization, its procedures of operation, and the responsibilities of the administrative officers selected by it to carry out its directives of policy and program.

On 12 September 1947 the Board adopted a Manual for the purpose of setting forth its powers and duties and those of the principal administrative officers in order to "clarify the manner in which the Board and such administrative officers shall function." This Manual was replaced in 1966 by a completely revised edition that, with several amendments, served as the controlling statement of the Board's procedure and practice until a revised Manual was adopted by the Board on 30 May 1975. This present edition of the Manual includes a revised Statement of Purpose adopted by the Board on 31 May 1985, as well as amendments approved since the 1975 edition and the editions of 1985, 1991, and 1998. These amendments reflect changes in how the Board organizes itself and conducts its business, as well as changes in the administrative structure of the University.

It is hoped that the Manual will give to interested persons, and to new members of the Board in particular, an understanding of the manner in which the Board functions and of its relation to the administrative officers. It cannot, of course, convey an adequate impression of the spirit and traditions of the University, which so often guide the decisions of the Board. Nor can it adequately express the resolve that at all times has animated the members of this Board—to realize Mr. Jefferson's high aspirations for the institution.

The revisions to the Manual in 1966 were done by Mr. Lawrence Lewis Jr. of the Board and by Mr. Weldon Cooper as Secretary to the Board. Mr. Lewis was chairman of the Board committee that compiled the 1975 edition; Mr. Robert P. Buford and Mr. W. Wright Harrison of the Board were members of the committee, as well as Mr. Raymond C. Bice Jr., who was the Board Secretary. Mr. Charles K. Wolts of the Law School faculty acted as consultant to both the 1966 and 1975 committees. Edgar F. Shannon Jr. was President of the University at the time of the 1966 revision, and Frank L. Hereford Jr. was President in 1975.

Further revisions were undertaken in 1991, during the rectorship of Edward Elliott Elson, and in 1997, during the rectorship of Howe S. Dabney. John T. Casten III was President of the University in both instances. The 1991 revisions were directed by the Executive Committee of the Board of Visitors under the chairmanship of Mr. Elson. The 1997 revisions were done by a special committee of the Board appointed by Mr. Dabney and under the chairmanship of Mr. Champ Clark. Modifications to these revisions were made in 1998 under the supervision of Mr. Clark and at the beginning of the rectorship of John P. Ackerly III; the Board Secretary, Alexander G. Gilliam Jr., assisted in the 1997 and 1998 revisions.

Work on the present edition of the Manual began in the fall of 2003 under the rectorship of Gordon F. Rainey Jr., who asked Mr. Don R. Pippin of the Board and Mr. Gilliam to undertake the task. This edition
MANUAL OF THE BOARD OF VISITORS

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THE BOARD OF VISITORS

THE GOVERNING body of the University of Virginia is the Board of Visitors, which by statute is made responsible for seeing to the effective and transparent government of the University at Charlottesville and all other educational institutions under the governance of the Board of Visitors.

SECTION 2.1 CORPORATE NAME AND GOVERNING BODY—The University is a public corporation that by statute bears the name of "The Rector and Visitors of the University of Virginia." By statute also the governing body of the corporation, which exercises all the powers vested in The Rector and Visitors of the University of Virginia, is styled the "Board of Visitors" and shall hereafter be referred to as such or as "Board" in this Manual.

SECTION 2.2 COMPOSITION—The Board of Visitors is composed of seventeen members appointed by the Governor, subject to confirmation by the Senate and the House of Delegates of Virginia, for terms of four years. Members may be reappointed for one additional four-year term. At least twelve of the seventeen members must be from the Commonwealth at large, at least twelve shall be alumni or alumnae of the University of Virginia, and at least one shall be a physician with administrative and clinical experience in an academic medical center.

The statute provides that for each vacancy on the Board of Visitors, the Alumni Association of the University of Virginia shall propose three names to the Governor for possible appointment. Such proposals, however, are advisory only, and the Governor may appoint persons other than those recommended by the Alumni Association. A vacancy on the Board is filled by the Governor for the unexpired term, subject, of course, to confirmation by the Senate and the House of Delegates. A person filling an unexpired term may be reappointed by the Governor for two additional four-year terms.

SECTION 2.21 STUDENT NONVOTING MEMBER—At the first regular meeting of the second semester of the academic session each year, on recommendation of the Executive Committee, the Board of Visitors may elect for a term of one year, a full-time student at the University of Virginia as a nonvoting member of the Board of Visitors, in addition to those members appointed by the Governor and referred to in Section 2.2 above. Such student may attend and participate in a nonvoting capacity in all deliberations and meetings, in Open and Executive Session, of the standing and special committees of the Board as well as meetings of the Board of Visitors itself.

SECTION 2.22 VISITORS EMERITI—In recognition of the invaluable service they render to the University during their terms of office and the informed counsel they may continue to provide after their terms expire, former Members of the Board shall be designated Visitors Emeriti.

SECTION 2.3 MEETINGS—Meetings of the Board are of three kinds: the Annual Meeting, regular meetings, and special meetings. Discussions and actions on any topic not specifically exempted by the Virginia Freedom of Information Act shall be held in an open meeting, which shall be open to the public. Any official action taken in Executive (closed) Session shall be approved in an open meeting before it can have any force or effect.
THE BOARD OF VISITORS

SECTION 2.31 THE ANNUAL MEETING—The one meeting each year required by statute is known as the Annual Meeting and is required to be held at the University at Charlottesville. At this meeting the Board elects an Executive Committee, and reviews and decides on such other matters as may come before it. The Rector announces committee assignments and the committee chairs at the Annual Meeting. The date for the Annual Meeting is prescribed by the Board at the Annual Meeting in the preceding calendar year. On the recommendation of the Rector and the President, the date and time of the Annual Meeting may be changed by the Executive Committee.

SECTION 2.32 REGULAR MEETINGS—There shall be such other regular meetings of the Board of Visitors each year as the Board may determine. These meetings shall be held on such dates and at such places for the succeeding year as the Board shall determine no later than the Annual Meeting each year. The time, date, and place of a regular meeting may be changed by a quorum of the Board of Visitors or by the Executive Committee.

SECTION 2.33 SPECIAL MEETINGS—Special meetings of the Board may be called by the Rector or by any three Visitors at such dates, times, and places as may be specified in the call for the meeting. No matter may be considered at any special meeting that was not included in the call of that meeting except by a two-thirds vote of the Visitors present at the meeting.

SECTION 2.34 NOTICE OF MEETINGS—Due notice in writing of the Annual Meeting and all regular meetings and of any changes in the dates, times, or places of a regular meeting shall be given by the Secretary of the Board of Visitors. Such written notice shall be sent at least ten days prior to the meeting. Written notice of all special meetings shall be sent by the Secretary at least five days in advance of the meeting. All notices of a special meeting shall indicate the item or items of business to be considered. Public notice of meetings shall comply with the requirements of the Virginia Freedom of Information Act.

SECTION 2.35 QUORUM—A quorum for the conduct of business by the full Board of Visitors shall consist of five members of the Board (as required by statute) except in those instances where other statutory provisions, as, for example, in the consideration of revenue bond issues, may require a larger number for the transaction of particular items of business. A quorum for the Executive Committee and all standing and special committees of the Board of Visitors shall consist of one-third of the appointed members of the committee, except that in no case shall the number be fewer than three members. The quorum must be physically assembled at one primary or central meeting location.

SECTION 2.36 TELEPHONIC OR VIDEO PARTICIPATION—Telephonic or video meetings of Board committees, including those held in Executive (closed) Session, may be held as long as proper and timely public notification of the meeting has been given and there is a quorum of the committee physically assembled at its primary or other location. Meetings held in Open Session must be open to the public. Arrangements for telephonic or video meetings must be coordinated with the Secretary and shall comply with the requirements of the Virginia Freedom of Information Act.

SECTION 2.37 DOCKETS—For the Annual Meeting and each regular meeting, the Secretary shall prepare, under the supervision of the Rector and the President, a docket comprising such matters as the Board, the Rector, the President, and the chairman of each standing committee shall refer for consideration. This docket shall include all the agenda items to be considered by the Board and its committees at such meetings that are known by the Rector, the President, and the Secretary at the time the docket is prepared. After receiving the
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THE COMMITTEE SYSTEM

THE COMMITTEE system of the Board shall be composed of the Executive Committee, standing committees, and special committees. The Secretary of the Board shall serve as the secretary of each committee, keep the minutes of the meetings of the committees, and perform such other duties as the committees may require. The President shall make provision for such additional consultative services as may be requested by a committee chairman. In addition to the appointed members, the Rector shall be an ex officio member of all standing and special committees.

SECTION 3.1 THE EXECUTIVE COMMITTEE—At each Annual Meeting the Board shall elect from among its membership an Executive Committee composed of six members. These six members shall consist of the Rector, who shall serve as chair, the Vice Rector, and four Visitors to be elected by the Board. Nominations for these four positions on the Executive Committee may be made by any Visitor, and if there are more than four nominations, a vote shall be taken, and the results shall be announced jointly by the Rector and the Secretary. Any vacancy on the Executive Committee shall be filled for the unexpired term at the next regular meeting of the Board and by vote if there is more than one nomination.

The Executive Committee shall meet upon the call of the Rector. It shall consider all matters referred to it by the Rector, the Vice Rector, or the President and shall, in the interim between meetings of the Board, be vested with the powers and authority of the full Board and shall take such action on all matters that may be referred to it as in its judgment is required. All such actions taken by the Executive Committee in the interim between meetings of the Board shall require a two-thirds vote of the whole number of committee members, and their actions shall be reported to the Board at the next regular meeting and shall, if confirmation is required, be confirmed and approved by the Board at that time.

In addition to the above, the Executive Committee shall organize the working processes of the Board and recommend best practices for governance to the Board. More specifically, the Executive Committee shall:

1. Develop and recommend to the Board a statement of governance setting out the Board’s role;
2. Periodically review the Board’s bylaws and recommend amendments;
3. Provide advice to the Board on committee structure, appointments and meetings;
4. Develop an orientation and continuing education process for Visitors that includes training on the Virginia Freedom of Information Act;
5. Create, monitor, oversee, and review compliance with a code of ethics for Visitors; and
6. Develop a set of qualifications and competencies for membership on the Board for approval by the Board and recommendation to the Governor.

SECTION 3.2 STANDING COMMITTEES — The standing committees of the Board of Visitors shall consist of the Finance Committee, Buildings and Grounds Committee, Student Affairs and Athletics Committee, Educational Policy Committee, Advancement and Communications Committee, Audit and Compliance Committee, Committee on The University of Virginia’s College at Wise, and the Medical Center Operating Board. The number to be appointed to each standing committee shall be determined by...
OFFICERS OF THE BOARD

of eleven Visitors.

SECTION 4.14 RECTOR PRO TEMPORE — In the absence of the Rector and Vice Rector from any meeting or in the event of their disability or of vacancy in office, the chair of the Finance Committee shall serve as Rector pro tempore. If the chair of the Finance Committee is absent or is unable to serve, the Board shall elect a Rector pro tempore for that meeting.

SECTION 4.2 THE PRESIDENT OF THE UNIVERSITY — The President of the University shall be the chief executive officer of the University. The President shall be a member of the General Faculty and of the faculty of the College and of each of the schools of the University. The President also shall be the chief executive officer of the University of Virginia’s College at Wise.

SECTION 4.21 ELECTION, APPOINTMENT, AND REMOVAL — The President shall be elected by the Board of Visitors. Appointment, removal, requested resignation, or amendment of the contract or terms of employment of the President may be accomplished only by vote of a majority (or, by statute, two-thirds in the case of removal) of the whole number of Visitors at a regular meeting, or special meeting called for this purpose. The President shall attend all meetings of the Board and shall have notice of and the privilege of attending all meetings of its committees.

SECTION 4.22 POWERS AND DUTIES — As the chief executive officer of the University, the President shall have the following powers and duties:

1. The President shall have responsibility for the operation of the University in conformity with the purposes and policies determined by the Board;
2. The President shall act as adviser to the Board and shall have responsibility for recommending to it for consideration those policies and programs which in the opinion of the President will best promote the interests of the University;
3. The President shall recommend to the Board long-range educational goals and programs and the new degree that may be best suited to attain those goals and programs;
4. The President shall have the power to establish and modify as he or she deems necessary the internal administrative structure of the University and shall appoint or provide for the appointment of all administrative officers except for the Vice Presidents and the Chancellor of the University of Virginia’s College at Wise, making a report of his or her actions thereon to the Board at the next regular meeting;
5. The President shall serve as President of the Faculty Senate of the University and of the Faculty Senate of Virginia’s College at Wise;
6. The President shall have primary responsibility for the establishment and maintenance of proper relationships with the alumni;
7. The President shall at all times maintain cordial relationships with the students, guarding and protecting their best interests;
8. The President shall use particular efforts to preserve and foster the Honor System;
9. The President shall be responsible for the discipline of students with the power to impose appropriate penalties including expulsion;
10. The President shall submit to the Board each year an annual budget for the operation of the University for the following fiscal year and shall prepare and submit to the Governor a biennial budget request as required by law or regulation.
OFFICERS OF THE BOARD

Visitors. He or she shall give proper notice of all meetings of the Board, shall preserve as directed all
documents or papers pertaining to the actions of the Board, and shall keep in safe custody the Seal of the
University, which he or she shall affix to any instrument when authorized by the Board or persons
designated by it, including the Rector, the Vice Rector, the President, or the Chief Operating Officer. In
addition to the foregoing, the Secretary shall perform those functions and have those duties or
responsible which are usual to the duties of a secretary and shall assist the Board of Visitors in the
discharge of its official duties. The Secretary shall, under the immediate direction of the President, perform
such other duties as may be assigned to him or her by the Board, the Vice Rector, the Rector, or the
President.

SECTION 4.6 GENERAL COUNSEL OF THE UNIVERSITY

SECTION 4.61 ELECTION—By statute, a General Counsel of the University shall be appointed by the
Attorney General of the Commonwealth of Virginia. Thereafter, on nomination of the President, the Board
of Visitors shall elect the General Counsel to serve at its pleasure.

SECTION 4.62 POWERS AND DUTIES—As the chief legal officer of the University, the General
Counsel shall advise the Board and the President, under whose immediate direction he or she shall be, on all
legal matters affecting the University. The General Counsel shall perform such other duties as may be
assigned to him or her by the Board or the President. [The General Counsel shall be invited to attend all
meetings of the Board and its committees]
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MISCELLANEOUS PROVISIONS

SECTION 5.1 APPEALS TO THE BOARD — The Board at its discretion shall consider such appeals as are provided for in the University regulations and procedures except that in no event shall the Board consider an appeal from a decision of the Honor Committee involving an honor offense.

SECTION 5.2 RETIREMENT — The President, Chief Operating Officer, Provost, General Counsel, and Secretary shall relinquish their positions as Officers of the Board upon retirement or resignation from their administrative duties.

SECTION 5.3 COMMUNICATIONS TO THE BOARD — All communications of an official nature directed to the Board of Visitors shall be channeled through the office of the President. All communications of an official nature from the Board of Visitors shall be similarly channeled, or copies thereof shall be furnished to the President.

SECTION 5.4 MINUTES OF BOARD MEETINGS — The Minutes of the Annual, regular, and special meetings of the Board shall be open to inspection as required by law and posted on the Board’s website.

SECTION 5.41 CLERK OF THE BOARD — The President may appoint a Clerk of the Board to provide administrative and clerical support to the Secretary, the President, the Rector, and members of the Board in fulfilling their responsibilities as prescribed in this Manual. The Clerk shall serve under the direction and supervision of the Secretary and at the pleasure of the President.

SECTION 5.5 EXECUTION OF INSTRUMENTS — The Rector, the Vice Rector, the President, the Chief Operating Officer, and other persons designated and authorized by the Board of Visitors shall execute, in the name and on behalf of the University of Virginia, any instrument that may require the name of the corporation to be signed thereto, and the Secretary to the Board shall have authority to affix the seal of the corporation to any such instrument and to deliver it to the party entitled to receive it.

SECTION 5.6 ASSIGNMENT OF SECURITIES — The Rector, the Vice Rector, the President, the Chief Operating Officer, and other persons designated and authorized by the Board of Visitors shall have authority to sell, assign, and transfer any and all stocks, bonds, evidences of indebtedness or interest thereon, rights and options to acquire or sell the same, and all other securities, corporate or otherwise, standing in the name or belonging to the Rector and Visitors of the University of Virginia in any capacity. The same persons have authority to give the assent of the corporation to mergers, consolidations, agreements for a deposit of stock, or for reorganization of any corporation or corporations in which the Rector and Visitors of the University of Virginia as a corporation may have an interest.

SECTION 5.7 THE MANUAL — The Manual of the Board of Visitors of the University of Virginia sets forth the Board’s powers and duties and those of its officers in order to clarify the manner in which the Board and such officers shall function. As the controlling statement of the Board’s procedure and practice, the Manual constitutes the bylaws of the corporation.
APPENDIX C

Other Code Provisions of Particular Interest to the Board of Visitors

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I thank you for the opportunity to talk to you today about our academic plan for the University of Virginia. I plan to talk for about 20 minutes, take a different approach to this topic, one which I hope will give you an understanding of why the strategic plan is structured as it is, and why it represents a bold set of aspirations for the University during a time of angst across higher education in our nation.

The most important outcome of our university is embodied in the human capital we create. This is true across our schools and the many degrees we award each year (bachelor, master, PhD, MBA, JD).

When David Breneman, chair of the Provost search committee, convinced me to look at this job three years ago, he made the point that the University’s physical plant – its teaching and research spaces – were in excellent condition and that the new Provost could focus on four key areas:

- our people;
- what a U.Va. education should be;
- what our students should know and experience to become leaders and job creators; and finally,
• how to organize scholarship to build distinction and excellence in the University’s research portfolio.

It was this challenge that attracted me to Virginia, and it is answering this challenge that sits at the core of what we are addressing in the University’s strategic plan. This is a strategic plan about people and programs.

What should we do to ensure that our graduates are well educated and equipped for the world they face? And what are the principles that should guide how we approach answering that question?

We have sought insight from consultants, namely the Art and Science group, and engaged in many lively conversations with our counterparts at peer institutions.

I will soon attend the AAU Provost meeting where the group session topics are all too familiar: Public-Private Partnerships in Higher Education and Research, Managing Intellectual Property in Online Education, What Things Matter As Outcomes of Undergraduate Education, and Best Practices in Leadership Development Programs for University Leaders and Prospective/Potential Leaders. Clearly, these are important issues facing all of higher education. But there are
others that will receive our attention and scrutiny as well: changes in pedagogy, access and affordability, the landscape around college admissions, and the huge faculty turnover we all face.

Here at U.Va., as we collectively think through the principles that will guide decision making to address these and other challenges, I would like to share some thoughts. The following quotes from graduation remarks by three great visionaries – people who created industries and markets and meaningful jobs for many -- will serve to illustrate my thinking.

The following advice is especially interesting because each one saw, in some way, how to disrupt the world through technology.

**Steve Jobs: Stanford University, 2005**

“Your time is limited, so don’t waste it living someone else’s life. Don’t be trapped by dogma — which is living with the results of other people’s thinking. Don’t let the noise of others’ opinions drown out your own inner voice. And most importantly, have the courage to follow your heart and intuition. They somehow already know what you truly want to become. Everything else is secondary.”
These comments echo the Art & Science report. *They beg the question: What is the inner voice of the University of Virginia?*

As the consultant report affirmed, we are one of the best public residential universities in the United States, if not the world. And if we dilute or walk away from this signature, we do so at our peril. The strategic plan puts forth many ways to improve our core identity -- to build on what we do best – and to ensure that our residential experience remains one other institutions will both envy and emulate.

**Michael Dell: University of Texas at Austin, 2003**

“As you start your journey, the first thing you should do is throw away that store-bought map and begin to draw your own. When Dell got started, it didn’t come with a manual on how to become No.1 in the world. We had to figure that out every step of the way. And with each new product and new market, the industry ‘experts’ said we’d fail. Through the chorus of naysayers, we emerged as a world leader in servers, and we continue to gain momentum.”

Just as Dell had to draw its own map, so do we. In the latest U.S. News rankings, we were once again named the No. 2 public university in the country. In the recent Top Colleges reported by Forbes Magazine -- titled: “The Only Schools That Matter” – U.Va. ranked 29th. The
University of California at Berkeley was the only public ranked higher, at 22nd. Stanford was #1. The closest Virginia schools were VMI at 87th and Tech at 110th. Some of our nearby schools would include UNC (38th), Hopkins (46th), Maryland (73rd) and Duke (15th).

This means our map cannot be copied from others, and more importantly, it needs to be a living document that is built on principles that allow us to be nimble and adept at change. We will need to work together to draw this map, and engage the necessary constituencies to make that map a reality. There will be those who say we cannot succeed in achieving our strategic goals; it is up to us to work together to prove them wrong.

**Larry Page: University of Michigan, 2009**

“I think it is often easier to make progress on mega-ambitious dreams. I know that sounds completely nuts. But, since no one else is crazy enough to do it, you have little competition. There are so few people this crazy that I feel like I know them all by first name. They all travel as if they are pack dogs and stick to each other like glue. The best people want to work the big challenges.”

When I read this, I thought of the American Association of Universities, the AAU. The AAU includes only 61 institutions (out of a total of 4,600
institutions of higher education). We are the leaders in higher education, and collectively, we:

- Represent 63% of the members of the American Academy of Arts & Sciences;
- Employ 68.6% of the academic postdocs;
- Produce 55.4% of the all STEM doctorates, and 61.9% of all engineering doctorates;
- Receive 57.7% of all Federal Research expenditures;
- And educate 1.1 million (6.2% of the national total) undergraduate students in rich intellectual and heavily residential environments.

The University was asked to join the AAU in 1904 as its 13th member. But there is no guarantee to membership; schools are invited (Boston University joined in 2012), and uninvited (University of Nebraska 2011).

The AAU schools are our peers, and I would argue that we are and need to be competing with the top half of this group. I remind you that we set our faculty salary goal relative to this group, to be in the top third, because it is the group of schools with which we compete for students and faculty.
This group does run as a pack. We watch each other’s every move better than any outside consultant can. And a novel idea does not differentiate one from another for very long. We all have brain/neuroscience initiatives, global health programs, nanoscience programs, etc.

Where we differentiate ourselves is what we do in these spaces, how we tailor our educational and research profiles to be distinctive. Distinctive (or individual, original, singular, or uncommon) characteristics must be - - and are -- at the core of our strategic planning, and arise from the faculty we have at the university.

Aristotle said, “Excellence is never an accident. It is always the result of high intention, sincere effort, and intelligent execution; it represents the wise choice of many alternatives - choice, not chance, determines your destiny.” So as we move forward, we must keep in mind that Excellence in education entails high intention, sincere effort, intelligent execution and wise choices.

To better inform our academic leadership in making such wise choices, this past year, the deans and I started a book club designed to provide us with an understanding of outside views of higher education. Just as important, we wanted to be able to discuss these views and challenges as
a group. Our intention was to then use what we learned to inspire our academic strategic planning.

We read Peter Sims’ “Little Bets”; Clayton Christenson’s “The Innovative University”; “College Unranked”; and Ben Ginsberg’s “The Fall of the Faculty.” We are now set to read and discuss “College Unbound” by Jeff Selingo.

One important insight we learned is that in addition to technology, ideas can be disruptive to institutions of higher education. Consider the revolution that came with increased understanding and the ability to manipulate DNA. Research and education went from the study of organism to cells to molecule, generating the foundation upon which genomic medicine is being based. Botany and Zoology departments disappeared, and modern biology came into existence.

Before I turn to a few specifics, I want to give one more supporting voice as to why our academic strategies must be built upon on our institutional distinctiveness.

To state our institutional distinctiveness, I quote from the Art and Science report.
“Our assessment suggests that U.Va. would gain greatest comparative advantage through a strategy rooted in a bold recommitment to its counter-trending greatness as a collegiate research university -- focused on students’ academic-residential experience, extensive interaction with teaching faculty, and development of leadership qualities, skills, and motivation. U.Va. would do well to protect its core advantage vigorously.”

Now I draw your attention to a different CEO, William Lynch, and recent events at Barnes & Noble. Mr. Lynch resigned on July 8, 2013, just three years after being appointed, when it was announced that the Nook division lost almost $500 million dollars last year. Alan Rifkin, an analyst at Barclays, wrote in a note to investors: "Lynch was highly instrumental in making Nook a centerpiece in Barnes & Noble's broader operational strategy."

In 2010, when he took the helm of the bookstore chain, Lynch said he would work to develop both retail and online businesses. “Although the stores will be just a part of the offering, they will remain a key driver of sales as we expand our multichannel relationships with our customers.”

In a recent story in The New Yorker headlined “E book vs. P book,” the author conjectures that “there was one obvious conclusion with the demise of the Nook: the company was doomed.”
Not surprisingly, the hastily written obituaries left out some important facts. To begin with, Barnes & Noble’s retail business still makes good money, and, though its sales fell last year, its profits actually rose; an interesting case study in efficiency. Independent bookstores are now thriving, thanks in large part to their close ties to both publishers and customers.

“Stores that can help you not just find what you’re looking for but also help you discover books you haven’t heard of are still very valuable to readers,” said Daniel Raff, a management professor at Wharton, who has written an in-depth study of Borders and Barnes & Noble. This suggests that, instead of succumbing to the temptation to reinvent itself, Barnes & Noble should focus on something truly radical: being a bookstore.”

The New Yorker article continues:

“For many people, as a number of studies show, reading is a genuinely tactile experience -- how a book feels and looks has a material impact on how we feel about reading,” he said. “… The truth is that the book is an exceptionally good piece of technology -- easy to read, portable, durable, and inexpensive. Unlike the phase-change move toward digital that we saw in music, the transition to e-books is going to be slow; coexistence
is more likely than conquest. The book isn’t obsolete. Barnes & Noble just needs to make sure it isn’t either.”

So what are the implications for the University?

I think the hastily written obituaries about higher education also leave out some important facts, and the forces of change will impact different types of institutions in different ways. Our institution has always been about academic excellence, it is about learning in a residential setting, and it has ended up placing us among the best schools in the nation time and again. In fact, for more than 20 years, since the very first U.S. News rankings, the University of Virginia has never been ranked lower than the #2 public university and has been in the top 25 “best colleges and universities” out of the nations 4,600 schools. Like the Barnes and Nobel case, considering the current tension between on-line and residential education, I think “coexistence is more likely than conquest” and we are one of the best in class in the residential space.

That, however, should not lead to complacency, but instead to a challenge to become even better – to aim for sustained academic excellence.
I recently asked the deans to define academic excellence, and as you would expect, each brings different optics to answer this question. I share with you the response from Harry Harding:

“I’d say excellence in enabling young men and women to realize their full potential as human beings, possessed of the knowledge, skills and qualities of mind that have long characterized the educated person. In a university with graduate schools, as distinct from a college, it also means excellence in preparing students for the professions, including the academy itself. For U.Va., it also means becoming engaged and responsible citizens or civic leaders.”

I like this quote because it returns to my opening comment that our focus and strategy moving forward is about the people we educate and the programs that help us do that.

Let me take a few minutes to talk about two examples that illustrate my point. These are academic areas that are critical to our institution and require both focus and investment, as well as a new way of thinking.

1. **Economics.** Economics is one of our most popular majors. Our department is ranked 30th by US News. We have approximately 30 faculty in the department. The University of Michigan has more
than 70 faculty and is ranked 13th. So are we doomed if rankings are simply a reflection of size? The top programs are Harvard, Princeton, MIT and Chicago. While Princeton has 61 faculty, Chicago has 32. What matters is who you hire, and how you build excellence in the discipline. We have a great opportunity to re-invent Economics here if we leverage our institution in this endeavor, connecting faculty and students in Batten, McIntire and Darden with those in the College. We need to think about the connections and intellectual community building across the institution. This is one of the key goals of the faculty development plan and clearly one of the most important components of the strategic plan.

2. **Electrical and Computer Engineering.** There is no question that this is an important STEM area and one where we need to ensure that we are graduating the next generation of leaders. Our department is ranked 40th in the nation (for comparison VTech is 19th). We have a little more than 30 faculty members in this department. The department at Georgia Tech is larger than our entire School of Engineering. Once again, I ask does this mean we are doomed never to compete? Georgia Tech is ranked 5th in the nation, tied with Cal Tech, which has a department of just 19 faculty members. Once again, it is a matter of who you hire, what
they do, and how the footprint of the department brings distinction and distinctiveness to the field and the university.

This is why our strategic plan discusses the creation of a small set of cross-Grounds institutes. And this is how we, the University of Virginia, can stay true to our niche among the best universities while leveraging our talents to compete at the highest levels. We need to establish a small number of new cross-Grounds institutes, not bricks and mortar, but intellectual synergies that leverage us in exciting new ways, creating academic signatures for the institution as a whole.

These institutes will represent a step away from reinforcing traditional units and activities and move scholarship and teaching to the interstitial spaces between the disciplines, which is where important discovery and innovation is now occurring. The presence of a comprehensive university situated on one campus – and in most cases within walking distance of each other -- puts us at a distinct advantage over most of our peer institutions.

Last August, President Sullivan put a stake in the ground when she challenged the faculty to think about big data and to see how the University might leverage its collective resources around the topic.
The result is the proposal for the first cross-Grounds institute to arise from our planning. It is clear to me that many universities – following the pack – are and will be in the big data game, but as you will learn this afternoon, we can be there in distinguishing ways.

We can tackle big data in ways that makes our program distinctive, to be among the best of the best, without trying to “live someone else’s life,” as Steve Jobs said.

I would like to turn the podium over to Rick Horwitz, associate vice president for research. Rick came to UVA in 1999 from the University of Illinois, where he had built a new Cell and Structural Biology Department and led the reorganization of the life sciences more broadly. Rick is the co-discoverer and world leader of the major and best studied family of adhesion receptors. In addition to sticking cells together, the receptors he discovered generate the signals that control cell growth, gene expression, survival and migration. In this capacity they play a central role in diseases like atherosclerosis, and tumor invasion. Rick organized and was the PI of an $80m NIH funded consortium, at the time it was the largest research grant ever awarded in Virginia. The consortium brought together ~35 investigators from 15 institutions in the US, Europe, Canada and the Middle East (Israel). Through the consortium, he brought together interdisciplinary teams (math, physics,
chemistry, engineering, genetics and cell biology/biochem) to develop novel reagents and mathematical models, solve complex structures, and to develop new imaging modalities to study cell invasion in its many contexts. This consortium is considered a model for large scale collaborative research. So Rick has the experience and skills necessary to coordinate big data activities across Grounds, to identify where we can be distinctive, and to make it happen. He’ll talk about how we are developing cross-Grounds activities and how his work might to serve as a map that will lead to revolutionary ways of rethinking how research and educational programs will look to the next generation.