MEMORANDUM

TO:       The Files
FROM:     Susan Harris

All Members of the Board of Visitors, save Edward D. Miller, M.D., attended the meeting of the Board held on June 26, 2012.
MEMORANDUM

TO: The Board of Visitors:
Helen E. Dragas, Rector
A. Macdonald Caputo
Hunter E. Craig
The Hon. Alan A. Diamonstein
Allison Cryor DiNardo
W. Heywood Fralin
Marvin W. Gilliam Jr.
Robert D. Hardie
Glynn D. Key
Stephen P. Long, M.D.
Randal J. Kirk
Vincent J. Mastracco Jr.
George Keith Martin
John L. Nau III
Timothy B. Robertson
Hillary A. Hurd
Edward D. Miller, Ex-officio

FROM: Susan G. Harris

SUBJECT: Minutes of the Special Meeting of the Full Board of Visitors on June 26, 2012

The Board of Visitors of the University of Virginia met, in Open Session, at 3:05 p.m., on Tuesday, June 26, 2012, in the Board Room of the Rotunda; Ms. Helen E. Dragas, Rector, presided.


The Rector led the pledge of allegiance.
Ms. Dragas called the special meeting of the Board to order and made a statement on behalf of the Board regarding all the events that had taken place over the previous two weeks. She said that all eyes in higher education have been looking at the University, and expressed her belief that no matter which way the vote goes, the University will emerge as an even stronger institution after the meeting.

Ms. Dragas reiterated an apology to the University community, stating that no one ever wished or intended such a reaction, and due to confidentiality of personnel matters and non-disparagement agreements with the President a detailed statement of the Board’s actions came too late. She stated again her apology for the way the matter was handled and said the University community deserved better.

Ms. Dragas said Governor McDonnell had made it clear in his statement that what the Board decided today will be the final word on the subject. She acknowledged the sincere and heartfelt feelings that students, faculty, alumni, staff and donors expressed to the Board over the past two weeks. She said she respects the engagement and sentiments of all on this issue and appreciates the civil and constructive approach many have taken in voicing their opinions on this matter. She then called upon Heywood Fralin to introduce an important resolution.

Mr. Fralin gave a preamble to the motion, stating that the preamble was his thoughts and opinions alone. He first thanked the students, faculty, staff, alumni, and friends who demonstrated their strong opinions and concern for the University, acknowledging that everyone deeply loves the University and wants it to remain one of the world’s foremost educational institutions.

Mr. Fralin thanked the Governor for his focus on higher education and spoke to resolving the uncertainty as the Governor requested. He thanked Carl Zeithaml for stepping forward to serve as interim president. He acknowledged that the process regarding President Sullivan’s resignation was flawed, and was something that can never be repeated when important issues are under consideration. He asked that future Visitors look closely at the structure of the Board to prevent the same mistakes.

Mr. Fralin said the process caused damage to the University. He said that although individuals believed there were grounds for the decision, he was not one of those individuals. He stated that the integrity of those who supported the decision should not be questioned, and that every board member has integrity and votes for what each believes is best for the University. He apologized to the University for the mistakes he made in the process, including his decision not to confer with
other members to determine if three individuals would have been willing to call a special meeting to discuss President Sullivan’s resignation. He said no one should overlook the issues raised by the Rector’s and deans’ letters regarding the changes, and speed of change, coming to higher education.

Mr. Fralin encouraged the next Board to consider establishing a strategic planning committee consisting of Visitors, staff, and faculty members, with advice from outstanding consultants with higher education backgrounds. He spoke to the students, faculty, staff, and alumni, and said that now was not the time to back away from financial support of the University. He spoke of the respect he has for all members of the Board and his pride in having them as colleagues. In conclusion, he stated that even in the General Assembly there is a provision for reconsidering a vote if there is a belief that maybe the wrong decision was reached. Mr. Fralin made a motion to adopt the following resolution:

RESOLVED, The Board of Visitors rescinds the Second Amendment to the President’s Employment Agreement, subject to the approval and acceptance of the President, thereby reinstating President Sullivan’s initial Employment Agreement of January 11, 2010, as amended by the First Amendment to the Employment Agreement; and

RESOLVED FURTHER, The Board of Visitors rescinds the naming of Carl P. Zeithaml as Interim President of the University, and rescinds the authority previously granted to the Executive Committee to negotiate and execute a contract or employment agreement with the Interim President.

Ms. Dragas made a statement on the forward progress of the University community in dealing with the reality and urgency of the specific challenges that face the University. She said that real progress is more possible now than ever, and although it is unfortunate that we had to have a near death experience to get to this point, the University should not waste the enormous opportunity at hand. She said the crisis has allowed all to clearly see how much everyone shares the goal of a University that is fully and richly equipped with a long-range strategy to meet the many challenges it will face in the future. She stressed the need of the University to be on the forefront of change, whether it wants to or not.

Ms. Dragas said other good things have come forth from this situation, with the first and foremost being the values of honor, integrity, and trust manifesting themselves. She said the board breached trust, but the mob mentality that created rumor was a breach of trust as well. She said the past two weeks have
produced a great deal of education and dialogue on Grounds concerning the University's future, and that the UVA family is more engaged than ever before on the issues the University faces. She remarked about the respectful statements voiced by individuals and the willingness to come together for a shared purpose, both to heal emotions and to make real and measurable progress on the issues the University faces.

Ms. Dragas said she met with President Sullivan just before the meeting. She said they have far more in common than not, and working together they can both jointly agree upon the best strategic vision for the school along with a roadmap to make that vision a reality. She said they both have the same goal, for the University to reach its fullest potential as a 21st century Academical Village and remain a leader among universities when it comes to innovation and the overall student experience. She asked the Board to come together and bring the University quickly to a process of healing that respects the Board’s governance, while also committing to faster and more measurable progress against a number of real challenges we all face as an institution.

Ms. Dragas said that for the good of the University, the Board has found a middle path, and she looks forward to working with President Sullivan, students, faculty, staff, alumni, and donors to rebuild a sense of mutual trust and redouble efforts to keep the University on the forefront of higher education now and well in the future. She gave her support for the resolution on the table to reinstate President Sullivan and urged others on the Board to do so as well.

A roll call vote was taken on the resolution. The resolution was approved with all fifteen members voting "yes".

Mr. Fralin then made a second motion:

I would like to make a second motion of support for Helen Dragas who has sent an enormous statement today to the entire University community by voting in favor of the first motion. By virtue of her position as Rector, she has been the recipient of extraordinarily harsh criticism. She has been vilified by some, and this is not in keeping with all of our expectations at the University of Virginia. Whether we agree or not, she has taken positions she believes were in the best interest of the University of Virginia. There has never been any question regarding her integrity. She has recognized the changes that are so quickly affecting all of higher education. The ultimate
evidence of her character is her willingness to change her position and support the return of President Sullivan.

I move that we all voice a vote of support for Helen Dragas and express our confidence that she has in the past and will continue to demonstrate integrity and support for what she believes is in the best interest of the University of Virginia.

Ms. Dragas abstained from voting on the second motion and thanked the Board for their support. She said she looked forward to continuing her work with the Board and making the most of the events over the past couple of weeks for the good of the University. She closed with remarks from Professors Elzinga and Brenneman, thanked the Board for their work, and spoke of moving forward with the Board and President Sullivan.

President Sullivan thanked the Board for renewing their confidence in her and giving her the opportunity to lead the University of Virginia. She said she wants to partner with the Board to bring what is best for the University. She asked that differences not be swept under the rug, but that everyone engage one another in candor and respect, seeking only one thing: what is best for the University. She said she believes that all can continue in this task, and now know that thousands of others care passionately about this institution. She said she needs the Board’s support and help in reaching out to networks within the Commonwealth and around the world in order to move forward together. She closed by renewing the pledge she made in 2010 to direct her best energies and talents towards this end.

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

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