

September 28-29, 1999

MEMORANDUM

TO: The Board of the Investment Management Company:

William H. Goodwin, Jr., Chair
A. Macdonald Caputo
Christine P. Gustafson
Donald Laing, III
Timothy B. Robertson
Leonard W. Sandridge
Matthew G. Thompson
Henry L. Valentine, II
James C. Wheat, III
John P. Ackerly, III, Ex Officio

and

The Remaining Members of the Board of Visitors:

Charles M. Caravati, Jr.	Robert G. Schoenvogel
Champ Clark	Albert H. Small
William G. Crutchfield, Jr.	Elizabeth A. Twohy
T. Keister Greer	Walter F. Walker
Elsie Goodwyn Holland	Benjamin P.A. Warthen
Terence P. Ross	Joseph E. Wolfe

FROM: Alexander G. Gilliam, Jr.

SUBJECT: Minutes of a Meeting of the Board of Directors of the University of Virginia Investment Management Company on September 28 and 29, 1999

The Board of Directors of the University of Virginia Investment Management Company (UVIMCO) met, in Open Session, at the offices of Morgan Stanley in New York on September 28 and 29, 1999; William H. Goodwin, Jr., Chair, presided. Timothy B. Robertson, Henry L. Valentine, II, James C. Wheat, III, Leonard W. Sandridge, A. Macdonald

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Caputo, Ms. Christine P. Gustafson, Donald Laing, Matthew G. Thompson, and Ms. Alice W. Handy were present.

Also present were Alexander G. Gilliam, Jr., Donald Lindsey, Ms. Elizabeth Snyder, Rob W. Freer, and Ms. Christine Schlosser.

The meeting essentially was a retreat, most of which was held in Executive Session under the exemptions to the Virginia Freedom of Information Act permitted by the Code of Virginia.

The Board adopted the following motion to meet in Executive Session:

That the University of Virginia Investment Management Company go into Executive Session for discussion of investment strategies relating to University Endowment Funds, as provided for in Section 2.1-344 (A) (6) of the Code of Virginia.

Coming out of Executive Session at the end of the Retreat on September 29th, the Board took the following actions:

Modified the asset allocation for the Endowment by reducing domestic equity from 30% to 20% and by increasing absolute return (hedge funds) and private equity each by 5%.

Expanded the guidelines for the internally managed bond fund to include mortgage-backed securities issued by federal agencies (up to 20%) and the private equity guidelines to include up to 20% in European funds.

Authorized an additional \$10 million to be invested with Lone Pine, a hedge fund manager; staff, with the approval of a board subcommittee, was authorized to select an Asian hedge fund manager prior to the December meeting.

Instructed staff to proceed with the sale of Security Capital, a real estate investment.

Approved the hiring of either Cantor Fitzgerald or Goldman Sachs to administer the security lending program and the transfer of the Holland Scholarship monies from Tudor Futures Fund to the Raptor Global Fund.

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On motion, the meeting was adjourned at 3:30 p.m.,
September 29.

AGG:lah

Copies to: Mr. John T. Casteen, III
Mr. Gene D. Block
Dr. Robert W. Cantrell
Ms. Louise Dudley
Mr. Paul J. Forch
Mr. William W. Harmon
Mr. Terry Holland
Mr. L. Jay Lemons
Mr. Peter W. Low
Dr. Robert E. Reynolds
Ms. Colette Sheehy
Mr. Robert D. Sweeney
Ms. Alice W. Handy

ADDENDUM TO THE OFFICIAL MINUTES OF THE MEETING
OF THE BOARD OF VISITORS OF THE UNIVERSITY OF
VIRGINIA

Meeting Date: September 28-29, 1999

CERTIFICATION OF EXECUTIVE MEETING

WHEREAS the University of Virginia Investment Management Company has convened an executive meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS Section 2.1-344.1 of the Code of Virginia requires a certification by this University of Virginia Investment Management Company that such executive meeting was conducted in conformity with Virginia law;

NOW THEREFORE BE IT RESOLVED that the University of Virginia Investment Management Company hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the executive meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the executive meeting were heard, discussed or considered by the University of Virginia Investment Management Company.

VOTE

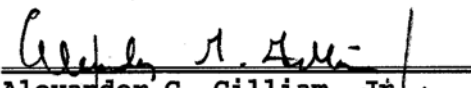
AYES: 9

NAYS: 0

[For each nay vote, the substance of the departure from the requirements of the Act should be described].

ABSENT DURING VOTE: 1

ABSENT DURING MEETING: 1



Alexander G. Gilliam, Jr.
Secretary, Board of Visitors,
University of Virginia

At a meeting of the University of Virginia Investment Management Company held on Wednesday, September 29, 1999, a roll call vote was taken immediately following an executive session. Members voting "yes" certify that to the best of the Member's knowledge (1) only public business matters lawfully exempted were discussed in closed session; and (2) only public business matters identified in the public motion by which the executive or closed meeting were discussed. In accordance with the law, any member of the public body who believes that there was a departure from the foregoing shall so state prior to the vote indicating "the substance of the departure". Any such statements are recorded below under "comments".

<u>NAME</u>	<u>VOTE</u>	<u>COMMENTS</u>
	<u>yes or no</u>	
<u>John P. Ackerly, III</u>		<u>absent</u>
<u>A. Macdonald Caputo</u>	<u>yes</u>	
<u>William H. Goodwin, Jr.</u>	<u>yes</u>	
<u>Christine P. Gustafson</u>	<u>yes</u>	
<u>Donald Laing, III</u>	<u>yes</u>	
<u>Timothy B. Robertson</u>	<u>yes</u>	
<u>Leonard W. Sandridge, Jr.</u>	<u>yes</u>	
<u>Matthew G. Thompson</u>	<u>yes</u>	
<u>Henry L. Valentine, II</u>	<u>yes</u>	
<u>James C. Wheat, III</u>	<u>yes</u>	