



THE RECTOR AND VISITORS OF THE
UNIVERSITY OF VIRGINIA

December 6, 2018

MEMORANDUM

TO: The Advancement Committee:

John A. Griffin, Chair
James V. Reyes, Vice Chair
Barbara J. Fried
Robert D. Hardie
Tammy S. Murphy
James B. Murray Jr.
Jeffrey C. Walker
Frank M. Conner III, Ex Officio

and

The Remaining Members of the Board:

Robert M. Blue	Maurice A. Jones
Mark T. Bowles	Babur B. Lateef, M.D.
L. D. Britt, M.D.	C. Evans Poston Jr.
Whittington W. Clement	Margaret F. Riley
Elizabeth M. Cranwell	Brendan T. Nigro
Thomas A. DePasquale	

FROM: Susan G. Harris

SUBJECT: Minutes of the Meeting of the Advancement Committee on December 6, 2018

The Advancement Committee of the Board of Visitors of the University of Virginia met, in Open Session, at 1:30 p.m. on Thursday, December 6, 2018, in the Upper West Oval Room of the Rotunda. John A. Griffin, Chair, presided.

Committee members present: Frank M. Conner III, James V. Reyes, Barbara J. Fried, Robert D. Hardie, Tammy S. Murphy, James B. Murray Jr., and Jeffrey C. Walker

L.D. Britt, M.D. and Babur B. Lateef, M.D. were also present. Robert M. Blue, Whittington W. Clement, Elizabeth M. Cranwell, Thomas A. DePasquale, Maurice A. Jones, C. Evans Poston Jr., Margaret F. Riley, and Brendan T. Nigro were present for the closed session.

Present as well were James E. Ryan, Jennifer Wagner Davis, Thomas C. Katsouleas, Peter Grant, Melody S. Bianchetto, Margaret S. Grundy, Susan G. Harris, Timothy J. Heaphy, John C. Jeffries

Jr., Patricia M. Lampkin, Mark M. Luellen, M. Elizabeth Magill, and Kelley D. Stuck. Richard P. Shannon, M.D., Donna P. Henry, and Debra D. Rinker were present for the closed session.

Mr. Griffin opened the meeting and said the committee would start in closed session so that members of the Committee on Wise could participate in the session before their meeting began.

Closed Session

At 1:30 p.m., the committee went into closed session upon the following motion, duly seconded, and approved.

Mr. Chair, I move that the Advancement Committee go into closed session to receive a briefing on ongoing discussions with a donor regarding a significant anonymous gift in support of one of the University's identified strategic priorities. The closed session is authorized by Code of Virginia section 2.2-3711 (A) 9.

At 1:45 p.m., the committee concluded closed session by the following motion, duly seconded, and approved by roll call vote.

Voting in the affirmative:

John A. Griffin, Chair
James V. Reyes, Vice Chair
Barbara J. Fried
Robert D. Hardie

Tammy S. Murphy
James B. Murray Jr.
Jeffrey C. Walker
Frank M. Conner III, Ex Officio

Motion:

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

Remarks by the Committee Chair

Mr. Griffin reported on fund raising progress and capital campaign preparations. Fund raising for the year is strong. As of October 31, the University raised \$178 million in total commitments. This is an 86% increase over the last fiscal year. The University is implementing the capital campaign recommendations made by the task forces convened to address policy and protocol around annual giving, prospect management, and stewardship. In their work, the task forces sought to achieve pan-university buy-in by having broad representation from across Grounds. This approach appears to be working well. Mr. Luellen and Mr. Jeffries will be meeting with the chief development officers from the foundations to share the guidelines developed by the prospect management task force. They have also developed ways to take advantage of the University's decentralized structure. The materials for the *Honor the Future Campaign* have been well received across Grounds.

The technology steering committee continues to adopt effective and efficient fund raising and donor communications tools. It has implemented a new email distribution platform, a new event registration platform, and a new tool to support the use of mobile technology. A task force has been established to explore donor-advised funds. It includes representation from foundations and organizations across Grounds. It will recommend how these funds could be used by the University based on a review of their use at other institutions.

Fund Raising Progress Report

Mr. Luellen began with additional comments on the campaign task forces. Because the schools and units participated on the task forces, they are beginning to embrace the policies and protocols that focus on the concept of coordination or “traffic control” with the foundations.

Mr. Luellen said the University has received \$221 million in commitments for the fiscal year. If the results for this December are similar to those for last December, which saw \$75 million in new commitments, the University will be in a strong position in January. So far this year, the volume and number of asks exceed those for the prior year with asks totaling \$363 million as opposed to \$220 million and with donor visits 10% higher. The goal is to be at the halfway point in the campaign by next October when the public phase is scheduled to begin.

The Rector commented on the 50 basis point increase in the endowment distribution, which the Board approved to support the campaign. At this point, the equivalent of 16 or 17 basis points has been used; the balance will be drawn down only as needed. He asked Mr. Luellen if he was concerned about the SIF matching funds adversely impacting traditional philanthropy – has the donor community developed the view that if the University thinks a request is important it needs to contribute matching funds? Mr. Luellen said the University’s matching funds programs have tight criteria and are tied to University priorities. He does not see every donor asking for matching funds. The Rector asked if funding proposals consistently include the use of matching funds. Mr. Luellen said many people would like to see this. The use of matching funds is a challenge the Board and the President will have to address. Mr. Griffin observed that the thresholds set for matching funds have encouraged donors to give at higher levels in order to meet the thresholds.

Mr. Heaphy informed the committee of the University’s review of its legal relationships with its 27 affiliated foundations. This will result in a new policy, and will include a statement of principles, an MOU template, and service agreements, which will detail the services foundations receive from the University.

The University must determine which of its foundations are functional equivalents and which are independent, using tests that exist for the determination of “functional equivalency.” The new documents, which should be ready in six to eight months, will vary from foundation to foundation.

The chair adjourned the meeting at 2:20 p.m.

SGH:wtl

These minutes have been posted to the University of Virginia’s Board of Visitors website:

<https://bov.virginia.edu/committees/180>