

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS**

**Meeting of the  
Finance Committee**

**March 3, 2023**

**FINANCE COMMITTEE**

**Friday, March 3, 2023**

**8:30 – 9:45 a.m.**

**Board Room, The Rotunda**

**Committee Members:**

Robert M. Blue, Chair	Robert D. Hardie
James B. Murray Jr., Vice Chair	Babur B. Lateef, M.D.
Carlos M. Brown	James V. Reyes
Thomas A. DePasquale	Douglas D. Wetmore
Louis S. Haddad	Whittington W. Clement, Ex-officio

**AGENDA**

	<b><u>PAGE</u></b>
<b>I. ACTION ITEMS (Ms. Davis)</b>	
A. Property Disposition of UVA Health Caton Merchant House Assisted Living	1
B. Signatory Authority for Medical Center Contract for Arthroscopy/ Orthopedic Products	3
C. Divestment of Center for Politics Quasi-Endowments	4
D. Signatory Authority for Contract to Provide Comprehensive Health Insurance Plan for Enrolled Students at the University in Charlottesville	5
E. Recognition of Vice President and Chief Information Officer Virginia Evans	6
<b>II. REPORTS BY THE EXECUTIVE VICE PRESIDENT AND CHIEF OPERATING OFFICER (Ms. Davis)</b>	
A. 2023 General Assembly Report	8
B. Endowment Report: Market Value and Performance as of December 31, 2022	9
C. FY2022 Financials	10
D. Executive Vice President’s Remarks	11

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2023

**COMMITTEE:** Finance

**AGENDA ITEM:** I.A. Property Disposition of UVA Health Caton Merchant House Assisted Living

**BACKGROUND:** UVA Health Caton Merchant House Assisted Living is an assisted living facility located in Manassas, VA. The Health System Board recommends the Finance Committee and the Board of Visitors authorize UVA management to enter into a sale agreement to transfer this property to a selected senior living organization.

**DISCUSSION:** UVA Community Health engaged an outside consulting company to explore strategic options for Caton Merchant House. UVA Health leadership, UVA Community Health management, legal counsel, and selected members of the UVA Community Health Board of Directors, in collaboration with the outside consultant, determined that the best course of action was a full disposition of Caton Merchant House to a qualified buyer. A competitive bid process yielded an optimal intended buyer, and a Letter of Intent with this buyer was executed. The parties are in the process of finalizing a purchase and sale agreement.

**ACTION REQUIRED:** Approval by the Health System Board, by the Finance Committee, and by the Board of Visitors

**PROPERTY DISPOSITION OF UVA CATON MERCHANT HOUSE ASSISTED LIVING**

WHEREAS, UVA Community Health, Inc., a wholly owned subsidiary of The Rector and Visitors of the University of Virginia (University of Virginia), is the sole owner of UVA Prince William Health System, which in turn is the sole owner of UVA Health Caton Merchant Assisted Living (Caton Merchant House), an assisted living facility located at 9201 Portner Avenue, Manassas, VA 20110; and

WHEREAS, the University of Virginia and UVA Community Health have determined that it would be in the best interest of UVA Community Health, Caton Merchant House, and the surrounding community, for UVA Community Health to transfer Caton Merchant House to a third party for continued operation as an assisted living facility;

RESOLVED, the Board of Visitors hereby authorizes the Executive Vice President and Chief Operating Officer and her designees to take all actions necessary to finalize the transaction that will convey Caton Merchant House to a selected senior living organization under substantially the same terms of that letter of intent between UVA Community Health and the selected organization dated December 19, 2022, including to execute all deeds,

documents, and agreements deemed necessary and appropriate to approve and consummate the foregoing, to approve such reasonable and customary expenses, if any, as may have been or may be incurred by UVA Community Health, and to take such other actions as are deemed necessary and appropriate in connection with the foregoing, all on behalf of the University of Virginia, UVA Community Health, Caton Merchant House, UVA Prince William Health System, and/or any other controlled affiliated of UVA Community Health, as applicable; and

RESOLVED FURTHER, all prior acts performed by the Executive Vice President and Chief Operating Officer and her designees in connection with the evaluation and sale of Caton Merchant House are in all respects approved, ratified, and confirmed.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2023

**COMMITTEE:** Finance

**AGENDA ITEM:** I.B. Signatory Authority for Medical Center Contract for Arthroscopy/Orthopedic Products

**BACKGROUND:** The Board of Visitors is required to approve the execution of any agreement or amendment where the annual spend exceeds \$5M.

**DISCUSSION:** The University seeks approval from the Board of Visitors to allow the Medical Center to contract with Arthrex, Inc. for arthroscopy and orthopedic products, which will exceed \$5M in spend per year. The expense for goods and services purchased through this contract is reflected in the Medical Center's Operating Budget.

**ACTION REQUIRED:** Approval by the Health System Board, by the Finance Committee, and by the Board of Visitors

**SIGNATORY AUTHORITY FOR MEDICAL CENTER CONTRACT FOR ARTHROSCOPY/  
ORTHOPEDIC PRODUCTS**

RESOLVED, the Board of Visitors authorizes the Executive Vice President and Chief Operating Officer to execute the contract on behalf of the Medical Center with Arthrex, Inc. for Orthopedic products.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2023

**COMMITTEE:** Finance

**AGENDA ITEM:** I.C. Divestment of Center for Politics Quasi-Endowments

**BACKGROUND:** The Center for Politics currently has an estimated project cost of approximately \$10M which includes an approximately 10,000 square-foot addition/renovation, landscape improvements, as well as media and furniture outfit representing a total project cost of approximately \$10M and a 24-to-30-month completion timeline.

**DISCUSSION:** UVA Finance, The Center for Politics, Facilities Management, and University leadership have determined an operational project and funding plan that includes available spending distribution from the Center for Politics Building Expansion Quasi-Endowment, The Center for Politics Unrestricted Quasi-Endowment, as well as received philanthropy. To appropriately fund this initiative, it is now appropriate to liquidate the quasi-endowments of the Center for Politics which were created for this purpose.

**ACTION REQUIRED:** Approval by the Finance Committee and by the Board of Visitors

**DIVESTMENT OF THE CENTER FOR POLITICS QUASI-ENDOWMENTS**

WHEREAS, the timeline for the Center for Politics Project will require funds over the next 30 months with the largest funding source being the Center for Politics Building Expansion Quasi-Endowment and Unrestricted Quasi-Endowment; and

WHEREAS, the two quasi endowments currently have a market value of over \$7M and \$3.8M, respectively; and

WHEREAS, the Board of Visitors approves any quasi-endowment action above \$5M; and

WHEREAS, the divestment of these quasi-endowments is necessary to ensure successful financing of The Center for Politics Building Expansion;

RESOLVED, The Center for Politics is approved to divest its quasi-endowment accounts (GF002073 and GF002631) over the next 30 months, as needed, with the earliest divestment occurring as of June 30, 2023.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2023

**COMMITTEE:** Finance

**AGENDA ITEM:** I.D. Signatory Authority for Contract to Provide Comprehensive Health Insurance Plan for Enrolled Students at the University in Charlottesville

**BACKGROUND:** On February 13, 2007, the University contracted with Chickering Claims Administrators, Inc. (“Chickering”) to provide a comprehensive health insurance plan for students enrolled at the University in Charlottesville. The University exercised all available options for renewal with Chickering, who subsequently merged with and now does business as Aetna Life Insurance Company.

The University seeks to create and maintain a safe and healthy environment in which students can live and learn. All University of Virginia students charged the full comprehensive fees with their tuition are required to have health insurance coverage and are enrolled in the Aetna Student Health plan through this contract unless they show proof of coverage by another health insurance provider. The University subsidizes the plan’s annual premium cost for graduate students who earn at least \$5,000 in wages over the course of the fiscal year as teaching or research assistants. This annual subsidy and payment to Aetna exceeds \$5M. The Board of Visitors is required to approve the execution of any contract where the amount per year is in excess of \$5M.

**DISCUSSION:** The University is currently in the process of negotiating a new, comparable contract with a student health insurance provider and asks the Board of Visitors to grant delegated signatory authority to the Executive Vice President and Chief Operating Officer for the execution of that contract. The terms of the contract will be shared with the Board of Visitors at its next meeting following successful execution of the contract.

**ACTION REQUIRED:** Approval by the Finance Committee and by the Board of Visitors

**SIGNATORY AUTHORITY FOR CONTRACT TO PROVIDE COMPREHENSIVE HEALTH INSURANCE PLAN FOR STUDENTS ENROLLED AT THE UNIVERSITY IN CHARLOTTESVILLE**

RESOLVED, the Board of Visitors authorizes the Executive Vice President and Chief Operating Officer to execute a contract with a health insurance company to obtain comprehensive student health insurance for students enrolled at the University in Charlottesville, expected to exceed \$5 million in University-paid premiums annually.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2023

**COMMITTEE:** Finance

**AGENDA ITEM:** I.E. Recognition of Vice President and Chief Information Officer Virginia Evans

**BACKGROUND:** After nearly 30 years working in leadership roles across the University with increasing levels of responsibility, Virginia Evans retired from her position as Vice President and Chief Information Officer the University of Virginia on December 31, 2022.

**DISCUSSION:** A 1994 graduate of the Master of Science program in Management Information Systems at the McIntire School of Commerce, Ms. Evans has served the University in numerous leadership roles since July 1986. She has made meaningful contributions to the modernization of UVA’s technology platforms throughout her career, quietly and steadily working to be sure that our faculty, staff, and students have the tools and technologies necessary to support their work. Ms. Evans’ leadership was particularly critical in summer 2015, when she led a team that responded to a serious cyberattack against the University, and again in spring 2020, when the University quickly shifted 4,200 classes from in-person to online format due to the COVID-19 pandemic.

Ms. Evans stepped down from her role as Vice President and Chief Information Officer on December 31 and is currently serving as a Special Assistant to Executive Vice President and Chief Operating Officer as she transitions toward retirement in April 2023. A national search for her successor as Vice President and Chief Information Officer is underway.

**ACTION REQUIRED:** Approval by the Finance Committee

**COMMENDING RESOLUTION FOR VICE PRESIDENT AND CHIEF INFORMATION OFFICER VIRGINIA EVANS**

WHEREAS, Virginia Evans is a 1984 alumna of the University of North Carolina at Chapel Hill, having earned a Bachelor of Science degree in Business Administration with a concentration in Accounting; and

WHEREAS, after working for Arthur Anderson & Co. following her graduation from UNC, Ms. Evans found her way to Charlottesville, where she worked for a small accounting firm before taking her first position at the University as a programmer analyst and budget analyst in 1986; and



WHEREAS, Ms. Evans left Charlottesville for several years to do consulting work with Andersen Consulting and develop coding and project management skills then returned to Charlottesville and earned a Master of Science degree in Management Information Systems from the McIntire School in 1994; and

WHEREAS, Ms. Evans took a job as a process support team member in the UVA Medical Center (1994-95), and went on to serve the University as assistant to the vice president and chief information officer (1995), chief operating officer of information technology and communication (1995-99), technical lead for the Integrated Systems Project (1999-2000), executive assistant to the vice president for finance (2001-2003), assistant vice president for integrated system development and support (2003-11), associate vice president for ITS (2011-14), and chief information officer (2014-2020), and vice president and chief information officer (2020-2022); and

WHEREAS, during her years of employment, Ms. Evans has been a collaborative partner and major contributor to initiatives that sustain and advance the University such as the adoption of new cloud-based technology platforms that enable UVA to continually and seamlessly update systems for users across Grounds from email, office, and classroom software, and collaboration tools to human resources and finance systems; an ongoing project to bring courses across 10 of the University's 12 schools onto a single learning management system; enterprise-wide programs including identify management, a data warehouse, the student information system, document imaging, and mass communication platforms; custom applications and consulting services including website hosting and design; classroom multi-media support, a pan-University IT help desk, and managing a program for partners across Grounds to provide desktop computing support to faculty and staff; and

WHEREAS, Ms. Evans served critical leadership roles in managing the University's response to a nation-state cyberattack in 2015 and, in spring 2020, quickly shifting 4,200 in-person classes to online format due to the COVID-19 pandemic; and

WHEREAS, Ms. Evans has assembled and supported a strong team in information technology services and information security, and has built a foundation for collaborative work with partners across the University; and

WHEREAS, Ms. Evans' team is positioned to carry on the excellent work they have done together while she transitions to retirement; and

WHEREAS, the Finance Committee of the Board of Visitors is grateful for Ms. Evans' expertise and the thoughtful approach she has brought to her work throughout her years at the University;

RESOLVED, the Finance Committee of the Board of Visitors commends Virginia Evans for her devoted service to the University, respects her as a valued colleague, and wishes her success and happiness in all her future endeavors.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2023

**COMMITTEE:** Finance

**AGENDA ITEM:** II.A. 2023 General Assembly Report

**ACTION REQUIRED:** None

**BACKGROUND:** The 2023 Session of the Virginia General Assembly convened on Wednesday, January 11, 2023, and is scheduled to complete action on all legislation, including the 2022-2024 biennial budget, on Saturday, February 25, 2023. This report will provide the status of key legislation, including items of interest to the University, the Medical Center, and the College at Wise included in the 2022–2024 biennial budget.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2023

**COMMITTEE:** Finance

**AGENDA ITEM:** II.B. Endowment Report: Market Value and Performance as of December 31, 2022

**ACTION REQUIRED:** None

**BACKGROUND:** The University of Virginia Investment Management Company (UVIMCO) provides investment management services to the Rector and Visitors of the University of Virginia and its related foundations. Assets deposited in UVIMCO are held in the custody and control of UVIMCO on behalf of the University and Foundations within a long-term, co- mingled investment pool.

UVIMCO's primary objective in managing the investment pool is to maximize long-term real return commensurate with the risk tolerance of the University. To achieve this objective, UVIMCO actively manages the investment pool to achieve returns that consistently exceed the returns on a passively managed benchmark with similar asset allocation and risk. Recognizing that the University must attract outstanding students, faculty, and staff and provide them appropriate resources, UVIMCO attempts to manage pool assets to provide long-term real returns that compare favorably with the returns of endowments of other outstanding schools. UVIMCO does not set spending rates; UVIMCO communicates the investment pool's risk and return estimates to the University and foundations for their consideration in setting spending rates.

**DISCUSSION:** UVIMCO's chief executive officer, Mr. Robert Durden, will provide an overview of the current market environment and the asset allocation, performance, and liquidity position of the Long-Term Pool as of December 31, 2022, and address questions from the committee.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2023

**COMMITTEE:** Finance

**AGENDA ITEM:** II.C. FY2022 Financials

**ACTION REQUIRED:** None

**BACKGROUND:** Preliminary results of the FY 2022 audit were reported to the Audit Committee at its December 2022 meeting by the Auditor of Public Accounts (APA) of the Commonwealth. Mr. David Rasnic, Director of Higher Education Programs, will report on the conclusion of the FY 2022 audit to the Audit Committee. The APA's report is included in the University's Financial Report, available at both the [Auditor of Public Accounts'](#) and the [University's](#) websites.

**DISCUSSION:** The Executive Vice President and Chief Operating Officer and the Associate Vice President for Financial Operations will provide an overview of the FY2022 audited financials.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2023

**COMMITTEE:** Finance

**AGENDA ITEM:** II.D. Executive Vice President's Remarks

**ACTION REQUIRED:** None

**BACKGROUND:** The Executive Vice President and Chief Operating Officer will inform the committee members of recent events that do not require formal action, but of which they should be made aware.