



UNIVERSITY
of VIRGINIA

Board of Visitors Finance Committee Meeting
September 13, 2018



Agenda

CONSENT AGENDA

- Allocation of Strategic Investment Funds

ACTION ITEMS

1. 2018-2024 Six-Year Institutional Plans
2. College at Wise Legislative Proposal
3. Capital Project Revised Financial Plan for the Memorial to Enslaved Laborers
4. Signatory Authority for Student Health Insurance Plan Contract
5. 2019 Operating and Capital Amendments to the 2018-2020 Biennial Budget
6. School of Medicine Quasi-Endowment



ALLOCATION OF STRATEGIC INVESTMENT FUNDS

Allocation of Strategic Investment Funds

- **Biocomplexity Institute and Initiative:** hiring package of \$30 million, to be reimbursed as expenses are incurred.
- **Global Genomics and Bioinformatics Research Institute:** Capital investment of \$55 million to be made in three installments expected in December 2018, June 2019, and December 2019.



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AMENDED 2018-2024 SIX-YEAR INSTITUTIONAL PLANS

State-Required Six-Year Plan

Three parts as required by 2011 Higher Education Opportunity Act (VA Code § 23.1-306):

1. Academic plan

- Seven broad strategies unchanged from plan approved in 2017 for UVA Academic Division
- Four key priorities for UVA-Wise, including addition of ways to address demographic and economic decline in region

2. Financial plan

- Conforms 2018-19 projections to Board-approved operating budgets
- Reflects state-authorized salary increases in FY2019-20
- UVA-Wise focus on demographic and economic challenges will require state support

3. Enrollment plan

- Unchanged from plan approved in 2017

State-Required Six-Year Plan

State review

- Plans are reviewed by a committee of six state officials (Secretary of Finance, Secretary of Education, Director of the Department of Planning and Budget, Executive Director of SCHEV, Staff Directors of the House Appropriations Committee and the Senate Finance Committee)
- UVA Academic Division and College at Wise will provide responses with final plan submission by October 1



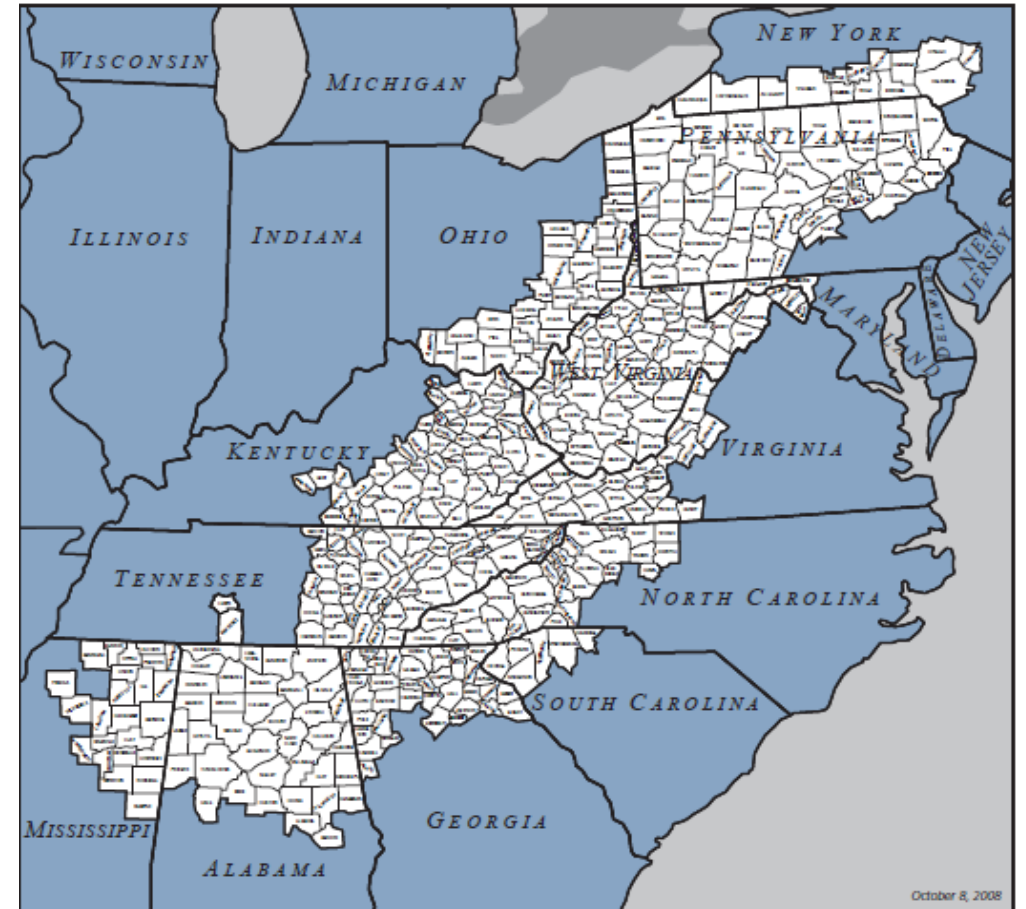
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COLLEGE AT WISE LEGISLATIVE PROPOSAL

College at Wise Legislative Proposal

In-state tuition rates for students domiciled in the Appalachian Region

- Propose amending § 23.1-507 of the Code of Virginia to authorize the College to charge in-state tuition to students residing in federally-defined Appalachian Region
- Will promote access and affordability and broaden the College's economic impact on the region
- Students would continue to be counted as out-of-state students for all other purposes (e.g., admission, enrollment, etc.)





REVISED CAPITAL PROJECT FINANCIAL PLAN

Capital Project Revised Financial Plan: Memorial to Enslaved Laborers

- \$6 million project budget approved June 2017
- Bids received from five contractors on August 17, 2018
- Low bid puts project \$1 million over budget
- Recommend approval of \$7 million revised project cost



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**SIGNATORY AUTHORITY FOR CONTRACT TO
PROVIDE STUDENT HEALTH INSURANCE PLAN**

Signatory Authority for Contract to Provide Student Health Insurance Plan

- Board of Visitors is required to approve execution of any contract where annual spending exceeds \$5 million
- University subsidizes the Aetna Student Health 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
- Request that the Board of Visitors grant delegated signatory authority for the execution of the current 2018-2019 extension and subsequent three annual extensions



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**2019 OPERATING & CAPITAL AMENDMENTS TO
THE 2018-2020 BIENNIAL BUDGET**

2019 General Fund Amendments to the 2018-2020 Biennial Budget – Academic Division

Operating Amendments	FY19 Request	FY20 Request
Safety and Security Enhancement	\$5,700,000	\$6,700,000
Operations & Maintenance for New Facilities	\$741,000	\$1,600,000
VRS Surcharge – State’s Share	\$733,000	\$733,000
Health Plan – State’s Share	\$250,000	\$504,000
Educational and Training Needs for the Digital Future	\$548,100	\$553,000
Capital Amendment	FY20 Request	
Alderman Library Renewal	\$132,500,000	



NOTE: Alderman Library Renewal capital project budget includes an additional \$27.5 million in cash (\$7.5 million) and philanthropy (\$20 million), for a total of \$160 million.

2019 General Fund Amendments to the 2018-2020 Biennial Budget – College at Wise

Operating Amendments	FY19 Request	FY20 Request
Safety and Security Enhancement	\$2,000,000	\$0
Growth & Diversification Programs	\$600,000	\$600,000
Continue FY2019 Support to Wise	\$0	\$2,000,000



**REPURPOSE AND RENAME SCHOOL OF
MEDICINE QUASI-ENDOWMENT**

School of Medicine Quasi-Endowment

- The School of Medicine's Raymond Morgan Professorship in Plastic Surgery Quasi-Endowment was established in 1995 from unrestricted sources and is no longer needed to fund the professorship, which is adequately funded from other departmental sources.
- The School wishes to repurpose the quasi-endowment principal to create the Plastic Surgery Department Unrestricted Endowment Fund.
- The new quasi-endowment will provide resources for 1) the growth and professional development of young faculty in Plastic Surgery and 2) the recruitment of diverse and innovative faculty to support the clinical and research missions of the Health System.