



THE RECTOR AND VISITORS OF THE
UNIVERSITY OF VIRGINIA

January 13, 2015

TRANSMITTAL LETTER

TO: Division of Legislative Automated Systems (DLAS)
Attn: Legislative Documents and Reports Processing
910 Capitol Square
General Assembly Building, Suite 660
Richmond, Virginia 23219

FROM: Susan G. Harris

SUBJECT: Annual Executive Summary of Interim Activity

Section 23-2.05 of the Code of Virginia instructs the board of visitors of each public institution of higher education to submit to the General Assembly and the Governor an annual executive summary of its interim activity and work, including in regards to the requirements of Sections 23-2.01 through 2.04 of the Code of Virginia.

Please accept this report as fulfillment of this responsibility. If you have any questions about this report, I can be reached at 434-924-7120 or via email at sgh4c@virginia.edu.

Sincerely,

Susan G. Harris
Secretary to the Board of Visitors

SGH:dr
Enclosure

UNIVERSITY OF VIRGINIA ANNUAL EXECUTIVE SUMMARY OF INTERIM ACTIVITY

General Information – University of Virginia Board of Visitors

The University of Virginia Board of Visitors met as a full Board on the following dates in 2014:

- February 20-21, 2014
- April 23, 2014
- June 5-6, 2014
- September 11-12, 2014
- November 13-15, 2014
- November 25, 2014
- December 19, 2014

All actions from these meetings can be found in the public minutes located at:

<http://www.virginia.edu/bov/publicminutes.html>.

Major issues addressed at each meeting:

February 20-21, 2014:

- Mr. Richard Chait, Professor Emeritus at Harvard University, conducted a workshop on higher education governance, specifically, the roles, responsibilities, and performance of boards of trustees and their relationship with the president.
- Discussion in several committees about the newly established Data Science Institute and approval of an M.S. in Data Science. The Data Science Institute is one of the initiatives under the Cornerstone Plan, the University's strategic plan endorsed by the Board of Visitors in 2013.
- Discussion in several committees and with the full Board of other pillars of the Cornerstone Plan including enhancing career services as part of the Total Advising effort, the Global Internships program initiative, efforts to boost alumni and parent engagement, and the effort to promote staff excellence and career development through the Center for Leadership Excellence.
- Approval of faculty, staff, and student housing rates, student dining rates, and tuition and required fees for graduate, professional, and special programs for the 2014-2015 academic year.
- In the Audit and Compliance committee, report by the Auditor of Public Accounts on the audit of the University and the Medical Center, and management's response to the APA's audit and management letter.
- Election of a student Board member for academic year 2014-2015: Margaret N. Gould.

April 23, 2014:

- Approval of undergraduate tuition for the 2014-15 academic year and 2015 summer session.

June 5-6, 2014:

- Governance discussion with Mr. Richard Chait, Professor Emeritus of Harvard University.
- In the Audit and Compliance committee, Auditor of Public Accounts (APA) report on implementation of recommendations made to the University by the APA.

- In the Audit and Compliance committee, a report on enterprise risk management, identification of the top nine institutional risks, and discussion of those risks and potential mitigation strategies.
- In the Buildings and Grounds committee, a report on the Rotunda landscape plan and the University/Emmet/Ivy District Planning Study.
- In the Educational Policy committee, report on creating a limited liability company to support the University's enterprise in China.
- Organizational meeting of the Finance subcommittee to develop a long-term financial/pricing model: the Rector charged this subcommittee with doing a deep dive into the University's revenue sources and expenditures to develop, for the Board's consideration, a proposal for a long-term financial and pricing model that promotes affordability for low- and middle-income students; predictability of tuition and fees and associated financial aid; a sustainable financial aid program; sustainable funding for academic excellence, diversity and inclusiveness; and efficiencies and savings through the University's organizational excellence initiative. This subcommittee had subsequent meetings on June 27, July 25, September 10, and November 15, 2014.
- A report on the status of the 2014-2016 state budget, and review and approval of operating and capital budgets for the Academic Division, the University of Virginia's College at Wise, and the University Medical Center. The total 2014-2015 expenditure budget is \$2.79 billion for all three entities.
- Report by the chair of the Honor Committee to the Student Affairs and Athletics committee.

July 30, 2014:

- Special committee on Governance and Engagement meeting to discuss a draft "Statement of Expectations" for members of the Board of Visitors.

September 11-13, 2014:

- New member orientation session.
- Finance subcommittee meeting on developing a financial and pricing model-- meeting to give members a more in-depth understanding of the research enterprise, philanthropy, undergraduate student admission process, and to hear a report on strategies to leverage the University's AAA balance sheet.
- Election of an Executive committee for the 2014-2015 fiscal year.
- Further discussion in several committees on various initiatives under the Cornerstone Plan pillars, including the expansion of College Advising Seminars (COLAs) for first-year students.
- In the Finance Committee, presentation of the six-year plan.
- Two hour presentation to the Board on issues related to student sexual misconduct including the legal landscape and University policies and practices. The Board heard from a panel of students representing different organizations that deal with issues related to sexual misconduct and alcohol use.

November 13-15, 2014:

- The Board approved the Medical Center applying for verification by the American College of Surgeon of the Medical Center's status as a Level 1 Trauma Center.
- Report to the Finance committee by the CEO of the University of Virginia Investment Management Company (UVIMCO) .
- Report to the Finance committee on academic division budget planning and preliminary assumptions.
- AccessUVA (financial aid program) metrics annual report to the Finance committee.

- The first meeting of the special committee on Research, discussing the charge for the committee, and providing an overview of research funding.
- Continuing discussion, in the Buildings and Grounds committee, of the University Avenue/Emmet Street/Ivy Road district planning study.
- Finance subcommittee presentation to, and discussion among, the full Board on the University's revenue levers and sources of funding for University priorities in preparation for a proposal on a long term strategy to be presented in early 2015.
- Presentation on the Applied Research Institute (ARI) in the Educational Policy committee. ARI was created to leverage the University's human and capital assets to support applied research, education, and training, with a focus on homeland security, national intelligence, and defense challenges.
- Auditor of Public Accounts Audit and Management Report presented to the Audit and Compliance committee. The committee also discussed expanding the role of the committee to include enterprise risk management.
- President's progress report on the Cornerstone Plan, the University's strategic plan.
- Review and discussion of the JLARC study report on the cost and efficiency of higher education institutions.

November 25 and December 19, 2014:

- Special meetings held to discuss the University's policies and procedures regarding sexual assault and specific recent allegations. The December 19 meeting included an overview of federal laws in this area, specifically the Clery Act, Federal Education Rights and Privacy Act, and Title IX.

University of Virginia Board of Visitors Activities Relating to Chapter 577 of the 2013 Acts of Assembly

Chapter 577 of the 2013 Acts of Assembly served to amend and reenact § 23-9.14:1 of the Code of Virginia; to amend the Code of Virginia by adding sections numbered 23-2.01 through 23-2.05; and to repeal § 23-38.95 of the Code of Virginia, relating to board of visitors governance.

§ 23-2.01: Boards of visitors; public access to information:

Notwithstanding § [2.2-4342](#) and the Virginia Freedom of Information Act (§ [2.2-3700](#) et seq.), the board of visitors of each public institution of higher education and the State Board for Community Colleges may conduct closed meetings pursuant to §§ [2.2-3711](#) and [2.2-3712](#) and may conduct business as a "state public body" for purposes of subsection B of § [2.2-3708](#).

UVA activity: The University of Virginia complies with the laws governing open and closed sessions and telephonic meetings. The minutes of every meeting where a portion is held in closed session include certification of compliance with the requirements for a closed meeting.

In 2014, none of the regular meetings of the full Board included participation by electronic communication means. Three special meetings of the full Board included participation by electronic communication means. These meetings were held on April 23, November 25, and December 19, 2014.

With regard to electronic communication meetings conducted in compliance with § 2.2-3708.1, the University's Board of Visitors adopted a policy on September 12, 2014 as required by § 2.2-3708.1 B.1. The Board of Visitors policy is attached to this summary as **Attachment A**.

§ 23-2.02: Boards of visitors; bylaws:

The board of visitors of each public institution of higher education and the State Board for Community Colleges shall adopt bylaws for its own governance. This document shall be posted conspicuously on the board's website and shall include the provisions that:

UVA activity: The University of Virginia Board of Visitors home page provides a link to the Manual of the Board of Visitors of the University of Virginia (the Manual), which contains the University's bylaws: <http://www.virginia.edu/bov/>.

1. *Establish the requirement of transparency, to the extent required by law, in all board actions.*

UVA activity: The introductory sentence in the section of the Manual on the Board of Visitors bylaws states as follows:

The governing body of the University of Virginia is the Board of Visitors, which by statute is made responsible for seeing to the effective and transparent government of the University at Charlottesville and all other educational institutions under the governance of the Board of Visitors.

2. *Describe the board's obligations under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.), as set forth in § 23-2:1, including the requirements that:*
 - a. *The board shall record minutes of each open meeting and post the minutes on the board's website, in accordance with subsection I of § 2.2-3707 and § 2.2-3707.1:*

UVA activity: Section 4.51 of the Manual, on the powers and duties of the Secretary, states in pertinent part, "The Secretary shall attend all meetings of the Board of Visitors and its committees and shall record the minutes of all proceedings. The Secretary shall prepare minutes of such meetings that, after approval by the Board, shall be recorded in the permanent records of the Board of Visitors."

Section 5.4 of the Manual states, "The Minutes of the Annual, regular, and special meetings of the Board shall be open to inspection as required by law and posted on the Board's website."

Minutes are taken and posted on the Board's website for every meeting. The minutes can be found in several places on the website. The full Board minutes, containing all actions by the Board and its committees, can be found under the date in the public minutes directory

[\[http://www.virginia.edu/bov/publicminutes.html\]](http://www.virginia.edu/bov/publicminutes.html). The committee minutes can

be found under the committee minutes tab, broken out by committee and date [<http://www.virginia.edu/bov/committeeminutes.html>].

Many meetings of the Board of Visitors are now streamed live from the board room. The videotapes of these meetings can be found at: <http://www.virginia.edu/bov/videos.html>.

Audio recordings for all meetings can be found in the past meeting folder in the materials section of each meeting.

- b. *Discussion and actions on any topic not specifically exempted by § 2.2-37111 shall be held in an open meeting.*

UVA activity: Section 2.3 of the Manual states, “Discussions and actions on any topic not specifically exempted by the Virginia Freedom of Information Act shall be held in an open meeting, which shall be open to the public. Any official action taken in Executive (closed) Session shall be approved in an open meeting before it can have any force or effect.”

- c. *The board shall give public notice of all meetings, in accordance with subsection C of § 2.2-3707.*

UVA activity: Section 2.34 of the Manual states, “Due notice in writing of the Annual Meeting and all regular meetings and of any changes in the dates, times, or places of a regular meeting shall be given by the Secretary of the Board of Visitors. Such written notice shall be sent at least ten days prior to the meeting...Public notice of meetings shall comply with the requirements of the Virginia Freedom of Information Act.”

Public notice of all meetings within the established timelines is provided via the Board of Visitors website, the Commonwealth Calendar, and through University Communications to interested press agencies.

Upcoming meetings are posted in several locations on the Board of Visitors website [<http://www.virginia.edu/bov/>]:

- 1) The main page lists the upcoming meeting as well as the statement, “The meetings are open to the public, but there will be no opportunity for public comment;”
- 2) The calendar page [<http://www.virginia.edu/bov/calendar.html>] lists all upcoming meetings and events through November 2019; and
- 3) Once the public notice has been issued, a meeting schedule is posted under Upcoming Meeting: <http://www.virginia.edu/bov/upmeeting.html>.

- d. *Any official action taken in a closed meeting shall be approved in an open meeting before it can have any force or effect, in accordance with subsection B of § 2.2-3711.*

UVA activity: Section 2.3 of the Manual states, “Any official action taken in Executive (closed) Session shall be approved in an open meeting before it can have any force or effect.”

The certification by the Board of compliance with the laws governing closed session discussions appear in the minutes of every meeting where a closed session was held.

3. *Require that the board notify and invite the Attorney General’s appointee or representative to all meetings of the board, executive committee, and board committees.*

UVA activity: Section 4.62 of the Manual states, in pertinent part, “The General Counsel shall be invited to attend all meetings of the Board and its committees.” The General Counsel is the Attorney General’s appointee.

§ 23-2.03: Boards of visitors; annual meeting with the president of the institution:

- A. *In addition to all meetings prescribed in Chapters 5 (§ 23-39 et seq.) through 16 (§ 23-214 et seq.), the board of visitors of each public institution of higher education and the State Board for Community Colleges shall meet with the president of that institution at least once annually, in a closed meeting pursuant to subdivision A 1 of § 2.2-3711, and deliver an evaluation of the president’s performance.*

UVA activity: The University of Virginia has a policy on presidential evaluation that was amended on August 2, 2013, to comply with the provisions of Chapter 577 of the 2013 Acts of Assembly. The policy on presidential evaluation requires an annual meeting in closed session to deliver the evaluation of the president.

This year, because the President’s contract with the University requires the Board of Visitors to meet with the President in January 2015 to discuss contract extension, the Board and the President agreed to combine the annual evaluation discussion with the discussion of contract extension. This discussion will occur in early 2015.

- B. *Any change to the president’s employment contract during any such meeting or any other meeting of the board shall be made only by a vote of the majority of the Board’s members.*

UVA activity: Section 4.21 of the Manual was revised in November 2012 to state, “Appointment, removal, requested resignation, or amendment of the contract or terms of employment of the President may be accomplished only by vote of a majority (or, by statute, two-thirds in the case of removal) of the whole number of

Visitors at a regular meeting, or special meeting called for this purpose. The President shall attend all meetings of the Board and shall have notice of and the privilege of attending all meetings of its committees.”

§ 23-2.04: Boards of visitors; executive committee:

The executive committee of the board of visitors of each public institution of higher education and the State Board for Community Colleges shall (i) organize the working processes of the board and (ii) recommend best practices for board governance.

The committee shall:

- 1. Develop and recommend to the board a statement of governance setting out the board's role;*
- 2. Periodically review the board's bylaws and recommend amendments;*
- 3. Provide advice to the board on committee structure, appointments, and meetings;*
- 4. Develop an orientation and continuing education process for visitors that includes training on the Virginia Freedom of Information Act (§ 2.2-3700 et seq.);*
- 5. Create, monitor, oversee, and review compliance with a code of ethics for visitors; and*
- 6. Develop a set of qualifications and competencies for membership on the board for approval by the board and recommendation to the Governor.*

UVA activity: All of the items listed above are contained in Section 3.1 of the Manual under Executive Committee duties. The Executive Committee met in September and November of 2013 to discuss developing a statement of governance, a code of ethics specific to the Board of Visitors, and a set of qualifications and competencies for members of the Board. Currently, the members of the Board of Visitors must comply with the University’s Code of Ethics, which was adopted by the Board of Visitors on October 2, 2004, and is attached as **Attachment B**.

With regard to training, the entire Board of Visitors received education on the Virginia Freedom of Information Act at the August 2013 retreat; the educational session was led by Maria Everett, Director of the Virginia Freedom of Information Advisory Council. This year, new members were trained on the requirements of the Virginia Freedom of Information Act in an orientation session on September 10, 2014. This orientation also included information on other legal requirements, the University’s structure, and Board-specific issues, and took place immediately prior to the new members’ first meeting of the Board of Visitors.

§ 23-2.05: Boards of visitors; annual executive summaries:

UVA activity: This report is intended to comply with this requirement.

POLICY FOR PARTICIPATION IN BOARD OF VISITORS MEETINGS BY ELECTRONIC MEANS OF COMMUNICATION IN THE EVENT OF EMERGENCY OR PERSONAL MATTER OR CERTAIN DISABILITIES

WHEREAS, Virginia Code § 2.2-3708.1 specifies the requirements for the remote participation in meetings by members of public bodies in event of emergency or personal matter, or certain disabilities; and

WHEREAS, the General Assembly amended Virginia Code § 2.2-3708.1, effective July 1, 2014, to require the adoption of written policies by public bodies allowing for and governing participation of its members in meetings by the means of electronic communication;

RESOLVED, the "Policy for Participation in Board of Visitors Meetings by Electronic Means of Communication in the Event of Emergency or Personal Matter or Certain Disabilities" is adopted as follows:

POLICY FOR PARTICIPATION IN BOARD OF VISITORS MEETINGS BY ELECTRONIC MEANS OF COMMUNICATION IN THE EVENT OF EMERGENCY OR PERSONAL MATTER OR CERTAIN DISABILITIES

A. A member of the Board of Visitors may participate in a meeting through electronic means of communication from a remote location that is not open to the public only as follows and subject to the requirements of subsection B:

1. On or before the day of a meeting, a member notifies the Rector that he or she is unable to attend the meeting due to an emergency or personal matter, and identifies with specificity the nature of the emergency or personal matter, and the Rector approves the request to participate in the meeting from a remote location.

a. The Board of Visitors is to record in its minutes the specific nature of the emergency or personal matter and the remote location from which the member participated. If a member's participation from a remote location is disapproved by the Rector because such participation would violate subsection B of this policy, disapproval shall be recorded in the minutes with specificity.

b. Such remote participation by the member shall be limited each calendar year to two meetings or 25 percent of the meetings of the public body, whichever is fewer.

2. A member notifies the Rector that he or she is unable to attend a meeting due to a temporary or permanent disability or other medical condition that prevents the member's physical attendance.

- The Board of Visitors is to record this fact and the remote location from which the member participated in its minutes.

B. Participation by a member of the Board of Visitors under subsection A shall be authorized only under the following conditions:

1. A quorum of the Board of Visitors is physically assembled at the primary or central meeting location; and

2. The Board of Visitors has made arrangements for the voice of the remote participant to be heard by all persons at the primary or central meeting location.

C. This policy shall be applied strictly and uniformly, without exception, to the entire membership and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the meeting.

University Code of Ethics

Approved October 2, 2004 by the Board of Visitors of the University of Virginia

1. We perform our public responsibilities, services and activities ethically, competently, efficiently and honestly, in keeping with University policy and applicable law.
2. We expect that all necessary and proper controls safeguarding public resources are in place and observed, with periodic auditing of functions and departments by the State Auditor of Public Accounts and/or the University Auditor who shall report directly to the Board of Visitors' Audit and Compliance Committee.
3. While in the service of the University, we conduct ourselves free of personal conflicts or appearances of impropriety, mindful that our exercise of authority on behalf of the University has been delegated fundamentally for the public good. Conflicting interests or influences are promptly disclosed to our superiors and appropriate steps are undertaken to promote the integrity of University business and other transactions.
4. We do not accept anything of value offered in consideration of performing our public duties, other than the compensation, benefits and reimbursement of expenses duly authorized by the University or otherwise permitted by law. We do not accept any favor, loan, service, business or professional opportunity from anyone knowing (or when it should be known) that it is offered in order to improperly influence the performance of our public duties, or when acceptance thereof may reasonably be perceived as an impropriety in violation of University policy or state law. University procurements of goods or services are undertaken only by authorized personnel and, when competitive principles apply, decisions are made impartially and objectively in accordance with established policy and state law.
5. We preserve and respect the confidentiality of University records, including patient and student records. We do not externally disclose confidential records or other nonpublic information without appropriate authorization, and any confidential record or information we access as a result of our position or duty is neither exploited for personal benefit nor misused for any unauthorized purpose.
6. We are committed to the principles of federal and state law guaranteeing equal opportunity and nondiscrimination with respect to University services, programs, activities and employment, and we support an environment that respects the rights and opinions of all people which, in the words of our founder, promote "the illimitable freedom of the human mind." Complaints of discrimination, harassment and retaliation are investigated and when warranted appropriate corrective action is taken and disciplined in accordance with University policy and applicable law.
7. Our communications on behalf of the University with all persons, including co-employees, clients, customers, patients, students, guests and vendors, are conducted professionally and with civility.
8. We do not condone dishonesty in any form by anyone, including misuse of University funds or property, fraud, theft, cheating, plagiarism or lying. We encourage and expect reporting of any form of dishonesty, and our managers and supervisors to appropriately investigate such reports. We also expect that the police and/or State Auditor of Public Accounts will be notified when circumstances reasonably indicate fraud or theft of University funds.
9. We strive for continuous improvement in our performance of public duties for the University, mindful of the public cost to our activities which must be reasonable and appropriately authorized.
10. We bring to the attention of supervisors and managers, the University auditor or other responsible University office, any violation of these principles or circumstances reasonably indicating that a violation has occurred or may occur. Such reporting in good faith in order to promote the ethical integrity of operations is expected and encouraged by the University, and retaliation by any University employee as a result against the person making such good faith report shall be subject to disciplinary action. We appropriately investigate all such reports and, when warranted by the facts, require corrective action and discipline in accordance with University policy and state law.