UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
FINANCE SUBCOMMITTEE
WITH THE FULL BOARD
NOVEMBER 15, 2014
FINANCE SUBCOMMITTEE WITH FULL BOARD

Saturday, November 15, 2014
9:00 a.m. - 1:00 p.m.
Great Hall, Garrett Hall

Committee Members:
John A. Griffin, Chair
Frank B. Atkinson
Kevin J. Fay
Victoria D. Harker
John G. Macfarlane III
George Keith Martin, Ex-officio

AGENDA

I. INTRODUCTION AND COMMENTS FROM THE CHAIR (Mr. Griffin) 1

II. REPORT – AFFORDABLE EXCELLENCE MODEL (President Sullivan and Mr. Hogan) 2
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: November 15, 2014

COMMITTEE: Finance Subcommittee

AGENDA ITEM: I. Introduction and Comments from the Chair

ACTION REQUIRED: None

BACKGROUND: The Chair, John A. Griffin, will provide introductory remarks regarding the status of the development of the Affordable Excellence model.
BACKGROUND: The Finance Subcommittee held its first meeting on June 5, 2014, to set forth its charge. The charge of the Finance Subcommittee is to develop a financial/pricing model (including a long-term financial plan) that promotes: affordability for low-income and middle-income students and their families; predictability of tuition and fee costs and associated financial aid; a sustainable student financial aid program; sustainable funding for instruction that preserves and enhances academic excellence; diversity and inclusiveness; and, process efficiencies and savings achieved through the Organizational Excellence initiative.

The Finance Subcommittee met again on June 27, 2014 in Northern Virginia to explore several topics: tuition/financial aid pricing, cost of education, the AccessUVa program and the endowment. It also worked to identify the components of the revenue budget that will be incorporated into the Affordable Excellence model.

The Finance Subcommittee met a third time on July 25, 2014 in Northern Virginia. They discussed maximizing the strength of the University’s AAA balance sheet, options around the endowment distribution rate, and options to fund AccessUVa for the long-term. They heard an overview on the University Financial Model, Organizational Excellence, and the University's Strategic Corporate Partner Program.

Over the course of the summer, each member of the Finance Subcommittee took responsibility for extensive outreach to leaders in higher education across the nation and former Rectors.

At the fourth meeting of the Finance Subcommittee on September 10, 2014, the Subcommittee reviewed the research enterprise’s role in the long-term financial model, the details
of Advancement's restructuring and campaign planning, a profile of the incoming class of 2018, communications in recruiting and in elevating awareness for supporting need-based scholarships, and the status of work on maximizing the strength of the University's AAA balance sheet.

DISCUSSION: The Finance Subcommittee would like to share the results of its work to date with the Full Board, focusing on the cost analysis of the following strategic priorities: the Cornerstone Plan, the impending generational turnover of faculty, sustaining excellence in operational performance, and enhancing affordability. The discussion will include a high-level discussion of possible funding sources for these strategic priorities.