

BOARD OF VISITORS
OF THE COLLEGE
OF WILLIAM AND MARY
IN VIRGINIA



WILLIAM
& MARY

COMMITTEE MEETINGS

Board Rooms - Blow Memorial Hall

December 7 - 9, 2011

SCHEDULE

Board of Visitors Committee Meetings
The College of William and Mary

December 7-9, 2011
Blow Memorial Hall - College of William and Mary

WEDNESDAY, DECEMBER 7:

BOARD ROOM - COMMITTEE ON FINANCIAL AFFAIRS

4:00-5:15 p.m. Committee on Financial Affairs
(Provost Halleran, Mr. Jones) Timothy P. Dunn, Chair
Charles A. Banks III, Vice Chair
Edward L. Flippen, Vice Chair

Colin G. Campbell
Laura L. Flippin
R. Philip Herget III
Robert E. Scott
Todd A. Stottlemeyer

- A. Approval of Minutes
- B. Report from Vice President for Finance
 - 1. State Budget Development
 - 2. **Resolution 1**, pages 13 (*joint with Richard Bland College*)
 - 3. **Resolution 6**, pages 14
 - 4. Peer Comparison: Tuition and Fees
 - 5. Enclosure D, pages 15-24
- C. Report from Virginia Institute of Marine Science Dean
 - 1. FY2011-2012 Budget Update
 - 2. Enclosure E, page 25
- . Closed Session (if necessary)

5:30 p.m. Recess Committee meetings

PLUMERI HOUSE - 119 CHANDLER COURT

6:30 p.m. Board Reception and Dinner

THURSDAY, DECEMBER 8:

BOARD DINING ROOM

8:15 a.m. Continental breakfast available

RECTOR'S OFFICE – EXECUTIVE COMMITTEE

9:00-10:00 a.m. Executive Committee

Jeffrey B. Trammell, Chair
Charles A. Banks III, Vice Chair
Dennis H. Liberson, Secretary

Janet M. Brashear
Colin G. Campbell
Timothy P. Dunn
R. Philip Herget III

- A. Approval of Minutes
- B. Closed Session (if necessary)
- C. Discussion

BOARD CONFERENCE ROOM - COMMITTEE ON AUDIT

9:00-9:50 a.m. Committee on Audit
(Mr. Stump)

John C. Thomas, Chair
Michael Tang, Vice Chair

Edward L. Flippen
Laura L. Flippin
Leigh A. Pence
L. Clifford Schroeder, Sr.

- A. Approval of Minutes
- B. Report from Auditor of Public Accounts
- C. Report from Director of Internal Audit
 - 1. Enclosure F, page 28
 - 2. **Resolution 7**, page 29
 - 3. Enclosure G, pages 30-34
- D. Closed Session (if necessary)

THURSDAY, DECEMBER 8:

BOARD ROOM - JOINT DISCUSSION:

COMMITTEE ON STRATEGIC INITIATIVES and PROVOST REPORT

11:30 a.m. -

1:00 p.m.

Committee on Strategic Initiatives
(Mr. Golden)

Robert E. Scott, Chair
Janet M. Brashear, Vice Chair

- A. Communications Update
- B. Update on Strategic Planning Progress
 - 1. Strategic Planning Overview
 - 2. Enclosure H, pages 82-83
- C. Discussion of Academic Strategic Structural Issues

BLOW ROOM 201:

1:00-2:00 p.m. Lunch with student leaders

BOARD ROOM - COMMITTEE ON ALUMNI RELATIONS

2:15-3:00 p.m.

Committee on Alumni Relations
(Ms. Cottrell)

Laura L. Flippin, Chair
Peter A. Snyder, Vice Chair

- A. Alumni Association President
- B. Report from Executive Vice President of Alumni Association

BOARD ROOM - COMMITTEE ON STUDENT AFFAIRS

3:00-4:00 p.m.

Committee on Student Affairs
(Ms. Ambler)

Michael Tang, Chair
John C. Thomas, Vice Chair

- A. Report from Vice President for Student Affairs
- B. Report from Student Liaisons

4:00 p.m. Recess Committee meetings

Board of Visitors
SCHEDULE
December 7-9, 2011

THURSDAY, DECEMBER 8:

5:30 p.m. Depart for Gloucester

CHARLIE & MARI ANN BANKS' HOME – 5631 WHITE HALL ROAD

6:30-8:30 p.m. Reception and Dinner

FRIDAY, DECEMBER 9:

BOARD DINING ROOM

7:45 a.m. Continental breakfast available

BOARD ROOM - COMMITTEE ON DEVELOPMENT

8:30-10:00 a.m. Committee on Development R. Philip Herget III, Chair
(Mr. Pieri) Thomas R. Frantz, Vice Chair
L. Clifford Schroeder, Sr., Vice Chair

- A. Approval of Minutes
- B. William and Mary Foundation Report
- C. University Development Report
 - 1. **Resolution 16**, page 87
 - 2. **Resolution 17**, page 88
- D. Closed Session (if necessary)

BOARD ROOM - COMMITTEE ON FINANCIAL AFFAIRS INVESTMENTS REPORT

10:00-10:45 a.m. Committee on Financial Affairs Timothy P. Dunn, Chair
(Provost Halleran, Mr. Jones) Charles A. Banks III, Vice Chair
Edward L. Flippin, Vice Chair

Colin G. Campbell
Laura L. Flippin
R. Philip Herget III
Robert E. Scott
Todd A. Stottlemyer

- A. Investment Portfolio Evaluation Overview
 - 1. Enclosure I (***see separate booklet***)
 - 2. **Resolution 18**, page 90
- B. Closed Session (if necessary)

FRIDAY, DECEMBER 9:

BOARD CONFERENCE ROOM - COMMITTEE ON BUILDINGS AND GROUNDS

10:00-10:45 a.m. Committee on Buildings and Grounds Janet M. Brashear, Chair
(Ms. Martin) Leigh A. Pence, Vice Chair

Thomas R. Frantz
L. Clifford Schroeder, Sr.
Peter A. Snyder
Michael Tang

- A. Approval of Minutes
- B. Report from Building Official
- C. Report from Virginia Institute of Marine Science Dean/Director
 - 1. Enclosure J, pages 92-95
- D. Report from Vice President for Administration
 - 1. Enclosure K, pages 96-101
 - 2. Eco Village Update
- E. Closed Session (if necessary)

10:45 a.m. Adjourn Committee meetings

BOARD ROOM - BOARD OF VISITORS MEETING:

10:45 a.m. FULL BOARD MEETING - see MEETING AGENDA Mr. Trammell

BOARD DINING ROOM

12:15-1:15 p.m. Lunch

AGENDA ITEMS
Board of Visitors Meeting
The College of William and Mary in Virginia

December 7 - 9, 2011
Board Room - Blow Memorial Hall

RICHARD BLAND COLLEGE

Resolution 1, page 52	Receipt of the Consolidated Financial Report of the College of William and Mary in Virginia and Richard Bland College for the Fiscal Year Ended June 30, 2011 <i>(joint with William and Mary)</i>
Resolution 2, pages 53-56	Resolution to Approve Policy and Propose Regulation Regarding Weapons on Campus
Resolution 3, pages 57-73	Changes to the College's Faculty Handbook
Resolution 4, page 74	2012-2018 Six Year Plan (Revised)
Resolution 5, page 75	Master Plan Revision
Enclosure A, pages 76-78	2010-11 Operating Budget Update
Enclosure B, page 79	Capital Outlay Progress Report
Enclosure C, page 80	Advancement Report

COLLEGE OF WILLIAM AND MARY

Resolution 1, page 13	Receipt of the Consolidated Financial Report of the College of William and Mary in Virginia and Richard Bland College for the Fiscal Year Ended June 30, 2011 <i>(joint with Richard Bland College)</i>
Resolution 6, page 14	Receipt of the Financial Report of the Intercollegiate Athletic Department for the Fiscal Year Ended June 30, 2011

Board of Visitors
AGENDA ITEMS
December 7 - 9, 2011

Resolution 7, page 29	Approval of 2012 Internal Audit Work Plan
Resolution 8, pages 37-38	Resolution to Approve Final Regulation Regarding Weapons on Campus
Resolution 9, pages 41-42	Appointments to Fill Vacancies in the Professionals and Professional Faculty
Resolution 10, page 43	Faculty Promotion
Resolution 11, page 44	Award of Academic Tenure
Resolution 12, page 45	Designated Professorship
Resolution 13, page 46	Term Distinguished Professorship
Resolution 14, page 47	Faculty Leave of Absence
Resolution 15, pages 48-49	Resolution to Approve Policy on Credit for Advanced Placement, International Baccalaureate, Cambridge and Other Pre-Matriculation Examinations
Resolution 16, page 87	Establishment of the Kae Brown Memorial Symphony Orchestra Endowment
Resolution 17, page 88	Establishment of the Katherine E. Towers and Lewis C. Towers Scholarship Quasi-Endowment
Resolution 18, page 90	Revision: Investment and Spending Policy for Endowment
Enclosure D, pages 15-24	College of William and Mary 2011-2012 Operating Budget Summary
Enclosure E, page 25	Virginia Institute of Marine Science 2011-2012 Operating Budget Summary
Enclosure F, page 28	Report of Internal Audit Activity Since September 21, 2011

Board of Visitors
AGENDA ITEMS
December 7 - 9, 2011

Enclosure G, pages 30-34

Risk Management Considerations

Enclosure H, pages 82-83

William & Mary Top-Level Dashboard

Enclosure I

Investment Update for Period Ending
September 30, 2011 (***see separate booklet***)

Enclosure J, pages 92-95

Virginia Institute of Marine Science Capital
Outlay Project Progress Report

Enclosure K, pages 96-101

College of William and Mary Capital Outlay
Project Progress Report

COMMITTEE ON FINANCIAL AFFAIRS

December 7, 2011

4:00 – 5:15 p.m.

Board Room - Blow Memorial Hall

Timothy P. Dunn, Chair

Charles A. Banks III, Vice Chair

Edward L. Flippen, Vice Chair

- I. Introductory Remarks - Mr. Dunn
- II. Approval of Minutes - September 21-22, 2011 and November 15, 2011
- III. Closed Session (if necessary)
- IV. Open Session – Certification of Closed Session **Resolution**

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.

- V. Report from Vice President for Finance Samuel E. Jones
 - A. State Budget Development.
 - B. Receipt of the Consolidated Financial Report of the College of William and Mary in Virginia and Richard Bland College for the Fiscal Year Ended June 30, 2011 (*joint with Richard Bland College*). **Resolution** 1.
 - C. Receipt of the Financial Report of the Intercollegiate Athletic Department for the Fiscal Year Ended June 30, 2011. **Resolution** 6.
 - D. Peer Comparison: Tuition and Fees.
 - E. 2011-2012 Operating Budget Summary. Enclosure D.
- VI. Report from Virginia Institute of Marine Science Dean John T. Wells
 - A. 2011-12 Operating Budget Summary. Enclosure E.
- VII. Discussion
- VIII. Adjourn

COMMITTEE ON FINANCIAL AFFAIRS

MINUTES – SEPTEMBER 21-22, 2011 and
NOVEMBER 15, 2011

MINUTES
Committee on Financial Affairs
September 21-22, 2011
Board Room - Blow Memorial Hall

Attendees: Timothy P. Dunn, Chair; Charles A. Banks III, Vice Chair; Edward L. Flippen, Vice Chair; Colin G. Campbell; Laura L. Flippin; R. Philip Herget III; Robert E. Scott and Todd A. Stottlemeyer. Board members present: Rector Jeffrey B. Trammell; Janet M. Brashear; Thomas R. Frantz; Dennis H. Liberson; Leigh A. Pence; L. Clifford Schroeder, Sr.; Peter A. Snyder; Michael Tang; John C. Thomas; student representative Kaveh Sadeghian, faculty representative Alan Meese; and staff liaison Mary Molineux. Others in attendance: Assistant Attorney General Deborah Love; President W. Taylor Reveley III; Provost Michael R. Halleran; Virginia M. Ambler; James R. Golden; Samuel E. Jones; Anna B Martin; Sean M. Pieri; Michael L. Stump; Michael J. Fox; Virginia Institute of Marine Science Dean and Director John T. Wells; other College and VIMS staff; and staff from Wells Fargo Advisors, the Board of Visitors' investment consultant.

On September 21, the Investments subcommittee met in the Board Conference Room. Those present were Timothy P. Dunn, Charles A. Banks III, Todd A. Stottlemeyer, Vice President for Finance Samuel E. Jones and staff from Wells Fargo Advisors.

Mr. Dunn convened the meeting at 1:30 p.m. and welcomed Mr. Stottlemeyer. The subcommittee discussed investment matters over the previous reporting period with Mr. Jones and the Wells Fargo representatives. A brief discussion ensued.

There being no further business, the Subcommittee adjourned at 2:30 p.m.

On September 22, Chair Timothy Dunn convened the Committee on Financial Affairs in the Board Room at 10:30 a.m. Recognizing that a quorum was present, Mr. Dunn requested a motion to approve the minutes of the April 15, 2011 meeting. Motion was made by Mr. Scott, seconded by Mr. Flippen and approved by voice vote of the Committee.

Mr. Dunn called on Joseph Montgomery and staff from Wells Fargo Advisors, the College's investment consultants, to report on investment performance. The Board of Visitors endowment recorded a gain of 22.6% for FY 2011, its best return since 2003. However, due to lower returns across most asset classes since June, the Board of Visitors portfolio declined from \$59.3 million on June 30, 2011 to \$54.7 million on September 19, 2011. Wells Fargo staff has conducted an asset allocation study and discussed with the Investment Subcommittee several enhancements to lower risks, increase returns, and protect the portfolio. Prior to the next Board meeting in December, the Investments Subcommittee will continue to assess its strategic targets including opportunities for tactical shifts within Board of Visitor Investment Policy parameters; REIT equity investment opportunities; continued globalization of the portfolio; and review of the Board of Visitor's Investment Policy Statement. Also, due to long-term underperformance, the process will begin to replace one investment manager, pending approval of the Board at the December meeting.

Vice President Samuel Jones then presented an overview of the College's Six-Year Plan. The Six-Year Plan has been developed based on the goals established by the College's Strategic Plan and the objectives of the Higher Education Opportunity Act of 2011 (TJ21). Following review of the College's draft plan by the State Review Committee, and upon approval by the Board, the final revised Six-Year Plan will be submitted to the State Council of Higher Education on Oct 11. Highlights of the Six-Year Plan include increasing in-state undergraduate enrollment by 150 students over 4 years; maintaining need-based student financial aid; increasing the number of STEM majors and expanding the areas of research and economic development; improving efficiency through business innovation and management; and reducing and prioritizing proposed expenditures, with support for faculty and staff salary increases being one of the College's highest priority.

Mr. Dunn asked for a motion to approve **Resolution 20**, College of William and Mary 2012-2014 Operating Budget Requests. Motion was made by Mr. Scott, seconded by Mr. Flippen, and approved by voice vote of the Committee.

Mr. Dunn advised that **Resolution 21**, Approval of Memorandum of Understanding Authorizing the Investment of Certain William and Mary Real Estate Foundation Funds in the Board of Visitors Endowment Pool, was withdrawn and tabled until a later date.

Virginia Institute of Marine Science Dean/Director John Wells briefly reviewed aspects of VIMS' Six-Year Plan, which includes enhancements to STEM, Research and economic development; increases in enrollment, degrees and graduate financial aid; and measures to improve efficiency, noting that several figures in the original resolution had been updated. The Chair asked for a motion to approve **Resolution 22(R)**, Virginia Institute of Marine Science 2012-2014 Operating Budget Requests. Motion was made by Mr. Scott, seconded by Mr. Banks, and approved by voice vote of the Committee. (**Resolution 22(R)** is appended.)

There being no further business, the Committee adjourned at 12:20 p.m.

VIRGINIA INSTITUTE OF MARINE SCIENCE

FY 2012-14 OPERATING BUDGET REQUESTS

The Virginia Institute of Marine Science has developed operating budget requests as part of the Commonwealth's budget development process. The initial step in this process was the Spring 2011 submission of a six year capital outlay plan by each agency and institution. This plan continues to be under review as the Governor finalizes his 2012-14 budget recommendations.

The five operating budget initiatives are consistent with amendment requests previously approved by the Board of Visitors, will be included in the Institute's six-year plan, and align with the goals and objectives of the Commonwealth.

THEREFORE, BE IT RESOLVED, that the Board of Visitors of the College of William and Mary in Virginia approves the following operating budget requests for the Virginia Institute of Marine Science for submission to the Commonwealth as part of the 2012-14 budget development process.

VIRGINIA INSTITUTE OF MARINE SCIENCE
FY 2012-14 OPERATING BUDGET REQUESTS

	<u>FY 2012-13</u>	<u>FY 2013-14</u>
Faculty Positions	\$521,014 GF 5.0 FTE	\$583,440 GF 5.0 FTE

This initiative requests establishment of four faculty positions and one support position that will aid the Institute's three-part mission to educate students and citizens, conduct interdisciplinary research in coastal ocean and estuarine science, and provide advisory service to policy makers, industry, and the public. VIMS' ability to address mission critical services has been severely compromised over the past several years. Establishing new faculty positions will enhance VIMS' ability to educate the public and improve science literacy, provide necessary information to local, state and federal regulatory agencies, and conduct cutting-edge research in emerging areas such as renewable energy and biosensor development that create economic opportunities. Moreover, an increase in faculty will enable us to respond more quickly and effectively to the needs of the Commonwealth. Over the years, VIMS' faculty have conducted research on many critical State issues such as the *Pfiesteria* outbreak, introduction of non-native oysters in Chesapeake Bay, and the population status of Atlantic menhaden, and have disseminated advice on those areas to the Commonwealth. The *Code of Virginia* explicitly defines VIMS as the Commonwealth's advisor on marine-related issues and outlines over 30 VIMS-specific mandates. Without additional faculty, services to the Commonwealth will be lost and VIMS will be unable to perform the much needed innovative research necessary to advance science for economic development and environmental enhancement, and will thus lose competitive advantage to other mid-Atlantic states.

Information Technology	\$1,254,610 GF 5.0 FTE	\$536,530 GF 5.0 FTE
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This initiative requests equipment and operating funds to replace the aging campus telephone system, centralize support for the High Performance Computing platforms, increase the network capacity by tenfold to ensure IPV6 compliance, increase staff support and provide necessary technical training. The equipment upgrades will meet the growing needs of increased data collection capacity for programs conducting fish DNA analysis, genome studies, real-time simulation and modeling analyses, and coastal and ocean monitoring (e.g. during storms). In addition, this proposal will allow VIMS to comply with the Federal Government's mandate that all agencies will have their outward facing services upgraded to the IPV6 capacity by September 30, 2012.

Fish Surveys in Chesapeake Bay\$563,529 GF
4.55 FTE\$593,077 GF
4.55 FTE

This proposal requests supplemental state support to continue long-term monitoring of fish and blue crab populations in the lower Chesapeake Bay and its tributaries. Currently, VIMS has several living resource monitoring programs: trawl surveys targeting blue crabs, juvenile and adult fishes, such as flounder, croaker, and sea trout; gillnet and pound net surveys for striped bass, American shad, and sturgeon; oyster dredge and patent tong surveys; a shark longline monitoring program; and a striped bass seine survey. The data and analyses generated by each of these programs are routinely incorporated into fisheries management by the Virginia Marine Resources Commission (VMRC), Atlantic States Marine Fisheries Commission (ASMFC) and the National Marine Fisheries Service (NMFS). Providing data to these regulatory agencies, particularly federal agencies, is critical to maintain compliance with fisheries management plans. Most importantly, failure to meet compliance criteria can result in significant lost revenue for Virginia's economy due to fisheries closures.

Research Equipment Service Contracts\$300,000 GF
0.0 FTE\$300,000 GF
0.0 FTE

This proposal requests funds for research and academic support by providing a way to sustain equipment purchased by the State's Higher Education Equipment Trust Fund (HEETF). The HEETF allocations provided to VIMS over the past five years have been approximately \$500,000 per year, and this investment in sophisticated scientific equipment, virtually all of it supporting STEM disciplines at VIMS, must be protected through the purchase of maintenance service contracts which, unfortunately, are not supported by the HEETF program.

Center for Coastal Resources Management\$314,222 GF
4.0 FTE\$371,266 GF
4.0 FTE

This proposal requests funds to support VIMS' Center for Coastal Resources Management (CCRM), which exists to develop and support integrated and adaptive management of coastal zone resources in Virginia. More specifically, CCRM supports Virginia's innovative wetlands and shoreline management programs, especially as mandated in the *Code of Virginia*. Management of these resources has evolved from resource-specific considerations to system-level perspectives that take a long-range approach that includes economic considerations. The Center has been an active agent in this fundamental change, and has developed the required internal capabilities and external collaborations to support multidisciplinary approaches to management and policy issues at state and local government levels, but that are now under staffed and underfunded.

MINUTES
Investments Subcommittee
Committee on Financial Affairs
November 15, 2011
Board Conference Room – Blow Memorial Hall

Attendees: Timothy P. Dunn, Chair; Charles A. Banks III. Others in attendance: Samuel E. Jones; Michael J. Fox; representatives from Wells Fargo Advisors, the Board of Visitors' investment consultant.

Chair Timothy Dunn called the meeting to order at 10:30 a.m.

Mr. Dunn moved that the Investments Subcommittee of the Board of Visitors Committee on Financial Affairs convene in Closed Session for the purpose of discussing investment matters relating to the investment of public funds, as provided for in Section 2.2-3711.A.6., of the Code of Virginia. Motion was seconded by Mr. Banks and approved by voice vote. The observers were asked to leave the room and the Subcommittee went into closed session at 10:30 a.m.

The Subcommittee reconvened in open session at 11:30 a.m. Mr. Dunn reviewed the topic discussed during closed session for the benefit of observers, then moved adoption of the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Banks and approved by roll call vote of the Subcommittee members conducted by Mr. Dunn. (Certification **Resolution** is appended).

There being no further business, the Subcommittee adjourned at 11:58 a.m.

Investments Subcommittee of the
Committee on Financial Affairs

Resolution IS-1

November 15, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors' Investments Subcommittee of the Committee on Financial Affairs has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this subcommittee that such closed session was conducted in conformity with Virginia law;

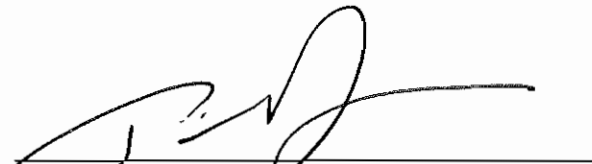
NOW, THEREFORE, BE IT RESOLVED, That the Investments Subcommittee of the Committee on Financial Affairs, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Investments Subcommittee.

VOTE

AYES: 2

NAYS: 0

ABSENT DURING CLOSED SESSION:

A handwritten signature in black ink, appearing to read 'Timothy P. Dunn', is written over a horizontal line.

Timothy P. Dunn

Chair

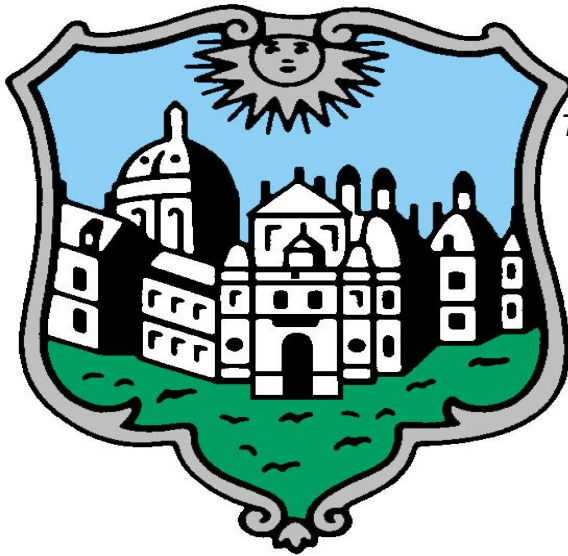
Investments Subcommittee of the
Committee on Financial Affairs

**COLLEGE OF WILLIAM AND MARY
RECEIPT OF THE CONSOLIDATED FINANCIAL REPORT OF
THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA AND
RICHARD BLAND COLLEGE FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The Consolidated Financial Report of The College of William and Mary in Virginia and Richard Bland College for the fiscal year ended June 30, 2011, has been presented by the Vice President for Finance and the Vice President of Administration and Finance to the Presidents of the Colleges, who have approved it for presentation to the Rector and the Board of Visitors.

The statements included in this consolidated Financial Report provide a concise analysis of the College's financial affairs for fiscal year 2010-2011. The report is subject, of course, to a detailed audit to be directed by the Auditor of Public Accounts.

RESOLVED, That the unaudited Consolidated Financial Report for fiscal year 2010-2011 of The College of William and Mary in Virginia and Richard Bland College is hereby received by the Board of Visitors.



The College of _____
**WILLIAM
& MARY**
IN VIRGINIA

VIRGINIA INSTITUTE of MARINE SCIENCE
VIMS



Richard Bland College
OF THE COLLEGE OF WILLIAM AND MARY

**UNAUDITED
CONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2011**

2010-2011 CONSOLIDATED FINANCIAL REPORT
FOR
THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA
AND
RICHARD BLAND COLLEGE

October 6, 2011

To the Board of Visitors of The College of William and Mary and Richard Bland College:

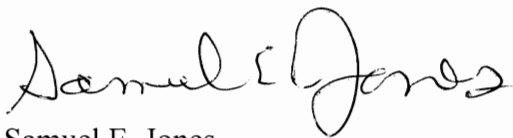
We are pleased to submit the following consolidated annual financial report for The College of William and Mary and Richard Bland College for the fiscal year ended June 30, 2011. Financial management has prepared and is responsible for the consolidated financial statements and all information in the financial report. The financial statements have been prepared in conformity with generally accepted accounting principles consistently applied.

The statements contained in this report are intended to provide a picture of the flow of financial resources during the fiscal year 2010-11 and the balances available for the future.

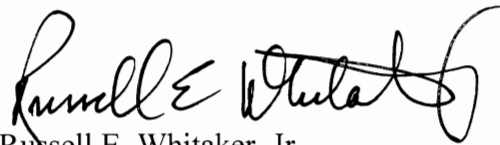
Management believes that the current internal control systems provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets. These statements are augmented by written policies and organizational structure providing division of responsibilities, careful selection and training of the financial staff, and a program of internal audits.

The financial statements remain subject to audit by the State Auditor of Public Accounts.

Respectfully submitted,



Samuel E. Jones
Vice President for Finance
The College of William and Mary



Russell E. Whitaker, Jr.
Dean of Administration & Finance
Richard Bland College

**The College of William and Mary in Virginia
Richard Bland College**

June 30, 2011

The Board of Visitors

Henry C. Wolf - Rector
John W. Gerdelman - Vice Rector
Janet M. Brashear - Secretary

Charles A. Banks III
Colin G. Campbell
Timothy P. Dunn
Edward L. Flippen
Laura L. Flippin
R. Philip Herget III
Kathy Y. Hornsby
Dennis H. Liberson
Anita O. Poston
L. Clifford Schroeder, Sr.
Robert E. Scott
Michael Tang
John C. Thomas
Jeffrey B. Trammell

Student Representatives

Christina E. Scott - College of William and Mary
Johnathan R. Malbon - Richard Bland College

Faculty Representatives

Alan J. Meese - College of William and Mary
Stephen E. Martin - Richard Bland College

OFFICERS OF ADMINISTRATION

The College of William and Mary in Virginia

W. Taylor Reveley III, President
Michael R. Halleran, Provost
Virginia M. Ambler, Vice President for Student Affairs
James R. Golden, Vice President for Strategic Initiatives
Samuel E. Jones, Vice President for Finance
Anna B. Martin, Vice President for Administration
Sean M. Pieri, Vice President for Development

Richard Bland College

James B. McNeer, President
LeAnn Binger, Provost and Dean of Faculty
Russell E. Whitaker, Jr., Vice President of Administration and Finance

**THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA
RICHARD BLAND COLLEGE**

ANNUAL FINANCIAL REPORT 2010 - 2011

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The College of William and Mary in Virginia and Richard Bland College

MANAGEMENT'S DISCUSSION AND ANALYSIS

(unaudited)

Dating to 1693, the College of William and Mary is the second oldest institution of higher education in North America. Today, William and Mary ranks as one of the premier universities in the nation. First designated as a “Public Ivy” in 1986, the College is now routinely considered among the top national universities in surveys of every kind. Whether seen as the 6th best public university, the 33rd best university, public or private, and the 8th best “College for Undergraduate Teaching” (U.S. News and World Report), or the second best state supported school in the country (Forbes), the College has national status as a highly selective public university. Faculty and students routinely are selected for prestigious national recognition including the Fulbright and Marshall Awards. This reputation reflects our size, commitment to high quality undergraduate, graduate and professional education, and dedication to teaching seldom seen in a public research university. This commitment to quality education has generated steadily increasing numbers of applications for undergraduate enrollment, topping out with 12,825 applications for 1,450 slots in the freshman class.

William and Mary's stature allows us to recruit superlative faculty and staff to a community of the best teachers, students, researchers, scholars, creative artists, and professionals. Our faculty win international awards, obtain external support and consistently demonstrate their commitment to teaching and learning. Our graduate and professional programs increase in stature annually. External research continues to grow, and private giving provides those “margin of excellence” funds that allow the College to be unique in public higher education. We are national leaders in engaging undergraduate students in research, scholarship, and creative endeavor. Both undergraduate research and an expanded study abroad program are hallmarks of the William and Mary experience. As a result, student retention, graduation and placement rates are comparable to only the most elite public and private institutions of higher education in the country.

The College of William and Mary holds an unusual place in the Commonwealth's system of higher education. During the century since the College became part of Virginia's public higher education system, the state has played a major role in building the College into what it is today—an internationally recognized educational asset of the Commonwealth. The Higher Education Commission established by Governor Robert McDonnell recognized this fact, referencing *the Commonwealth's commitment...to having a distinctive 'public ivy' at William and Mary*. The College affirms its commitment to the highest quality academic programs, accessible to all, committed to public service and outreach, and conscious of the needs of the Commonwealth and its citizens.

Fiscal year 2011 provided the College a reprieve from funding cuts as the Commonwealth of Virginia deferred additional state funding reductions until fiscal year 2012. One-time federal stimulus funds allowed for critical investment in College programs and activities, and the College was able to catch its breath after three years of state funding reductions, set the stage for balancing the 2012 operating budget, and implement selected aspects of its Strategic Plan.

The diversity of funding sources supporting College programs provided some level of stability amidst the general uncertainty surrounding the national and state economies. While state funding as a percent of the College's operating budget continued to decline, revenue from tuition and fees, self-supporting auxiliary activities such as residence halls and food service, grants and contracts, and private sources remained strong.

MD&A Overview:

This Management's Discussion and Analysis (MD&A) is a supplement to the College's financial statement designed to assist readers in understanding the financial statement information presented. The following information includes a comparative analysis between the current fiscal year ending June 30, 2011 and the prior year ending June 30, 2010. Significant changes between the two fiscal years and important management decisions are highlighted. The summarized information presented in the MD&A should be

reviewed in conjunction with both the financial statements and associated footnotes in order for the reader to have a comprehensive understanding of the College's financial status and results of operations for fiscal year 2011. College management has prepared the MD&A, along with the financial statements and footnotes, and is responsible for all of the information presented.

The College's financial statements have been prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement Number 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, as amended by GASB Statement Numbers 37 and 38. Accordingly, the three financial statements required are the Statement of Net Assets, the Statement of Revenues, Expenses, and Changes in Net Assets, and the Statement of Cash Flows. The aforementioned statements are summarized and analyzed in the MD&A.

The financial statements of the College of William and Mary are consolidated statements that include the College, the Virginia Institute of Marine Science (VIMS) and Richard Bland College. All three entities are agencies of the Commonwealth of Virginia reporting to the Board of Visitors of the College of William and Mary and are referred to collectively as the "College" within the MD&A as well as in the financial statements under the columns titled "College", unless otherwise indicated.

The College's affiliated foundations are also included in these statements consistent with GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* – an amendment of GASB Statement No. 14. The College has a total of nine foundations, of which the financial information for eight of the foundations is presented in the statements under the column titled "Component Units". The ninth foundation, Intellectual Properties, was established in fiscal year 2008 and did not have significant financial activity during the year. While affiliated foundations are not under the direct control of the College's Board of Visitors, this presentation provides a more holistic view of resources available to support the College and its mission. Additional information and detail related to the foundations can be found in the Component Unit Financial Information footnote.

Financial Summary:

Statement of Net Assets

The Statement of Net Assets provides a snapshot of the College's financial position, specifically the assets, liabilities and resulting net assets as of June 30, 2011. The information allows the reader to determine the College's assets available for future operations, amounts owed by the College and the categorization of net assets as follows:

- (1) Invested in Capital Assets – reflects the College's capital assets net of accumulated depreciation and any debt attributable to their acquisition, construction or improvements.
- (2) Restricted – reflects the College's endowment and similar funds whereby the donor has stipulated that the gift or the income from the principal, where the principal is to be preserved, is to be used to support specific programs of the College. Donor restricted funds are grouped into generally descriptive categories of scholarships, research, departmental uses, etc.
- (3) Unrestricted – reflects a broad range of assets available to the College that may be used at the discretion of the Board of Visitors for any lawful purpose in support of the College's primary mission of education, research and public service. These assets are derived from student tuition and fees, state appropriations, indirect cost recoveries from grants and contracts, auxiliary services sales and gifts.

Summary Statement of Net Assets

	<u>FY 2011</u>	<u>FY 2010</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<u>Assets:</u>				
Current	58,729,592	\$54,428,974	\$4,300,618	7.90%
Capital, net of accumulated depreciation	678,885,059	642,507,574	36,377,485	5.66%
Other non-current	110,252,618	93,265,295	16,987,323	18.21%
Total assets	<u>847,867,269</u>	<u>790,201,843</u>	<u>57,665,426</u>	<u>7.30%</u>

Liabilities:

Current	71,856,941	70,086,536	1,770,405	2.53%
Non-current	198,035,665	191,680,486	6,355,179	3.32%
Total liabilities	<u>269,892,606</u>	<u>261,767,022</u>	<u>8,125,584</u>	<u>3.10%</u>

Net Assets:

Invested in capital assets, net of related debt	487,235,223	463,883,508	23,351,715	5.03%
Restricted	70,662,387	56,216,999	14,445,388	25.70%
Unrestricted	20,077,053	8,334,314	11,742,739	140.90%
Total net assets	<u>\$577,974,663</u>	<u>\$528,434,821</u>	<u>\$49,539,842</u>	<u>9.37%</u>

The overall result of the College's fiscal year 2011 operations was an increase in net assets of approximately \$49.5 million or 9.37 percent to \$577.9 million. The increase in net assets occurred in the categories of capital net assets (\$23.4 million), restricted net assets (\$14.5 million) and unrestricted net assets (\$11.7 million). In addition to the College's net assets as shown above, net assets for the College's affiliated foundations totaled \$618.4 million.

The \$23.4 million increase in capital net assets, net of related debt, reflects the extensive and continuing capital construction activity at the College. In general, the increase reflects the completion and continuing construction of major capital projects including the Martin Family Stadium, Cohen Career Center, a research equipment storage facility and continuing dormitory renovations. The specifics of the College's capital construction and renovation activity are detailed in the Capital Asset and Debt Administration section of the MD&A.

Current Assets increased by \$4.3 million primarily as a result of an overall increase in cash and cash equivalents and sponsored research receivables offset by decreases in investments and amounts due from the Commonwealth of Virginia. The amounts due from the Commonwealth reflect routine and recurring requests for bond proceeds for capital construction. The increase in Capital Assets reflects both the construction in progress and capitalization of facilities upon completion. The increase in Other Non-Current Assets reflects the net increase in cash, cash equivalents and restricted investments.

Total liabilities increased slightly driven by increases in deferred revenue and the current portion of long-term liabilities, (primarily bonds for capital construction) offset by decreases in accounts payable and accrued expenses. See footnote 7 for the details of the accounts payable and accrued expenses and footnote 10 for the long-term debt details.

Statement of Revenues, Expenses and Changes in Net Assets

The Statement of Revenues, Expenses and Changes in Net Assets presents the results from College operations for the fiscal year. Revenues for the daily operation of the College are presented in two categories: operating and non-operating. Operating revenues include the significant categories of tuition and fees, grants and contracts and the sales of auxiliary enterprises representing exchange transactions. Non-operating revenues include the significant categories of state appropriations, gifts and investment income representing non-exchange transactions. Net other revenues include capital appropriations, grants and contributions.

Summary Statement of Revenues, Expenses and Changes in Net Assets

	<u>FY 2011</u>	<u>FY 2010</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Operating revenues	244,286,693	\$231,383,476	\$12,903,217	5.58%
Operating expenses	<u>338,724,122</u>	<u>319,212,227</u>	<u>19,511,895</u>	6.11%
Operating gain/(loss)	(94,437,429)	(87,828,751)	(6,608,678)	-7.52%

Net non-operating revenues	<u>101,745,628</u>	<u>86,165,439</u>	<u>15,580,189</u>	18.08%
Income/(loss) before other revenues	7,308,199	(1,663,312)	8,971,511	539.38%
Net other revenues	<u>42,231,643</u>	<u>70,049,118</u>	<u>(27,817,475)</u>	-39.71%
Increase in net assets	<u><u>\$49,539,842</u></u>	<u><u>\$68,385,806</u></u>	<u><u>(\$18,845,964)</u></u>	-27.56%

Overall, the result from operations was an increase in net assets of \$49.5 million. This increase was attributable to increases in Operating and Non-Operating Revenues offset by an increase in operating expenses and a decrease in Net Other Revenues.

The increase in operating revenues was driven by primarily by an increase in tuition and fees. See the following section of Summary of Revenues for further details.

Operating expenses increased notably in the three programs of Operation and Maintenance of Plant, Instruction and Academic Support. See the following section of Summary of Expenses for further details.

With the inclusion of state appropriations for the College in the non-operating category, the College will typically display an operating loss for the year. This year, the inclusion of \$7.5 million in American Recovery and Reinvestment Act fiscal stabilization funds, along with increases in investment income and state appropriations contributed to the increase in Income before Other Revenues from last fiscal year.

The following table provides additional details of the operating, non-operating and other revenues of the College.

<u>Summary of Revenues</u>				
	<u>FY2011</u>	<u>FY2010</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<u>Operating Revenues:</u>				
Student Tuition and Fees, net of scholarship allowances	121,073,593	109,550,545	11,523,048	10.52%
Federal, State, Local and Non-governmental grants and contracts	44,115,237	44,421,557	(306,320)	-0.69%
Auxiliary Enterprise, net of scholarship allowances	72,875,478	72,123,193	752,285	1.04%
Other	6,222,385	5,288,181	934,204	17.67%
Total Operating Revenues	<u>244,286,693</u>	<u>231,383,476</u>	<u>12,903,217</u>	<u>5.58%</u>
<u>Non-Operating:</u>				
State Appropriations	67,058,280	65,199,453	1,858,827	2.85%

Gifts, Investment Income and other income and expenses	34,687,348	20,965,986	13,721,362	65.45%
Total Non-Operating	<u>101,745,628</u>	<u>86,165,439</u>	<u>15,580,189</u>	<u>18.08%</u>
<u>Capital Revenues, Gains and (Losses):</u>				
Capital Appropriations	29,139,531	61,739,195	(32,599,664)	-52.80%
Capital Grants and Gifts	13,092,112	8,309,923	4,782,189	57.55%
Total Capital Revenues, Gains and (Losses)	<u>42,231,643</u>	<u>70,049,118</u>	<u>(27,817,475)</u>	<u>-39.71%</u>
Total Revenues	<u>388,263,964</u>	<u>387,598,033</u>	<u>665,931</u>	<u>0.17%</u>

Within the operating revenue category, student tuition and fees increased \$10.5 million, net of scholarship allowances, reflecting the increase approved by the Board of Visitors in the Spring of 2010. The increase in auxiliary enterprise revenues reflects the increase in the student comprehensive fee, as part of the overall increase in tuition and fees along with specific fees, such as dormitory and meal plan fees. The increase in Federal grants was offset by reductions in non-governmental funding for research.

The significant increase in Gifts, Investment Income etc. were attributable to increases in investment income and the receipt of American Reinvestment and Recovery Act fiscal stabilization funds.

The Capital Revenues decrease reflects a decrease in capital appropriations given the completion of the capital construction projects.

Additional details of the operating expenses of the College are summarized below:

Summary of Operating Expenses

	<u>FY 2011</u>	<u>FY 2010</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Operating Expenses:				
Instruction	\$94,440,080	\$87,750,852	\$6,689,228	7.62%
Research	47,709,986	49,614,313	-1,904,327	-3.84%
Public Service	52,735	37,343	15,392	41.22%
Academic Services	27,353,970	24,249,035	3,104,935	12.80%
Student Services	11,009,991	9,838,049	1,171,942	11.91%
Institutional Support	26,488,037	24,690,454	1,797,583	7.28%
Operation and Maintenance of Plant	27,385,482	20,462,323	6,923,159	33.83%
Student Aid	16,582,071	16,228,868	353,203	2.18%
Auxiliary Enterprise	65,005,014	64,134,853	870,161	1.36%
Depreciation	22,097,978	21,092,525	1,005,453	4.77%
Other Operating Expenses	<u>598,778</u>	<u>1,113,612</u>	<u>-514,834</u>	<u>-46.23%</u>
Total Operating Expenses	<u>\$338,724,122</u>	<u>\$319,212,227</u>	<u>\$19,511,895</u>	<u>6.11%</u>

For fiscal year 2011, operating expenses increased notably in the four programs; Operation and Maintenance of Plant, Instruction, Academic Support and Student Services.

Operating expenses increased in all programs with the exception of Research as a result of decreases in non-governmental awards.

Statement of Cash Flows

The Statement of Cash Flows provides detailed information about the College's sources and uses of cash during the fiscal year. Cash flow information is presented in four distinct categories: Operating, Non-capital Financing, Capital Financing and Investing Activities. This statement aids in the assessment of the College's ability to generate cash to meet current and future obligations.

	<u>Summary Statement of Cash Flows</u>			
	<u>FY2011</u>	<u>FY 2010</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<u>Cash Flows from:</u>				
Operating Activities	(\$72,567,057)	(\$67,429,309)	(\$5,137,748)	-7.62%
Non-capital Financing	99,102,147	85,976,152	13,125,995	15.27%
Capital Financing	(14,888,323)	(15,397,669)	509,346	3.31%
Investing Activities	10,492,973	(7,214,692)	17,707,665	245.44%
Net Increase in Cash	<u>22,139,740</u>	<u>(4,065,518)</u>	<u>26,205,258</u>	<u>644.57%</u>

Cash flow from operations and non-capital financing reflects the sources and uses of cash to support the core mission of the College. The primary sources of cash supporting the core mission of the College in fiscal year 2011 were tuition and fees (\$114.6 million), state appropriations (\$67.1 million), auxiliary enterprise revenues (\$72.9 million) and research grants and contracts (\$45.0 million).

The primary uses of operating cash in fiscal year 2011 were payments to employees (\$189.7 million) representing salaries, wages and fringe benefits and payments to suppliers of goods and services (\$91.6 million).

Cash flow from capital financing activities reflects the activities associated with the acquisition and construction of capital assets including related debt payments. The primary sources of cash in fiscal year 2011 were proceeds from capital appropriations (\$33.2 million), bond sales (\$22.9 million) and capital grants and gifts (\$12.9 million). The primary use of cash was for capital expenditures (\$64.6 million) and debt payments (\$19.3 million).

Capital Asset and Debt Administration

The College of William & Mary

General – Four projects entered into service during FY 2011. The value of these projects is \$41.639 million which includes two multi-year dorm umbrellas valued at \$30.793 million. The projects actually completed during the FY are valued at \$11.977 million as listed below:

- Dupont Hall Structural Repairs - (College funded - \$ 925,000 - Phase 1 of 3)
- Martin Family Stadium (Donor funded - \$2,968,000)
- Sherman and Gloria H. Cohen Career Services Center (Donor funded - \$7,878,000)

- Sorority House #5 Fire Alarm Replacement (College funded - \$ 206,000 – Dorm Umbrella 17811).

Two of the projects (Dupont Phase 1 and Sorority House #5) constitute major maintenance with a focus on life safety. The remaining two are the Career Services Center, one of three standalone career services facilities in the nation, and Martin Family Stadium which supports men's and women's soccer and women's lacrosse programs. The Career Services Center affords a dedicated facility for students to investigate career fields throughout their time at the College and to actively engage recruiters to gain employment upon graduation. The facility will provide a two story reception area, a resource library, a presentation room, interview rooms for recruiters and office space for career counselors – all in a critical campus location which places career services in the very center of student circulation rather than at the periphery of the daily activities. The facility is designed to showcase the excellence of our graduates in a setting which can compete for and command the attention of employers by virtue of its functionality, efficiency and convenience. Our athletic entry, Martin Family Stadium, represents a quantum leap in the caliber of our competition venues yet is both practical and convenient for players and fans. The common characteristic of all projects is found in funding, not construction characteristics, as all funds were provided either by the College or private donors. For the first time in recent memory, state funding did not support projects delivered during the fiscal year which is symptomatic of the fiscal climate.

Thirteen projects are currently in the design process. Ten projects are in construction. Four projects upgrade residence and dining halls; three renew/augment critical infrastructure; two renew academic centers and one constructs an auxiliary facility at a separate historic site. The residence life projects consist of major building system repairs to dormitories and a dining hall with a focus on structural repairs to building envelopes, fire safety upgrades and/or mechanical replacements. The second category of infrastructure is critical, core program as the College renovates a steam generation plant, constructs a contiguous, centralized chilled water generation facility and installs new distribution from each to twenty-seven buildings in our historic campus. The creation of a district plant significantly increases energy efficiency as it simultaneously replaces sixty year plant and piping with geometrically increasing failure/repair rates. The academic centers feature the addition to and renovation of Small Hall, our Physics and Applied Science facility. A south addition provides vibration free —heavy” labs with sufficient power and associated cooling to dissipate the heat generated by the power in order to support graduate level research featuring cutting edge laser technology in partnership with private industry. A separate west addition provides space for testing apparatus fabrication and assembly which is essential to attracting and securing grant support. It is a significant enhancement which enables competing and winning in the intense competition for limited grants funds. The renovation of the original building will provide additional basement level heavy labs, teaching labs/classrooms for undergraduates and sufficient office space for a staff that has grown from 31 to 156 in the 46 years since original construction. The second academic project is a basic building systems renewal of Andrews Hall, home to Art and Art History, which will repair structural masonry defects and will bring mechanical, electrical, fire sprinkler and associated controls into compliance with current building codes to ensure systems operability and occupant safety. Available funds are insufficient to alter building programming. The final project constructs an educational/presentation facility disguised as a 19th century barn at Ash Lawn Highlands, the home of President James Monroe, which was bequeathed to the College. These projects will be quickly delivered in rapid succession during FY 2012.

Three projects are under design. They are the building systems renovation of the Brafferton, the design of a New Fraternity Complex and the renovation of Tucker Hall. The first, the Brafferton, is a former 18th century Indian School which now houses the offices of the President, the Provost and their staffs. The proposed scope will upgrade building systems with minimal disruption to existing programming and virtually no destruction of historic fabric. The second, the New Fraternity Complex will provide eleven seventeen-bed fraternity houses and a community building in the heart of our student dormitories on West Campus. This will provide 187 beds to house an expanding undergraduate population, and will integrate the Greek Community into the heart of the student residential housing. The final design is the renovation of the 1909 era Tucker Hall which houses the English Department. The project will re-program interior space to house the current staff, reconfigure instructional space to support seminar size classes, and equip all instructional space with state of the art audio/visual equipment and data connectivity to support modern pedagogy. The building systems in this century old hall will be simultaneously replaced to meet current code standards and to ensure full accessibility, LEED Silver sustainability and state of the art life safety provisions. Design is at the preliminary stage and has been paused since January, 2010 to await approval of funds to complete construction drawings and execute

construction. Funds were appropriated and then withdrawn following the downgrade of the Federal credit rating. The College has applied for restoration of design funds to ensure project momentum, project team continuity and the current favorable bid climate are not put at risk.

Construction projects which will conclude in FY 12 are:

- Andrews Hall Renovation
- Ash Lawn Barn
- Commons Dining Basement Renovation
- Cooling Plant Addition & Utilities Improvements
- Emergency Generators
- Small Hall Additions/Renovations

A new Six Year Plan for the 2012-2018 period was submitted in May. Priorities for the 2012 -2014 biennium are, in order, uninterrupted design and construction of Tucker Hall, the initiation of design of Integrated Science Center 3 and the design of Tyler Hall Renovation. It should be noted that the College is in a significant transition period functionally and fiscally as new construction yields to renovation of existing facilities, and funding support has shifted significantly, of necessity, toward College and donor support during this period of fiscal recession and recovery.

Virginia Institute of Marine Science:

Major Projects as of June 30, 2011:

Project	Total Project Expenditures (in Thousands \$)	Project Budget (in Thousands \$)
New Construction: Marine Research Building Complex	\$31,134	\$31,214
Acquisition: Master Plan Properties	603	1,100
Acquisition: Wachapreague Property	733	744
Acquisition: (Va. Est. & Coastal Research Res.)	193	350
Acquisition: Acquire Additional Property CBNERRVA	12	1,491
IMP: Information Technology Infrastructure	1,200	1,200
New Construction: Field Support Center	2,000	2,000
New Construction: Construct Concrete Pier	1,450	1,450
IMP: Electrical Upgrades	196	268
REN: Maury Hall	0	2,000
New Construction: Research Storage Facility	564	641
Shoreline Erosion Control	1,200	1,200
REPL: Eastern Shore Seawater Laboratory	2,857	3,675
	<hr/> <hr/> \$42,142	<hr/> <hr/> \$47,333

The Marine Research Building Complex is comprised of two buildings and construction started in August 2005. A final certificate of use and occupancy was issued for the Seawater Research Laboratory on April 2, 2007 and for Andrews Hall on July 17, 2009. The construction portion of the project is 100% complete. Installation of a second seawater line is underway. Once completed, the project will be closed.

The Property Acquisitions project has four appropriations for property: at the Gloucester Point and Wachapreague campuses, the Virginia Estuarine & Coastal Research Reserve program and the Chesapeake Bay National Estuarine Research Reserve in Virginia program. VIMS purchased one property adjacent to the

Gloucester Point campus in May 2004 and the appropriation —Acquisition: Master Plan Properties” remains open to purchase other properties that are contiguous to the VIMS campus as they become available. VIMS purchased two properties for its Wachapreague campus in May and June 2011, respectively. The —Acquisition: Wachapreague Property” appropriation remains open in the event other property becomes available. Two parcels of land were purchased for the Virginia Estuarine & Coastal Research Reserve program in 2002-03 and that appropriation remains open in the event other property becomes available. As of August 2006 an authorization to purchase additional property was granted under capital project entitled —Acquire Additional Property for the CBNERRVA Program”. VIMS is currently in the process of negotiating the purchase price of the Catlett Islands with the owner, Timberneck, L.L.C.

The Information Technology Infrastructure project involved the modernizing of VIMS’ information technology infrastructure to meet increasing demands for information exchange including systems to carry voice, data, and video. The entire existing copper network has been replaced with new high speed fiber optics. Construction to improve the air conditioning and power requirements in the Watermen’s Hall network server room was completed. New servers were purchased. Along with networking Andrews Hall and the Seawater Research Laboratory, VIMS extended 24x7 networking capability to existing campus buildings such as Chesapeake Bay Hall and the Fisheries Science Laboratory. Redundant fiber optic cable to complete the loop at Andrews Hall, re-routing the fiber optic cable in the boat basin area, and move remaining equipment and cabling into the new network operations center in Watermen’s Hall has been completed. The project was closed in June 2011.

The Field Support Center project involved the construction of a 10,000 square foot field support center on the Gloucester Point Campus. This facility replaced the former vessel operations and field support infrastructure that was severely damaged as a result of Hurricane Isabel. The building was occupied in May 2010. The project was closed in June 2011.

The Concrete Pier project replaced a damaged wooden pier with a new concrete pier on the VIMS Gloucester Point shoreline. This pier contains pumps and intake lines that provide 800 gallons per minute of treated seawater. A concrete pier ensures that VIMS’ seawater supply is safe from most hurricane force storms. The elevation of the pier is set at 10.5 feet above mean low water. The project was completed in December 2009.

The Improvement Project of Electrical Upgrades involves upgrading the electrical distribution system in Chesapeake Bay Hall. The building’s present electrical system does not provide the type of clean power needed by some of the sensitive electronic lab equipment and instrumentation used in modern research. The project will install transient voltage surge suppression and other improvements to the grounding system and a second emergency generator. The project is substantially complete. VIMS will purchase and install UPS systems in various laboratories with the remaining funds.

The Maury Hall Renovation project will be supported by the raising of private funds to renovate a 50-year old 6,400 square foot outdated laboratory into functional meeting and conference space for the campus. The project is on hold.

The Research Storage Facility project involves the construction of a 4,900 square foot facility that is needed to secure research equipment and instruments that are currently stored outdoors. The project is substantially complete and was inspected by the William & Mary Code Review Team and the state fire marshal in June 2011. The contractor is working on the punch list and the project should be ready for final inspection by early Fall 2011.

The Shoreline Erosion Control project supported the construction of eight new rip rap breakwaters, extension of two rip rap revetments, construction of a rock spur, construction of a rock groin near the mouth of the channel to the boat basin, the extension of several pipe outfalls further into the York River, replenishment of sand along the entire shoreline, creation of small dunes along the west shoreline and planting of riparian vegetation on both shorelines at the Gloucester Point campus. The project was completed in April 2011.

Eastern Shore Seawater Laboratory Replacement project involves construction of a new laboratory

building with running seawater for research on coastal marine ecology and aquaculture in a high salinity environment. The research had been conducted in former oyster shucking houses from the late 1800's. The Eastern Shore Lab is used by many VIMS and visiting researchers. Substantial completion is scheduled for Fall 2011.

Richard Bland College

Major Projects in Progress at June 30, 2011:

	Expenditures <u>To Date</u>
Humanities & Social Science Building Roof	\$ 54,507
Student Center Renovation	<u>123,419</u>
Total	<u>\$ 177,926</u>

Construction of the Humanities and Social Sciences Building Roof began in June 2011. With the effects of Hurricane Irene, construction on the roof project was delayed. The anticipated date of completion is November 2011. The Student Center Renovation is in its early stages of construction. The anticipated date of completion is during FY 2013.

Debt Activity

The College's long-term debt is comprised of bonds payable, notes payable and installment purchases. The bonds payable are Section 9(c) bonds which are general obligation bonds issued and backed by the Commonwealth of Virginia on behalf of the College. These bonds are used to finance capital projects which will produce revenue to repay the debt. The College's notes payable consists of Section 9(d) bonds, which are issued by the Virginia College Building Authority's (VCBA) Pooled Bond Program. These bonds are backed by pledges against the College's general revenues. As of June 30, 2011 the College has outstanding balances for Section 9(c) bonds and Section 9(d) bonds of \$41.4 million and \$160.0 million respectively.

The outstanding balance of 9(c) bonds can be summarized in five major categories as follows: 1) Renovation of Dormitories (\$21.5 million), 2) Commons Dining Hall (\$7.9 million), 3) Other housing / residence (\$5.9 million), 4) New Dormitory (\$2.0 million), and 5) University Center (\$1.6 million). The majority of the 9(d) balance at June 30, 2011 is related to the new school of business building, Miller Hall, (\$44.8 million), the Barksdale dormitories (\$22.8 million), Cooling Plant (\$22.5 million), Integrated Science Center (\$17.5 million) and the Parking Deck (\$10.4 million).

The College anticipates issuing \$15.4 million in bonds during fiscal year 2011 for a new dormitory. For more information on the College's long-term debt, see Note 10 of the Notes to the Financial Statements.

Economic Outlook

The College's economic outlook continues to reflect our ability to recruit students, our status as a public institution within the Commonwealth of Virginia's higher education system, and our ability to raise revenue through tuition and fees, grants and contracts and private funds.

Our ability to recruit, admit and retain top-caliber students remains excellent even as we compete against the most selective public and private institutions in the country. Freshman applications to the College reached a new high of 12,825 for Fall 2011. The credentials of our admitted students remain stable, reflecting the highly selective nature of the College. These statistics, coupled with the College's academic reputation, suggest a strong continuing student demand for the future.

The rebound in endowment value that began in FY 2010 continued through FY 2011. By June 30, 2011 the consolidated value of endowments held by all of the various entities supporting the College and its programs totaled \$624.7 million, an increase of 15.8% for the year, and a record high for the College. Strong investment

performance across a diversified portfolio combined with the College's on-going development efforts supported this result. While the market has retrenched over the past several months, investment performance relative to benchmark is good.

The College continued to improve its facilities in 2011 with the opening of the School of Education and the Sherman and Gloria Cohen Career Center. Construction of the School of Education was primarily funded by the Commonwealth and allowed the College to consolidate the School's activities into a single facility. State-of-the-art classrooms combined with expanded meeting and program space support both the instructional and outreach missions of the School. The privately funded Cohen Career Center provides quality space at its prime location adjacent to the Sadler Center and Zable Stadium. Its impact has been immediate with student contacts increasing 54% in the first year.

As a public institution, the College receives significant financial support from the Commonwealth of Virginia in the form of operating and capital construction appropriations. As such, the College is directly impacted by changes in the State's financial outlook. Since 2008, the Commonwealth has significantly reduced its support for College operations. While Federal stimulus funding allowed the College to partially defer the programmatic impact of reduced state support in FY 2011, the College is feeling the full impact of these reductions in FY 2012, addressing these reductions through a combination of expenditure reductions and revenue offsets. Supplementing State funds with additional tuition and private fund support, the College continues to protect its core academic programs' quality and integrity while providing incremental support for student financial assistance to ensure access for all qualified students.

The College's overall financial and managerial strength was independently verified as it went through the bond rating process with Standard and Poor's in August 2005. This independent evaluation of the College considered all aspects of its operations and resulted in Standard and Poor's assigning the College an —AA bond rating. In Summer 2008 and again in September 2010, Standard and Poor's reaffirmed the —AA bond rating for the College citing strong student quality and demand, consistent financial performance and solid fund-raising and endowment.

In the short-term, Fiscal year 2012 operating budgets approved by the Board of Visitors allow the College to address the full impact of base reductions in state funding. At the same time, budgets approved by the Board and the College of William and Mary Foundation continue to make targeted investments to move the institution forward. The College is using all available revenue sources to support its various programs and activities while reducing budgets where appropriate.

Long-term planning is taking center stage as the College updates its strategic plan and responds to new state planning requirements. On July 1 the College submitted to the Commonwealth an initial draft of a Six-Year Plan developed in response to the recently passed Higher Education Opportunity Act of 2011. This initial draft was discussed with a state-wide review committee, and a revised draft was then approved by the Board of Visitors on September 23 and submitted to the Commonwealth.

The Six-Year Plan recognizes William and Mary's unusual place in the Commonwealth's system of higher education as an internationally recognized educational asset of the Commonwealth. As noted previously, Governor McDonnell's Higher Education Commission stated *—the Commonwealth's commitment...to having a distinctive 'public ivy' at William and Mary—*.

The College's Six-Year Plan is rooted in this commitment, the goals set out in William and Mary's own Strategic Plan, and the objectives of the Higher Education Commission. Beginning in 2008, the College embarked on comprehensive strategic planning. The result has been a *—living—* roadmap, updated annually and endorsed by the Board of Visitors, defining where the College needs to go and how best to get there. The Six-Year Plan brings together our public ivy nature, reflected in our strategic plan, with the State's goals.

The plan acknowledges that the Commonwealth will continue to play an important role in the College's future, providing both operating and facilities support. However, we do not expect that the State will restore those funds lost since 2008. Competing pressures for resources, and a state revenue base that is driven solely by economic factors, will limit the dollars available to higher education. As a result, College-generated revenue,

private support, and a focus on cost-effective service delivery must provide the resources necessary to our success.

The College remains committed to its small size and human scale. Enrollment growth over the next six years will be limited while the College maintains its long-standing commitment to the Commonwealth of an undergraduate student body that is at least 65% in-state.

Priority expenditures within the plan reflect the College's commitment to people—students, faculty and staff. Given the lack of salary increases over the past several years and a growing gap from our benchmark institutions, support for faculty and staff salaries is the College's highest priority. Undergraduate student financial aid is our second highest priority followed by support for the increased enrollment, the marine science minor, and graduate financial aid.

As noted above, the College's Six-Year Plan is informed by two factors: 1) W&M's unique characteristics within the Commonwealth's system of higher education, reflected in the College's on-going strategic plan; and 2) objectives included in the Higher Education Opportunity Act of 2011. The College's particular educational qualities, offering a —public ivy” education focused on engaged learning, offers an invaluable source of developing the state's (and country's) future leaders in every walk of life, from business to law, politics to finance, education to medicine. As we look to the future we build on that foundation of excellence while remaining cognizant of the state-wide objectives included in the Higher Education Opportunity Act of 2011.

Consolidated Financial Statements

**The College of William and Mary in Virginia
and Richard Bland College - Consolidated Report
Statement of Net Assets
As of June 30, 2011**

	ASSETS	Colleges	Component Units
Current assets:			
Cash and cash equivalents (Note 3)	\$ 23,546,173	\$ 21,018,789	
Investments (Note 3)	14,866,351	777,423	
Appropriation available	250,052	-	
Receivables, net of allowance for doubtful accounts (Note 5)	14,666,624	1,118,902	
Notes receivable (Note 5)	6,685	-	
Due from commonwealth	3,514,226	-	
Inventories	477,837	42,284	
Pledges receivable	-	6,564,440	
Prepaid expenses	1,275,375	631,612	
Other assets	126,269	180,367	
Total current assets	58,729,592	30,333,817	
Non-current assets:			
Restricted cash and cash equivalents (Note 3)	37,701,365	23,472,064	
Restricted investments (Note 3)	67,677,398	432,773,164	
Investments (Note 3)	1,682,082	12,734,875	
Notes receivable, net of allowance for doubtful accounts (Note 5)	3,191,773	-	
Pledges receivable	-	11,779,380	
Capital assets, nondepreciable (Note 6)	131,440,302	16,838,791	
Capital assets, depreciable net of accumulated depreciation of \$300,976,064 (Note 6)	547,444,757	32,235,897	
Other assets	-	1,359,919	
Other restricted assets	-	120,224,846	
Total non-current assets	789,137,677	651,418,936	
Total assets	847,867,269	681,752,753	
	LIABILITIES		
Current liabilities:			
Accounts payable and accrued expenses (Note 7)	34,393,464	2,231,581	
Deferred revenue	13,214,730	1,561,001	
Deposits held in custody for others	2,616,923	-	
Obligations under securities lending program	17,467	-	
Long-term liabilities-current portion (Note 9)	20,746,507	9,702,949	
Short term debt	-	2,635,000	
Other liabilities	867,850	125,904	
Total current liabilities	71,856,941	16,256,435	
Long-term liabilities-non-current portion (Note 9)	198,035,665	47,079,735	
Total liabilities	269,892,606	63,336,170	
	NET ASSETS		
Invested in capital assets, net of related debt	487,235,223	13,091,887	
Restricted for:			
Nonexpendable:			
Scholarships and fellowships	17,398,703	84,011,413	
Research	-	4,073,838	
Loans	-	24,230	
Departmental uses	28,872,714	115,078,616	
Other	-	164,317,559	
Expendable:			
Scholarships and fellowships	7,500,312	68,455,192	
Research	-	2,651,777	
Debt service	490,608	-	
Capital projects	2,149,105	11,211,170	
Loans	715,430	50,530	
Departmental uses	13,535,515	107,038,109	
Other	-	17,364,281	
Unrestricted	20,077,053	31,047,981	
Total net assets	\$ 577,974,663	\$ 618,416,583	

The accompanying Notes to the Financial Statements are an integral part of this statement.

**The College of William and Mary in Virginia
and Richard Bland College - Consolidated Report
Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended June 30, 2011**

	Colleges	Component Units
Operating revenues:		
Student tuition and fees, net of scholarship allowances of \$23,560,290	\$ 121,073,593	\$ -
Gifts and contributions	-	11,450,493
Federal grants and contracts	36,219,589	-
State grants and contracts	2,182,455	-
Local grants and contracts	242,609	-
Nongovernmental grants and contracts	5,470,584	-
Auxiliary enterprises, net of scholarship allowances of \$10,925,985	72,875,478	-
Other	6,222,385	13,747,960
Total operating revenues	244,286,693	25,198,453
Operating expenses: (Note 11)		
Instruction	94,440,080	4,108,977
Research	47,709,986	575,031
Public service	52,735	727,282
Academic support	27,353,970	5,022,099
Student services	11,009,991	1,041,695
Institutional support	26,488,037	11,552,315
Operation and maintenance of plant	27,385,482	843,716
Student aid	16,582,071	6,553,103
Auxiliary enterprises	65,005,014	626,313
Depreciation	22,097,978	1,480,448
Other	598,778	17,305,971
Total operating expenses	338,724,122	49,836,950
Operating loss	(94,437,429)	(24,638,497)
Non-operating revenues/(expenses):		
State appropriations (Note 12)	67,058,280	-
Gifts	16,658,442	-
Net investment revenue	11,264,072	55,749,485
Pell grant revenue	5,236,416	-
ARRA State Fiscal Stabilization Funds	9,848,216	-
Interest on capital asset related debt	(8,303,290)	(76,660)
Other non-operating revenue	453,544	30,173,107
Other non-operating expense	(470,052)	(962,229)
Net non-operating revenues	101,745,628	84,883,703
Income/(loss) before other revenues, expenses, gains or losses	7,308,199	60,245,206
Capital appropriations	29,139,531	-
Capital grants and contributions	13,204,156	4,413,912
Loss due to fire (Note 6)	(112,044)	-
Additions to permanent endowments	-	8,347,754
Net other revenues, expenses, gains or losses	42,231,643	12,761,666
Increase in net assets	49,539,842	73,006,872
Net assets - beginning of year, restated (Note 2)	528,434,821	545,409,711
Net assets - end of year	\$ 577,974,663	\$ 618,416,583

The accompanying Notes to the Financial Statements are an integral part of this statement.

**The College of William and Mary in Virginia
and Richard Bland College - Consolidated Report
Statement of Cash Flows
For the Year Ended June 30, 2011**

Cash flows from operating activities:	
Tuition and fees	\$ 114,550,873
Scholarships	(13,662,792)
Research grants and contracts	45,814,448
Auxiliary enterprise charges	72,927,339
Payments to suppliers	(91,552,900)
Payments to employees	(189,678,246)
Payments for operation and maintenance of facilities	(14,290,348)
Loans issued to students and employees	(648,071)
Collection of loans to students	430,220
Other receipts	3,542,420
	<hr/>
Net cash used by operating activities	(72,567,057)
	<hr/>
Cash flows from noncapital financing activities:	
State appropriations	67,058,280
Gifts	16,658,442
Agency receipts	4,523,970
Agency payments	(4,397,039)
PLUS loans receipts	45,237,157
PLUS loans disbursements	(45,237,157)
Payment to Treasurer of Virginia	
Other nonoperating revenue	15,728,546
Other nonoperating expenses	(470,052)
	<hr/>
Net cash provided by noncapital financing activities	99,102,147
	<hr/>
Cash flows from capital financing activities:	
Proceeds from issuance of capital debt	22,891,629
Capital appropriations	33,179,575
Capital grants and contributions	12,877,271
Insurance payments	102,375
Capital expenditures	(64,618,195)
Principal paid on capital-related debt	(10,422,943)
Interest paid on capital-related debt	(8,939,574)
Proceeds from sale of capital assets	41,539
	<hr/>
Net cash used by capital and related financing activities	(14,888,323)
	<hr/>
Cash flows from investing activities:	
Investment income	11,464,334
Investments	(971,361)
	<hr/>
Net cash provided by investing activities	10,492,973
	<hr/>
Net increase/(decrease) in cash	22,139,740
Cash-beginning of year*	39,094,430
	<hr/>
Cash-end of year	\$ 61,234,170
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**The College of William and Mary in Virginia
and Richard Bland College - Consolidated Report
Statement of Cash Flows
For the Year Ended June 30, 2011**

Reconciliation of Cash-end of year-Cash Flow Statement, to Cash and Cash Equivalents-Statement of Net Assets :

Statement of Net Assets

Cash and cash equivalents	\$ 23,546,173
Restricted cash and cash equivalents	37,701,365
Less: Securities lending -Treasurer of Virginia	<u>(13,368)</u>

Net cash and cash equivalents	<u><u>\$ 61,234,170</u></u>
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Reconciliation of net operating expenses to net cash used by operating activities:

Net operating loss	\$ (94,437,429)
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Adjustments to reconcile net operating expenses to cash used by operating activities:

Depreciation expense	22,097,978
Changes in assets and liabilities:	
Receivables-net	(3,390,072)
Inventories	(47,814)
Prepaid expense	65,913
Accounts payable	1,154,015
Deferred revenue	1,048,670
Deposit held for others	(118,378)
Federal loan contribution	-
Compensated absences	339,507
Other liability	<u>720,553</u>

Net cash used in operating activities	<u><u>\$ (72,567,057)</u></u>
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**NONCASH INVESTING, NONCAPITAL FINANCING, AND CAPITAL
AND RELATED FINANCING TRANSACTIONS**

Amortization of a deferred loss	\$ 97,729
Donated capital assets	\$ 326,885
Reduction/amortization of bond premium and debt issuance costs	\$ 734,013

The accompanying Notes to Financial Statements are an integral part of this statement.

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**Notes to
Financial Statements
Year Ended June 30, 2011**

The College of William and Mary in Virginia and Richard Bland College - Consolidated Report

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The College of William and Mary, which includes the Williamsburg campus and the York River campus (Virginia Institute of Marine Science), and Richard Bland College are a part of the Commonwealth of Virginia's statewide system of public higher education. The College's Board of Visitors is appointed by the Governor and is responsible for overseeing governance of the College. The College is a component unit of the Commonwealth of Virginia and is included in the general purpose financial statements of the Commonwealth.

The accompanying financial statements present all funds for which the College's Board of Visitors is financially accountable. Related foundations and similar non-profit corporations for which the College is not financially accountable are also a part of the accompanying financial statements under Governmental Accounting Standards Board (GASB) issued Statement No. 39, *Determining Whether Certain Organizations are Component Units*. These entities are separately incorporated and the College exercises no control over them. These component units are described in Note 13.

The College has nine component units as defined by GASB Statement 39 – the College of William and Mary Foundation, the Marshall-Wythe School of Law Foundation, the Alumni Association, the Athletic Educational Foundation, the School of Business Foundation, the Virginia Institute of Marine Science Foundation, the Richard Bland College Foundation, the Real Estate Foundation and the Intellectual Property Foundation. These organizations are separately incorporated tax-exempt entities and have been formed to promote the achievements and further the aims and purposes of the College.

Although the University does not control the timing or amount of receipts from the Foundations, the majority of resources or income which the Foundations hold and invest are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundations can only be used by or for the benefit of the College, the Foundations are considered component units of the College and are discretely presented in the financial statements.

The College of William and Mary Foundation is a private, not-for-profit corporation organized under the laws of the Commonwealth of Virginia to "aid, strengthen, and expand in every proper and useful way" the work of the College of William and Mary. For additional information on the College of William and Mary Foundation, contact their office at Post Office Box 8795, Williamsburg, Virginia 23187.

The Marshall-Wythe School of Law Foundation is a non-stock, not-for-profit corporation organized under the laws of the Commonwealth of Virginia, established for the purpose of soliciting and receiving gifts to support the College of William and Mary School of Law. The Foundation supports the Law School through the funding of scholarships and fellowships, instruction and research activities, and academic support. For additional information on the Marshall-Wythe School of Law Foundation, contact the Foundation Office at Post Office Box 8795, Williamsburg, Virginia 23187.

The William and Mary Alumni Association is a private, not-for-profit corporation organized under the laws of the Commonwealth of Virginia which provides aid to the College of William and Mary in Virginia in its work, and promotes and strengthens the bonds of interest between and among the College of William and Mary in Virginia and its alumni. For additional information on the Alumni Association, contact the Alumni Association Office at Post Office Box 2100, Williamsburg, Virginia 23187-2100.

The William and Mary Athletic Educational Foundation is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia. The purpose of the Foundation is to promote, foster, encourage and further education, in all enterprises of all kinds at the College of William and Mary Virginia, but it principally supports the Athletic

Department of the College. For additional information on the Athletic Educational Foundation, contact the Foundation Office at 751 Ukrop Drive, Williamsburg, Virginia 23187.

The William and Mary Business School Foundation is a non-stock, not-for-profit corporation organized under the laws of the Commonwealth of Virginia. The purpose of the Business School Foundation is to solicit and receive gifts to endow the College of William and Mary School of Business Administration and to support the School through the operations of the Foundation. For additional information on the William and Mary Business School Foundation, contact the Foundation Office at Post Office Box 3023, Williamsburg, Virginia, 23187.

The Virginia Institute of Marine Science Foundation is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia. The purpose of the Foundation is to support the College of William and Mary's Virginia Institute of Marine Science primarily through contributions from the public. For additional information on the Virginia Institute of Marine Science Foundation, contact the Foundation Office at Post Office Box 1346, Gloucester Point, Virginia, 23062.

The Richard Bland College Foundation is a private, not-for-profit corporation organized under the laws of the Commonwealth of Virginia which provides scholarships, financial aid, and books to the College's students, along with support for faculty development and cultural activities. For additional information on the Richard Bland College Foundation, contact the Foundation Office at 11301 Johnson Road, Petersburg, Virginia 23805-7100.

The William and Mary Real Estate Foundation is a nonprofit organization incorporated under the laws of the Commonwealth of Virginia in September 2006. Its purpose is to acquire, hold, manage, sell, lease and participate in the development of real properties in support of the educational goals of the College of William and Mary in Virginia. For additional information on the William and Mary Real Estate Foundation, contact the Foundation Office at Post Office Box 8795, Williamsburg, Virginia, 23187-8795.

The Intellectual Property Foundation is a nonprofit organization incorporated under the laws of the Commonwealth of Virginia in September 2007. Its purpose is to handle all aspects of the intellectual property of the College of William and Mary in Virginia in support of the educational goals of the College. The Foundation had no significant financial activity to report; therefore, it is not included in the component unit financial information reported in the financial statements. For additional information on the William and Mary Intellectual Property Foundation, contact the Foundation Office at Post Office Box 8795, Williamsburg, Virginia, 23187-8795.

The Omohundro Institute of Early American History and Culture (OIEAHC), sponsored by the College of William and Mary and The Colonial Williamsburg Foundation, is organized exclusively for educational purposes. Its Executive Board, subject to its sponsors, determines matters of policy and has responsibility for financial and general management as well as resource development. The Executive Board consists of six members: the chief education officer of the Colonial Williamsburg Foundation, the chief academic officer of the College of William and Mary, the chairperson of the Institute Council and three who are elected by OIEAHC's Executive Board. Prior to the beginning of each fiscal year, the sponsors determine the nature and extent of their responsibility for the financial support of the OIEAHC in the upcoming year.

For financial reporting purposes, assets of the OIEAHC are not included in the accompanying financial statements. The following summarizes the unaudited financial position of the OIEAHC at June 30, 2011:

Assets	<u>\$ 712,644</u>
Liabilities	194,960
Net Assets	<u>517,684</u>
Liabilities and Net Assets	<u>\$ 712,644</u>

The total unaudited receipts and disbursements of the OIEAHC were \$2,097,963 and \$2,128,456 respectively, for the year ended June 30, 2011. Separate financial statements for the OIEAHC may be obtained by writing the Treasurer, Omohundro Institute of Early American History and Culture, P.O. Box 8781, Williamsburg, Virginia 23187-8781.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), including all applicable GASB pronouncements, as well as applicable Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board (APB) opinions, and Accounting Research Bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. It is the College's policy not to follow FASB standards issued after that date.

Pursuant to the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, effective for the years ending on or after June 30, 2002, the full scope of the College's activities is considered to be a single business-type activity (BTA) and accordingly, is reported within a single column in the basic financial statements.

Basis of Accounting

The financial statements of the College have been prepared using the economic resources measurement focus and the accrual basis of accounting, including depreciation expense related to capitalized fixed assets. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. Bond premiums and discounts are deferred and amortized over the life of the debt. All significant intra-agency transactions have been eliminated.

Cash and Cash Equivalents

In accordance with the GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, definition, cash and cash equivalents consist of cash on hand, money market funds, and temporary highly liquid investments with an original maturity of three months or less.

Investments

Investments are recorded at cost or fair market value, if purchased, or fair market value at the date of receipt, if received as a gift, and reported in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. (See Note 3.)

Realized and unrealized gains and losses are reported in investment income as nonoperating revenue in the Statement of Revenues, Expenses, and Changes in Net Assets.

Receivables

Receivables consist of tuition and fee charges to students and auxiliary enterprises' sales and services. Receivables also include amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to grants and contracts. Receivables are recorded net of estimated uncollectible amounts.

Inventories

Inventories at the Williamsburg and York River (Virginia Institute of Marine Science) campuses are reported using the consumption method, and valued at average cost.

Prepaid Expenses

As of June 30, 2011, the Colleges' prepaid expenses included items such as insurance premiums, membership dues, conference registrations for fiscal year 2012 that were paid in advance, and publications subscriptions which include

initial and renewal annual subscriptions for technical and professional publications.

Capital Assets

Capital assets are recorded at historical cost at the date of acquisition or fair market value at the date of donation in the case of gifts. Construction expenses for capital assets and improvements are capitalized when expended. The College's capitalization policy on equipment includes all items with an estimated useful life of two years or more. The Williamsburg and York River campuses capitalize all items with a unit price greater than or equal to \$2,000 and Richard Bland College capitalizes all items with a unit price greater than or equal to \$5,000. Library materials for the academic or research libraries are capitalized as a collection and are valued at cost. GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets for financial statement periods beginning after June 15, 2009. The Williamsburg and York River campuses and Richard Bland College capitalize intangible assets with a cost greater than or equal to \$50,000 except for internally generated computer software which is capitalized at a cost of \$100,000 or greater.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Buildings	40-50 years
Infrastructure	10-50 years
Equipment	2-30 years
Library Books	10 years
Intangible Assets – computer software	3-20 years

Collections of works of art and historical treasures are capitalized at cost or fair value at the date of donation. These collections, which include rare books, are considered inexhaustible and therefore are not depreciated.

Deferred Revenue

Deferred revenue represents revenue collected but not earned as of June 30, 2011. This is primarily comprised of revenue for student tuition paid in advance of the semester, amounts received from grant and contract sponsors that have not yet been earned and advance ticket sales for athletic events.

Compensated Absences

Employees' compensated absences are accrued when earned. The liability and expense incurred are recorded at year-end as accrued compensated absences in the Statement of Net Assets, and as a component of compensation and benefit expense in the Statement of Revenues, Expenses, and Changes in Net Assets. The applicable share of employer related taxes payable on the eventual termination payments is also included.

Noncurrent Liabilities

Noncurrent liabilities include principal amounts of bonds payable, notes payable, and installment purchase agreements with contractual maturities greater than one year as well as estimated amounts for accrued compensated absences that will not be paid within the next fiscal year.

Net Assets

GASB Statement No. 34 requires that the Statement of Net Assets report the difference between assets and liabilities as net assets rather than fund balance. Accordingly, the College's net assets are classified as follows:

Invested in Capital Assets, net of related debt – consist of total investment in capital assets, net of accumulated depreciation and outstanding debt obligations.

Restricted Net Assets – Nonexpendable – include endowments and similar type assets whose use is limited by donors or other outside sources and as a condition of the gift, the principal is to be maintained in perpetuity.

Restricted Net Assets – Expendable – represent funds that have been received for specific purposes and the College is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external parties.

Unrestricted Net Assets – represent resources derived from student tuition and fees, state appropriations, unrestricted gifts, interest income, and sales and services of educational departments and auxiliary enterprises.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense toward restricted resources, and then toward unrestricted.

Scholarship Allowances

Student tuition and fee revenues and certain other revenues from charges to students are reported net of scholarship allowances in the Statement of Revenues, Expenses, and Changes in Net Assets. Scholarship allowances are the difference between the actual charge for goods and services provided by the College and the amount that is paid by students and/or third parties on the students' behalf. Financial aid to students is reported in the financial statements under the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). The alternative method is a simple calculation that computes scholarship discounts and allowances on a college-wide basis by allocating the cash payments to students, excluding payments for services, on the ratio of total aid to the aid not considered to be third party aid. Student financial assistance grants and other Federal, State or nongovernmental programs are recorded as either operating or non-operating revenues in the accompanying Statement of Revenues, Expenses, and Changes in Net Assets. To the extent that revenues from these programs are used to satisfy tuition, fees, and other charges, the College has recorded a scholarship allowance.

Federal Financial Assistance Programs

The College participates in federally funded Pell Grants, Supplemental Educational Opportunity Grants (SEOG), Federal Work Study, Perkins Loans, and Direct Loans, which includes Stafford Loans, Parent Loans for Undergraduate Students (PLUS) and Graduate PLUS Loans. Federal programs are audited in accordance with the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget Revised Circular A-133, Audit of States, Local Governments and Non-Profit Organizations, and the Compliance Supplement.

Classification of Revenues and Expenses

The College presents its revenues and expenses as operating or non-operating based on the following criteria:

Operating revenues - include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowances, (2) sales and services of auxiliary enterprises, (3) most Federal, State and Local grants and contracts and (4) interest on student loans.

Non-operating revenues - include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, and GASB Statement No. 34, such as State appropriations and investment income.

Non-operating expenses - include interest on debt related to the purchase of capital assets and losses on the disposal of capital assets. All other expenses are classified as operating expenses.

2. RESTATEMENT OF NET ASSETS

Certain net assets originally reported in the College's financial statements as of June 30, 2010 have been restated to reflect further evaluation of assets and liabilities.

Net assets as previously reported June 30, 2010	\$ 527,808,408
Restatement due to implementation of capitalization of construction period interest	125,400
Restatement due to change in reporting of loans funds from deposits held in custody for others to institutional funds	414,842
Adjustment to fund balance for Grant transactions	<u>86,171</u>
Net asset balance at July 1, 2010	<u><u>\$ 528,434,821</u></u>

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents

Pursuant to Section 2.2-1800, et. seq., Code of Virginia, all state funds of the College are maintained by the Treasurer of Virginia, who is responsible for the collection, disbursement, custody and investment of State funds. Cash held by the College is maintained in accounts that are collateralized in accordance with the Virginia Securities for Public Deposits Act, Section 2.2-4400, et. seq. Code of Virginia. The Virginia Security for Public Deposits Act eliminates any custodial credit risk for the College.

Investments

The investment policy of the College is established by the Board of Visitors and monitored by the Board's Financial Affairs Committee. In accordance with the Board of Visitors' Resolution 6(R), November 16, 2001, Resolution 12(R) November 21-22, 2002, and as updated by the Board in April 2009 investments can be made in the following instruments: cash, U.S. Treasury and Federal agency obligations, commercial bank certificates of deposit, commercial paper, bankers' acceptances, corporate notes and debentures, money market funds, mutual funds, convertible securities and equities.

Concentration of Credit Risk

Concentration of credit risk requires the disclosure by amount and issuer of any investments in any one issuer that represents five percent or more of total investments. Investments explicitly guaranteed by the U.S. government and investments in mutual funds or external investment pools and other pooled investments are excluded from this requirement. As of June 30, 2011, none of the investments in stocks or bonds represents five percent or more of the total investments; therefore, the College does not have concentration of credit risk.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of failure of the counterparty, the College will not be able to recover the value of its investment or collateral securities that are in the possession of the outside party. All investments are registered and held in the name of the College and therefore, the College does not have this risk.

Interest Rate Risk

The interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College limits its exposure to interest rate risk by limiting its maximum maturity lengths of investments and structuring its portfolio to maintain adequate liquidity to ensure the College's ability to meet its operating requirements.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The College does not have investments in foreign currency.

Security Lending Transactions

Securities lending transactions represent Richard Bland College's allocated share of securities received for securities lending transactions held in the General Account of the Commonwealth. Loaned securities, for which the collateral is reported on the Statement of Net Assets, are non-categorized as to credit risk. Details of the General Account securities lending program are included in the Commonwealth's Comprehensive Annual Financial Report.

Interest Rate Risk: Maturities

Type of Investment	Fair Value	0-3 months	4-12 months	1-5 years	6-10 years	Greater than 10 years
U.S. Treasury and agency securities:						
Federal National Mortgage Association	\$ 7,248,413	\$ 2,749,918	\$ 4,498,495	\$ -	\$ -	\$ -
Federal Home Loan Bank	7,542,931	5,790,406	1,752,525	-	-	-
Federal Home Loan Mortgage Corporation	31,197,025	13,349,389	15,345,981	2,501,655	-	-
Ridgeworth Fund - U.S. Government Sec	9,046,887	-	9,046,887	-	-	-
Mutual and money market funds:						
Certificate of deposit	170,000	170,000	-	-	-	-
Money market	7,616,424	7,616,424	-	-	-	-
Mutual funds - Investment Funds	5,348,558	-	238,014	1,137,348	1,523,194	2,450,002
Mutual funds - PIMCO Funds	7,137,863	-	428,272	4,639,611	1,284,815	785,165
Mutual funds - PIONEER Strategic Income	7,145,769	-	1,071,865	1,643,527	3,144,138	1,286,239
Mutual funds - Wells Fargo	169,365	3,209	12,379	72,996	54,609	26,172
State non-arbitrage program	21,638,220	21,638,220	-	-	-	-
Securities lending	13,368	13,368	-	-	-	-
	<u>104,274,823</u>	<u>\$ 51,330,934</u>	<u>\$ 32,394,418</u>	<u>\$ 9,995,137</u>	<u>\$ 6,006,756</u>	<u>\$ 4,547,578</u>
<u>Other Investments</u>						
Common and preferred stocks	39,875,642					
Securities lending	4,099					
Rare coins	280					
Property held as investment for endowments	<u>445,600</u>					
Total other investments	<u>40,325,621</u>					
Total cash equivalents and investments	<u>\$ 144,600,444</u>					

Credit & Concentration of Credit Risks

	Fair Value	Unrated
<u>Cash Equivalents</u>		
Certificate of deposit	\$ 170,000	\$ 170,000
Money market	7,616,424	7,616,424
State non-arbitrage program	21,638,220	21,638,220
Securities lending	13,368	13,368
Total cash equivalents	29,438,012	29,438,012
<u>Investments</u>		
U.S. treasury and agency securities:		
Federal National Mortgage Association	\$ 7,248,413	\$ 7,248,413
Federal Home Loan Bank	7,542,931	7,542,931
Federal Home Loan Mortgage Corporation	31,197,025	31,197,025
Ridgeworth Fund - U.S. Government Securities	9,046,887	9,046,887
Mutual funds:		
Investment Funds	5,348,558	5,348,558
PIMCO Funds	7,137,863	7,137,863
PIONEER Strategic Income Fund	7,145,769	7,145,769
Wells Fargo	169,365	169,365
Total investments	74,836,811	\$ 74,836,811
<u>Other Investments</u>		
Common and preferred stocks	39,875,642	
Securities lending	4,099	
Rare coins	280	
Property held as investment for endowments	445,600	
Total other investments	40,325,621	
Total cash equivalents and investments	\$ 144,600,444	

4. DONOR RESTRICTED ENDOWMENTS

Investments of the College's endowment funds are pooled and consist primarily of gifts and bequests, the use of which is restricted by donor imposed limitations. The Uniform Management of Institutional Funds Act, Code of Virginia Title 55, Chapter 15 sections 268.1-268.10, permits the spending policy adopted by the Board of Visitors to appropriate an amount of realized and unrealized endowment appreciation as the Board determines to be prudent. In determining the amount of appreciation to appropriate, the Board is required by the Act to consider such factors as long- and short-term needs of the institution, present and anticipated financial requirements, expected total return on investments, price level trends, and general economic conditions. The amount available for spending is determined by applying the payout percentage to the average market value of the investment portfolio for the three previous calendar year-ends. The payout percentage is reviewed and adjusted annually as deemed prudent.

The College, during fiscal year 2011, had a net appreciation of \$10,997,462 which is available to be spent and is reported in the Statement of Net Assets in the following categories: Restricted for Expendable Scholarships and Fellowships - \$5,619,368, Restricted for Expendable Research - \$28,130, Restricted for Expendable Capital Projects - \$168,044, Restricted for Expendable Departmental Uses - \$4,058,580 and Unrestricted - \$1,123,340.

5. ACCOUNTS AND NOTES RECEIVABLES

Receivables include transactions related to accounts and notes receivable and are shown net of allowance for doubtful accounts for the year ending June 30, 2011 as follows:

Accounts receivable consisted of the following at June 30, 2011:

Student Tuition and Fees	\$ 2,191,117
Auxiliary Enterprises	926,661
Federal, State and Non-Governmental Grants & Contracts	7,096,376
Other Activities	<u>4,453,993</u>
Gross Receivables	14,668,147
Less: allowance for doubtful accounts	<u>(1,523)</u>
Net Receivables	<u>\$ 14,666,624</u>

Notes receivable consisted of the following at June 30, 2011:

Current portion:	
Federal student loans	\$ <u>6,685</u>
Non-current portion:	
Federal student loans	\$ 3,236,528
Less: allowance for doubtful accounts	<u>(44,755)</u>
Net non-current notes receivable	<u>\$ 3,191,773</u>

6. CAPITAL ASSETS

A summary of changes in the various capital asset categories for the year ending June 30, 2011 consists of the following:

	Beginning Balance	Beginning Balance Adjustments	Additions	Reductions	Ending Balance
Non-depreciable capital assets:					
Land	\$ 14,241,811	\$ -	\$ 275,000	\$ 259,041	\$ 14,257,770
Inexhaustible artwork and Historical treasures	72,272,172	-	206,720	-	72,478,892
Construction in Progress	63,709,915	125,400	46,627,943	65,759,618	44,703,640
Total non-depreciable capital assets	150,223,898	125,400	47,109,663	66,018,659	131,440,302
Depreciable capital assets:					
Buildings	576,422,564	-	67,200,502	636,569	642,986,497
Equipment	79,929,482	-	7,836,074	2,091,027	85,674,529
Infrastructure	41,169,001	-	1,363,129	-	42,532,130
Other improvements	5,717,025	-	181,188	3,157	5,895,056
Library Materials	84,804,510	-	1,366,769	359,746	85,811,533
Computer software	5,091,758	-	-	-	5,091,758
Total depreciable capital assets	793,134,340	-	77,947,662	3,090,499	867,991,503
Less accumulated depreciation for:					
Buildings	141,822,551	-	13,110,494	394,055	154,538,990
Equipment	50,298,703	-	5,652,136	1,773,496	54,177,343
Infrastructure	24,109,301	-	1,384,831	-	25,494,132
Other improvements	3,586,144	-	293,109	-	3,879,253
Library Materials	76,700,056	-	1,537,323	359,745	77,877,634
Computer software	4,459,309	-	120,085	-	4,579,394
Total accumulated depreciation	300,976,064	-	22,097,978	2,527,296	320,546,746
Depreciable capital assets, net	492,158,276	-	55,849,684	563,203	547,444,757
Total capital assets, net	\$ 642,382,174	\$ 125,400	\$ 102,959,347	\$ 66,581,862	\$ 678,885,059

Capitalization of Library Books

The methods employed to value the general collections of the Earl Gregg Swem Library and the Marshall-Wythe Law Library, York River Library, and Richard Bland College Library are based on average cost determined by each library. The average cost of the Swem Library for purchases of books was \$49.66 for fiscal year 2011. The average cost of the Law Library purchases of books was \$89.83 for fiscal year 2011. Special collections maintained by each library are

valued at historical cost or acquisition value. The average cost of library books purchased for the Virginia Institute of Marine Science was \$72.30 for fiscal year 2011. The average cost of library books purchased for Richard Bland College was \$29.63 for fiscal year 2011. The effects of the net change in the value of the collections of the libraries have been included as additions to current year operations. The changes reflected in the valuation are due to the recognition of depreciation in accordance with GASB Statements No. 34 and 35.

Impairment of Capital Assets

GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, was issued effective for the fiscal year ended June 30, 2006. Statement No. 42 requires an evaluation of prominent events or changes in circumstances to determine whether an impairment loss should be recorded and whether any insurance recoveries should be offset against the impairment loss. There was a fire on November 18, 2010 at the VIMS Wachapreague campus which completely destroyed a laboratory and its contents. The loss has been determined to be \$100,977 for the laboratory and \$11,067 in capitalized equipment and furnishings. No insurance recoveries have been received to date. VIMS does plan to rebuild the facility.

Proceeds from other insurance recoveries attributable to capital assets are reported as a capital related financing activity in the Statement of Cash Flows. Accordingly, \$102,375 of proceeds from insurance recoveries are classified as a capital related financing activity.

GASB 42 also requires the disclosure of idle assets at the close of each fiscal year. As of June 30, 2011 there were several vacant or unused buildings on the main William and Mary campus and the Dillard Complex. The carrying value of these unused buildings at year-end was \$269,612.

7. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following at June 30, 2011:

Current Liabilities:

Employee salaries, wages, and fringe benefits payable	\$18,391,239
Vendors and supplies accounts payable	6,738,135
Capital projects accounts and retainage payable	<u>9,264,090</u>
Total current liabilities-accounts payable and accrued liabilities	<u>\$34,393,464</u>

8. COMMITMENTS

At June 30, 2011, outstanding construction commitments totaled approximately \$48,228,937.

Commitments also exist under various operating leases for buildings, equipment and computer software. In general, the leases are for one to three year terms with renewal options on the buildings, equipment and certain computer software for additional one-year terms. In most cases, these leases will be replaced by similar leases. The College of William and Mary has also entered into one twenty-year lease for space in the Applied Science Research Center Building at the Jefferson Center for Research and Technology in Newport News, Virginia. Rental expense for the fiscal year ending June 30, 2011, was \$4,231,289.

As of June 30, 2011, the following total future minimum rental payments are due under the above leases:

<u>Year Ending June 30, 2011</u>	<u>Amount</u>
2012	\$ 4,258,703
2013	3,742,162
2014	1,170,821
2015	1,138,368
2016	1,153,441
2017-2021	650,232
2022-2026	<u>-</u>
Total	<u>\$ 12,113,727</u>

9. LONG-TERM LIABILITIES

The College's long-term liabilities consist of long-term debt (further described in Note 10), and other long-term liabilities. A summary of changes in long-term liabilities for the year ending June 30, 2011 is presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Installment Purchases	\$ 4,003,496	\$ 2,384,537	\$ 408,718	\$ 5,979,315	\$ 519,488
Notes Payable	153,046,097	15,380,750	8,471,446	159,955,401	9,855,000
Bonds Payable	<u>38,910,273</u>	<u>6,634,885</u>	<u>4,107,779</u>	<u>41,437,379</u>	<u>3,666,711</u>
Total long-term debt	195,959,866	24,400,172	12,987,943	207,372,095	14,041,199
Perkins Loan Fund Balance	2,498,565	-	-	2,498,565	-
Accrued compensated absences	<u>8,572,005</u>	<u>7,971,092</u>	<u>7,631,585</u>	<u>8,911,512</u>	<u>6,705,308</u>
Total long-term liabilities	<u>\$207,030,436</u>	<u>\$32,371,264</u>	<u>\$20,619,528</u>	<u>\$218,782,172</u>	<u>\$20,746,507</u>

10. LONG-TERM DEBT

Bonds Payable

The College of William and Mary's bonds are issued pursuant to Section 9 of Article X of the Constitution of Virginia. Section 9(c) bonds are general obligation bonds issued by the Commonwealth of Virginia on behalf of the College and are backed by the full faith, credit and taxing power of the Commonwealth and are issued to finance capital projects which, when completed, will generate revenue to repay the debt. Listed below are the bonds outstanding at year-end:

<u>Description</u>	<u>Interest Rates(%)</u>	<u>Maturity</u>	<u>Balance as of June 30, 2011</u>
Section 9(c) bonds payable:			
Dormitory, Series 2002A1	2.500 - 5.000	2022	480,000
Dormitory, Series 2002R4	2.500 - 5.000	2013	90,000
Dormitory, Series 2002R9	2.500 - 4.000	2016	595,053
Dormitory, Series 2004B2	3.000 - 5.000	2017	300,582
Dormitory, Series 2004B3	3.000 - 5.000	2017	1,342,922
Dormitory, Series 2004B4	3.000 - 5.000	2018	2,786,845
Dormitory, Series 2004B5	3.000 - 5.000	2020	2,559,311
Dormitory, Series 2005A1	3.500 - 5.000	2026	2,875,000
Dormitory, Series 2006A1	4.000 - 5.000	2014	60,000
Dormitory, Series 2006A2	4.000 - 5.000	2015	990,000
Dormitory, Series 2008B	3.000 - 5.000	2013	208,909
Dormitory, Series 2009C	3.000 - 4.000	2021	383,984
Dormitory, Series 2009C	3.000 - 4.000	2022	2,582,213
Dormitory, Series 2009D	2.500 - 5.000	2022	1,940,000
Renovate Residence Halls, Series 2010A2	2.000 - 5.000	2030	4,335,000
Renovation of Dormitories			21,529,819
Graduate Housing, Series 2006B	4.000 - 5.000	2026	2,410,000
Graduate Housing, Series 2008B	3.000 - 5.000	2028	2,230,000
Graduate Housing, Series 2009D	2.500 - 5.000	2022	1,270,000
Graduate Housing			5,910,000
Construct New Dormitory, Series 2010A2	2.000 - 5.000	2030	1,965,000
University Center, Series 2002R5	2.500 - 5.000	2013	30,000
University Center, Series 2008B	3.000 - 5.000	2013	1,578,802
University Center			1,608,802
Underground Utility, Series 2002R8	3.500 - 5.600	2016	538,099
Underground Utility, Series 2004B1	3.000 - 5.000	2017	785,391
Underground Utility			1,323,490
Renovate Commons Dining Hall, Series 2005A2	3.500 - 5.000	2026	4,735,000
Renovate Commons Dining Hall, Series 2009D	2.500 - 5.000	2022	3,200,000
Commons Dining Hall			7,935,000
Total bonds payable			40,272,111
Deferred Gain/(Loss) on Advance Refundings			(864,278)
Unamortized premiums (discounts)			2,029,546
Net bonds payable			<u>\$ 41,437,379</u>

Notes Payable

Section 9(d) bonds, issued through the Virginia College Building Authority's Pooled Bond Program, are backed by pledges against the general revenues of the College and are issued to finance other capital projects. The principal and interest on bonds and notes are payable only from net income and specific auxiliary activities or from designated fee allocations. The following are notes outstanding at year-end:

<u>Description</u>	<u>Interest Rates (%)</u>	<u>Maturity</u>	<u>Outstanding Balance as of June 30, 2011</u>
Section 9(d) Bonds:			
Barksdale Dormitory, Series 2003A	2.000 - 5.000	2024	\$ 965,000
Barksdale Dormitory, Series 2004A	3.000 - 5.000	2025	8,645,000
Barksdale Dormitory, Series 2005A	3.500 - 5.000	2026	11,060,000
Barksdale Dormitory, Series 2006A	3.000 - 5.000	2027	1,690,000
Barksdale Dormitory, Series 2010B	2.000 - 5.000	2021	450,000
William and Mary Hall, Series 2004B	3.000 - 5.000	2016	800,000
William and Mary Hall, Series 2007B	4.000- 4.250	2018	165,000
Parking Deck, Series 2003A	2.000 - 5.000	2024	2,040,000
Parking Deck, Series 2004A	3.000 - 5.000	2025	1,880,000
Parking Deck, Series 2005A	3.500 - 5.000	2026	5,485,000
Parking Deck, Series 2010B	2.000 - 5.000	2021	950,000
Recreation Sports Center, Series 2003A	2.000 - 5.000	2024	485,000
Recreation Sports Center, Series 2004A	3.500 - 5.000	2025	6,120,000
Recreation Sports Center, Series 2005A	3.500 - 5.000	2026	2,145,000
Recreation Sports Center, Series 2010B	2.000 - 5.000	2021	220,000
Improve Athletics Facilities, Series 2005A	3.500 - 5.000	2026	2,930,000
Improve Athletics Facilities, Series 2006A	3.000 - 5.000	2027	680,000
Marshall-Wythe Library, Series 2004B	3.000 - 5.000	2019	1,110,000
Law School Library, Series 2003A	2.000 - 5.000	2024	585,000
Law School Library, Series 2007A	4.500 - 5.000	2027	3,310,000
Law School Library, Series 2010B	2.000 - 5.000	2021	260,000
Magnet Facility, Series 2003A	2.000 - 5.000	2024	1,215,000
Magnet Facility, Series 2010B	2.000 - 5.000	2021	570,000
Williamsburg Hospital/School of Education, 2006A	3.000 - 5.000	2027	2,120,000
J. Laycock Football Facility, Series 2006A	3.000 - 5.000	2027	4,880,000
Residence Hall Fire Safety Systems, Series 2006A	3.000 - 5.000	2027	1,710,000
School of Business, Series 2007A	4.500 - 5.000	2027	21,405,000
School of Business, Series 2009A	2.750 - 4.000	2016	23,350,000
Integrated Science Center, Series 2007A	4.500 - 5.000	2027	11,225,000
Integrated Science Center, Series 2009A	2.750 - 5.000	2029	6,295,000
Power Plant Renovations, Series 2007A	4.500 - 5.000	2027	4,395,000
Busch Field Astroturf Replacement, Series 2009B	2.000 - 5.000	2029	1,380,000
Cooling Plant & Utilities, Series 2009B	2.000 - 5.000	2029	11,370,000
Cooling Plant & Utilities, Series 2010A1&A2	2.000 - 5.500	2031	11,135,000
AshLawn Barn, Series 2010A1&A2	2.000 - 5.500	2031	775,000
Total 9 (d) bonds			153,800,000

Deferred Gain/(Loss) on Advance Refundings	(324,513)
Unamortized premiums (discounts)	<u>6,479,914</u>

Net notes payable	<u>\$159,955,401</u>
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Installment Purchases and Capital Leases

At June 30, 2011, installment purchases consist of the current and long-term portions of obligations resulting from various contracts used to finance energy performance contracts and the acquisition of equipment. The lengths of purchase agreements range from two to fifteen years, and the interest rate charges are from 1.3 to 4.7 percent.

Description	<u>Maturity</u>	Balance as of <u>June 30, 2011</u>
Installment purchases	2012-2026	\$5,979,315

Long-term debt matures as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 14,041,199	\$ 8,909,972
2013	14,731,462	8,225,167
2014	14,119,330	7,533,688
2015	14,905,939	6,887,512
2016	15,283,222	6,204,777
2017-2021	52,896,403	23,049,714
2022-2026	55,513,871	10,265,661
2027-2031	18,560,000	2,297,281
Refunding gains/(losses)	(1,188,791)	-
Unamortized premiums	<u>8,509,460</u>	<u>-</u>
Total	<u>\$ 207,372,095</u>	<u>\$ 73,373,772</u>

Defeasance of Debt

In October 2010, the Treasury Board issued \$101,040,000 in Educational Facilities Revenue Refunding Bonds, Series 2010B with a true interest cost (TIC) of 2.543473 percent. The sale of these bonds enabled the College to advance refund certain 9D bonds issued in 2003 with interest rates ranging from 4.0 percent to 5.0 percent used to finance the construction of a dormitory, parking deck and nuclear magnet facility and renovation of the student recreation center and law library. The net proceeds from the sale of the Refunding Bonds were deposited into irrevocable trusts with escrow agents to provide for all future debt service payments on the refunded bonds. As a result, these bonds are considered defeased and the College's portion of the liability has been removed from the financial statements.

The amount and percentage of debt defeased relating to the College is as follows:

<u>Series</u>	<u>Debt Outstanding</u>	<u>Amount Defeased</u>	<u>Percentage Defeased</u>
2003	\$ 7,855,000	\$ 2,565,000	33%

The College's portion of the accounting loss recognized in the financial statements was \$332,597. The net economic gain attributable to the College was \$121,667 and will result in a decreased cash flow requirement of \$147,327 over the remaining life of the debt.

Prior Year Defeasance of Debt

The Commonwealth of Virginia, on behalf of the College, issued bonds in previous and current fiscal years for which the proceeds were deposited into irrevocable trusts with escrow agents to provide for all future debt service on the refunded bonds. Accordingly, the trust account assets and the related liability for the defeased bonds are not included in the College's financial statements. At June 30, 2011, \$14,710,000 of the defeased bonds was outstanding.

11. EXPENSES BY NATURAL CLASSIFICATIONS

The following table shows a classification of expenses both by function as listed in the Statement of Revenues, Expenses, and Change in Net Assets and by natural classification which is the basis for amounts shown in the Statement of Cash Flow.

	Salaries, Wages and Fringe Benefits	Services and Supplies	Scholarships and Fellowships	Plant and Equipment	Depreciation	Total
Instruction	\$ 85,681,418	\$ 6,895,699	\$ 718,957	\$ 1,144,006	\$ -	\$ 94,440,080
Research	31,388,284	11,878,192	1,183,106	3,260,404	-	47,709,986
Public service	17,416	35,274	-	45	-	52,735
Academic support	20,987,430	3,183,241	123,461	3,059,838	-	27,353,970
Student services	8,567,020	2,326,818	59,091	57,062	-	11,009,991
Institutional support	22,384,970	3,781,965	135,833	185,269	-	26,488,037
Operation and maintenance of plant	7,592,641	17,204,824	(638)	2,588,655	-	27,385,482
Depreciation	-	-	-	-	22,097,978	22,097,978
Scholarships and related expenses	1,603,185	68,688	14,892,742	17,456	-	16,582,071
Auxiliary enterprises	18,341,414	46,105,833	(3,435,143)	3,992,910	-	65,005,014
Other	42,788	555,990	-	-	-	598,778
Total	\$ 196,606,566	\$ 92,036,524	\$ 13,677,409	\$ 14,305,645	\$ 22,097,978	\$ 338,724,122

12. STATE APPROPRIATIONS

The following is a summary of state appropriations received by the College of William and Mary and Richard Bland College, including all supplemental appropriations and reversions from the General Fund of the Commonwealth.

Chapter 874 - 2010 Acts of Assembly (Educational and General Programs)		\$ 62,477,450
Student financial assistance		3,950,982
Supplemental appropriations:		
Prior year reappropriations	24,799	
VIVA libraries	34,282	
VRS retirement contribution changes	69,751	
Health insurance premium	207,914	
Salary bonuses - state employees	468,283	
Salary bonuses - faculty	1,095,001	
Marine research graduate assistantships	238,527	
Other benefits rate changes	23,766	
Interest earnings and credit card rebates	(1,094)	
Eminent Scholars/Biomedical research	435,865	2,597,094
Appropriation reductions:		
State employee workers compensation	7,841	
Deferred compensation cash match suspension	116,628	
VRS 4th quarter delay	87,732	
eVA rate reduction	4,376	
Defined benefit retirement plan changes	56,592	
Optional retirement plan changes	18,906	
VITA savings	2,453	
Central non-general fund cash transfers	14,239	
HEETF debt payments	261,334	
Out of state building fee	1,219,612	(1,789,713)
Reversions to the General Fund of the Commonwealth		(177,533)
Appropriations as adjusted		\$ 67,058,280

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13. COMPONENT UNIT FINANCIAL INFORMATION

The College has nine component units – The College of William & Mary Foundation, the Marshall-Wythe School of Law Foundation, the Alumni Association, the William and Mary Athletic Educational Foundation, the William & Mary School of Business Foundation, the Virginia Institute of Marine Science Foundation, the William and Mary Real Estate Foundation, the Richard Bland College Foundation and the Intellectual Property Foundation. These organizations are separately incorporated entities and other auditors examine the related financial statements. Summary financial statements and related disclosures follow for eight of the component units. As stated in Note 1, the activity of the Intellectual Property Foundation was not material to the College in fiscal year 2011; therefore, it is not included in the presentation of component unit financial information.

Summary of Statement of Net Assets - Component Units

	The College of William & Mary Foundation	Marshall-Wythe School of Law Foundation	William & Mary Business School Foundation	William & Mary Alumni Association
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 3,280,399	\$ 3,676,955	\$ 3,946,663	\$ 718,577
Investments	777,423	-	-	-
Pledges receivable, net - current portion	1,895,330	867,304	2,998,574	-
Receivables, net	349,836	52,589	605,142	43,699
Inventories	-	-	-	42,284
Prepays	338,334	105,134	141,702	46,442
Due from the College	121,375	-	-	-
Other assets	4,845	-	-	-
Total Current Assets	6,767,542	4,701,982	7,692,081	851,002
Non-current Assets				
Restricted cash and cash equivalents	3,796,434	3,751,851	15,446,553	-
Restricted investments	381,521,986	22,415,527	18,260,173	-
Restricted other assets	119,596,262	317,511	311,073	-
Investments	685,235	3,761,952	-	5,440,314
Pledges receivable, net	3,904,693	1,004,523	5,729,113	-
Capital assets, nondepreciable	8,999,770	321,627	-	31,800
Capital assets, net of accumulated depreciation	8,343,118	42,240	19,799	231,033
Other assets	1,315,581	-	-	-
Total non-current assets	528,163,079	31,615,231	39,766,711	5,703,147
Total Assets	534,930,621	36,317,213	47,458,792	6,554,149
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	281,147	87,313	273,406	294,594
Deferred revenue	60,296	247,918	120,725	1,130,562
Long-term liabilities - current portion	9,168,389	-	-	-
Due to the College	-	-	-	103,398
Short-term debt	2,145,000	-	-	-
Other liabilities	-	-	-	-
Total Current Liabilities	11,654,832	335,231	394,131	1,528,554
Non-current Liabilities				
Long-term liabilities	21,665,023	410,881	-	-
Total Liabilities	33,319,855	746,112	394,131	1,528,554
NET ASSETS				
Restricted for:				
Nonexpendable:				
Scholarships and Fellowships	74,003,671	5,382,808	379,046	-
Research	3,942,002	-	-	-
Loans	-	-	24,230	-
Departmental Uses	73,792,367	6,834,456	33,456,793	-
Other	161,889,250	-	147,697	-
Expendable:				
Scholarships and Fellowships	61,954,485	5,016,029	485,182	-
Research	2,118,013	-	112,042	-
Capital Projects	1,946,627	2,205,160	7,059,383	-
Loans	-	-	50,530	-
Departmental Uses	86,136,894	8,363,091	3,893,024	1,181,447
Other	14,956,514	618,630	54,867	-
Invested in Capital Assets, net of related debt	7,388,478	363,867	19,799	262,833
Unrestricted	13,482,465	6,787,060	1,382,068	3,581,315
Total Net Assets	\$ 501,610,766	\$ 35,571,101	\$ 47,064,661	\$ 5,025,595

William & Mary Athletic Educational Foundation	Virginia Institute of Marine Science Foundation	Richard Bland College Foundation	William & Mary Real Estate Foundation	Total Component Units
\$ 5,038,940	\$ 261,741	\$ 515,059	\$ 3,580,455	\$ 21,018,789
-	-	-	-	777,423
528,547	216,738	57,947	-	6,564,440
67,636	-	-	-	1,118,902
-	-	-	-	42,284
-	-	-	-	631,612
-	-	-	16,726	138,101
-	-	37,421	-	42,266
5,635,123	478,479	610,427	3,597,181	30,333,817
-	323,905	153,321	-	23,472,064
-	6,655,576	3,919,902	-	432,773,164
-	-	-	-	120,224,846
2,161,168	686,206	-	-	12,734,875
645,582	478,751	16,718	-	11,779,380
-	-	-	7,485,594	16,838,791
67,071	-	23,289,427	243,209	32,235,897
-	-	-	44,338	1,359,919
2,873,821	8,144,438	27,379,368	7,773,141	651,418,936
8,508,944	8,622,917	27,989,795	11,370,322	681,752,753
-	-	498,243	796,878	2,231,581
1,500	-	-	-	1,561,001
-	-	534,560	-	9,702,949
-	-	-	-	103,398
-	-	-	490,000	2,635,000
-	-	22,506	-	22,506
1,500	-	1,055,309	1,286,878	16,256,435
-	-	24,995,022	8,809	47,079,735
1,500	-	26,050,331	1,295,687	63,336,170
-	1,411,003	2,834,885	-	84,011,413
-	131,836	-	-	4,073,838
-	-	-	-	24,230
-	995,000	-	-	115,078,616
-	2,280,612	-	-	164,317,559
609,249	390,247	-	-	68,455,192
-	421,722	-	-	2,651,777
-	-	-	-	11,211,170
-	-	-	-	50,530
5,900,403	1,563,250	-	-	107,038,109
-	481,300	1,252,970	-	17,364,281
67,071	-	(2,240,155)	7,229,994	13,091,887
1,930,721	947,947	91,764	2,844,641	31,047,981
\$ 8,507,444	\$ 8,622,917	\$ 1,939,464	\$ 10,074,635	\$ 618,416,583

Summary of Statement of Revenues, Expenses, and Changes in Net Assets - Component Units

	The College of William & Mary Foundation	Marshall-Wythe School of Law Foundation	William & Mary Business School Foundation	William & Mary Alumni Association
Operating revenues:				
Gifts and contributions	\$ 1,843,878	\$ 2,120,705	\$ 1,328,989	\$ 1,575,632
Other	4,819,023	1,074,016	4,137,850	1,075,609
Total operating revenues	6,662,901	3,194,721	5,466,839	2,651,241
Operating expenses:				
Instruction	3,379,551	494,948	140,289	-
Research	180,637	-	57,829	-
Public service	75,688	118,746	532,848	-
Academic support	1,610,662	1,155,061	2,244,410	-
Student services	85,313	13,191	943,191	-
Institutional support	4,546,279	636,205	1,831,315	113,638
Operation and maintenance of plant	560,441	283,275	-	-
Scholarships & fellowships	6,218,844	57,249	20,342	-
Auxiliary enterprises	590,869	-	35,444	-
Depreciation	528,189	24,732	9,638	61,125
Other	12,526,814	-	-	2,825,006
Total operating expenses	30,303,287	2,783,407	5,815,306	2,999,769
Operating gain/(loss)	(23,640,386)	411,314	(348,467)	(348,528)
Non-operating revenues and expenses:				
Net investment revenue (expense)	46,924,532	3,350,829	2,565,439	1,180,434
Interest on capital asset related debt	(61,309)	-	-	-
Other non-operating revenue	30,173,107	-	-	-
Other non-operating expense	-	-	(962,229)	-
Net non-operating revenues	77,036,330	3,350,829	1,603,210	1,180,434
Income before other revenues	53,395,944	3,762,143	1,254,743	831,906
Other revenues:				
Capital grants and contributions	4,010,728	-	278,184	-
Additions to permanent endowments	6,487,129	1,332,429	(21,704)	-
Net other revenues	10,497,857	1,332,429	256,480	-
Change in net assets, before transfers	63,893,801	5,094,572	1,511,223	831,906
Contribution between Foundations	(250,666)	-	-	142,366
Transfers	(250,666)	-	-	142,366
Change in net assets	63,643,135	5,094,572	1,511,223	974,272
Net assets - beginning of year	437,967,631	30,476,529	45,553,438	4,051,323
Net assets - end of year	\$ 501,610,766	\$ 35,571,101	\$ 47,064,661	\$ 5,025,595

William & Mary Athletic Educational Foundation	Virginia Institute of Marine Science Foundation	Richard Bland College Foundation	William & Mary Real Estate Foundation	Total Component Units
\$ 3,563,999	\$ 691,612	\$ 325,678	\$ -	\$ 11,450,493
744,660	-	1,615,675	281,127	13,747,960
4,308,659	691,612	1,941,353	281,127	25,198,453
-	94,189	-	-	4,108,977
-	336,565	-	-	575,031
-	-	-	-	727,282
-	11,966	-	-	5,022,099
-	-	-	-	1,041,695
4,076,437	102,610	43,733	202,098	11,552,315
-	-	-	-	843,716
-	50,477	206,191	-	6,553,103
-	-	-	-	626,313
18,840	-	829,773	8,151	1,480,448
-	3,384	1,950,767	-	17,305,971
4,095,277	599,191	3,030,464	210,249	49,836,950
213,382	92,421	(1,089,111)	70,878	(24,638,497)
70,322	931,382	708,692	17,855	55,749,485
-	-	(15,351)	-	(76,660)
-	-	-	-	30,173,107
-	-	-	-	(962,229)
70,322	931,382	693,341	17,855	84,883,703
283,704	1,023,803	(395,770)	88,733	60,245,206
-	-	-	125,000	4,413,912
-	384,183	165,717	-	8,347,754
-	384,183	165,717	125,000	12,761,666
283,704	1,407,986	(230,053)	213,733	73,006,872
(16,700)	-	-	125,000	-
(16,700)	-	-	125,000	-
267,004	1,407,986	(230,053)	338,733	73,006,872
8,240,440	7,214,931	2,169,517	9,735,902	545,409,711
\$ 8,507,444	\$ 8,622,917	\$ 1,939,464	\$ 10,074,635	\$ 618,416,583

Investments

Each component unit holds various investments based on the investment policies established by the governing board of the individual foundation. The following table shows the various investment types held by each component unit.

	The College of William & Mary Foundation	Marshall-Wythe School of Law Foundation	William & Mary Business School Foundation	William & Mary Alumni Association	William & Mary Athletic Educational Foundation	Virginia Institute of Marine Science Foundation	Richard Bland College Foundation	Total
Mutual and money market funds	\$ 4,855,541	\$ 531,884	\$ -	\$ 4,886,196	\$ 83,192	\$ -	\$ 2,877,961	\$ 13,234,774
U.S. treasury and agency securities	5,467,110	-	-	-	-	-	-	5,467,110
Common and preferred stocks	187,794	-	659,352	554,118	5,565	-	1,041,941	2,448,770
Notes receivable	1,432,860	-	-	-	-	-	-	1,432,860
Pooled investments	369,249,762	25,645,595	17,522,925	-	-	7,341,782	-	419,760,064
Real estate	1,742,405	-	-	-	146,200	-	-	1,888,605
Other	49,172	-	77,896	-	1,926,211	-	-	2,053,279
Total								
Investments	<u>\$ 382,984,644</u>	<u>\$ 26,177,479</u>	<u>\$ 18,260,173</u>	<u>\$ 5,440,314</u>	<u>\$ 2,161,168</u>	<u>\$ 7,341,782</u>	<u>\$ 3,919,902</u>	<u>\$ 446,285,462</u>

Pledges Receivable

Unconditional promises to give (pledges) are recorded as receivables and revenues and are assigned net asset categories in accordance with donor imposed restrictions. Pledges expected to be collected within one year are recorded at net realizable value. Pledges that are expected to be collected in future years are recorded at net present value of their estimated future cash flows. The discounts on these amounts are computed using risk free interest rates applicable to the years in which the payments will be received. The foundations record an allowance against pledges receivable for estimated uncollectible amounts. The William and Mary Alumni Association and the William & Mary Real Estate Foundation did not have any pledges receivable at year end.

	The College of William & Mary Foundation	Marshall-Wythe School of Law Foundation	William & Mary Business School Foundation	William & Mary Athletic Educational Foundation	Virginia Institute of Marine Science Foundation	Richard Bland College Foundation	Total
Total pledges receivable	\$ 6,777,570	\$ 2,130,695	\$ 10,413,825	\$ 1,451,133	\$ 709,738	\$ 79,550	\$ 21,562,511
Less:							
Allowance for uncollectibles	(717,948)	(180,552)	(82,481)	(210,264)	-	(2,309)	(1,193,554)
Discounting to present value	(259,599)	(78,316)	(1,603,657)	(66,740)	(14,249)	(2,576)	(2,025,137)
Net pledges receivable	5,800,023	1,871,827	8,727,687	1,174,129	695,489	74,665	18,343,820
Less:							
Current pledges receivable	(1,895,330)	(867,304)	(2,998,574)	(528,547)	(216,738)	(57,947)	(6,564,440)
Total non-current pledges receivable	<u>\$ 3,904,693</u>	<u>\$ 1,004,523</u>	<u>\$ 5,729,113</u>	<u>\$ 645,582</u>	<u>\$ 478,751</u>	<u>\$ 16,718</u>	<u>\$ 11,779,380</u>

Capital Assets

	The College of William & Mary Foundation	Marshall- Wythe School of Law Foundation	Mary Business School Foundation	William & Mary Alumni Association	William & Mary Athletic Educational Foundation	Richard Bland College Foundation	William & Mary Real Estate Foundation	Total
Nondepreciable:								
Land	\$ 3,403,427	\$ 262,916	\$ -	\$ -	\$ -	\$ -	\$ 2,302,138	\$ 5,968,481
Construction in progress	-	-	-	-	-	-	5,183,456	5,183,456
Historical treasures and inexhaustable works of art	5,596,343	58,711	-	31,800	-	-	-	5,686,854
Total nondepreciable capital assets	<u>\$ 8,999,770</u>	<u>\$ 321,627</u>	<u>\$ -</u>	<u>\$ 31,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,485,594</u>	<u>\$ 16,838,791</u>
Depreciable:								
Building	\$ 7,534,093	\$ -	\$ -	\$ -	\$ -	\$ 24,148,380	\$ 249,046	\$ 31,931,519
Equipment, vehicles and furniture	10,527,823	133,724	95,279	476,016	100,707	924,614	19,249	12,277,412
Improvements, other than building	338,138	-	-	384,914	-	556,142	-	1,279,194
	18,400,054	133,724	95,279	860,930	100,707	25,629,136	268,295	45,488,125
Less accumulated depreciation	(10,056,936)	(91,484)	(75,480)	(629,897)	(33,636)	(2,339,709)	(25,086)	(13,252,228)
Total depreciable capital assets	<u>\$ 8,343,118</u>	<u>\$ 42,240</u>	<u>\$ 19,799</u>	<u>\$ 231,033</u>	<u>\$ 67,071</u>	<u>\$ 23,289,427</u>	<u>\$ 243,209</u>	<u>\$ 32,235,897</u>

Long-term Liabilities

	The College of William & Mary Foundation	Marshall- Wythe School of Law Foundation	Richard Bland College Foundation	William & Mary Real Estate Foundation	Total
Compensated absences	\$ 122,373	\$ -	\$ -	\$ -	\$ 122,373
Notes payable	3,636,098	-	-	-	3,636,098
Bonds payable	8,055,650	-	25,529,582	-	33,585,232
Other liabilities	19,019,291	410,881	-	8,809	19,438,981
Total long-term liabilities	30,833,412	410,881	25,529,582	8,809	56,782,684
Less current portion	(9,168,389)	-	(534,560)	-	(9,702,949)
Non-current long-term liabilities	<u>\$ 21,665,023</u>	<u>\$ 410,881</u>	<u>\$ 24,995,022</u>	<u>\$ 8,809</u>	<u>\$ 47,079,735</u>

THE COLLEGE OF WILLIAM AND MARY FOUNDATION

Long-term Liabilities

On June 25, 2001, Reliance Holdings, LLC entered into a revolving line of credit agreement with First Union National Bank (now Wells Fargo Bank, NA) in the amount of \$2,000,000, which the Foundation guaranteed. The purpose of the line of credit was to fund the initial purchase of the real estate sold to New Town Associates, and to provide working capital to Reliance. As such, most of the loan proceeds have in turn been advanced to the REF, and the majority of the interest on the note is reflected as expenses of the Real Estate Foundation. This line of credit has been extended to \$3,000,000 with all principal and accrued interest due and payable on June 30, 2011. Interest only, which accrues daily at the LIBOR market index rate plus 1.35% is payable monthly. The amount outstanding was \$2,145,000 at June 30, 2011 and 2010. Interest paid during the years ended June 30, 2011 and 2010, was \$34,846 and \$35,311, respectively.

During the fiscal year ended June 30, 2007, the Foundation entered into a revolving line of credit agreement with SunTrust Bank in the amount of \$2,800,000. Interest accrues at a rate of the one month LIBOR plus 0.50%. SunTrust is granted a security interest in and lien upon all deposits and investments maintained with SunTrust. The terms of the note require the Foundation to maintain at all times unrestricted and temporarily restricted net assets in excess of 200% of the Foundation's total funded debt. The note matured on December 12, 2008, and was replaced with a loan in the amount of \$2,636,140. Interest is payable monthly at a fixed rate of 4.43%. Principal is payable in two equal annual installments on February 28, 2011 and 2012. The balance outstanding on the loan at June 30, 2011 and 2010 was \$2,636,098 and \$2,636,140. Interest paid during the fiscal years ending June 30, 2011 and 2010, was \$113,628 and \$118,401, respectively.

During the year ended June 30, 2011 the Foundation and CEI entered into a joint borrowing arrangement with SunTrust Bank to fund expansion of the telecommunications system. The agreement provided for loan draws up to the amount of \$1,450,000 through August 7, 2011. The terms of the note require the Foundation to maintain at all times unrestricted and temporarily restricted net assets in excess of 200% of the Foundation's total funded debt. Interest at a rate of 3.97% is payable monthly. Principal is payable annually over a five year term, with the final amount due January 15, 2016. The amount outstanding at June 30, 2011 was \$1,000,000. Subsequent to June 30, 2011, the remaining balance available under the loan of \$450,000 was drawn. Interest paid during the year ended June 30, 2011 was \$6,948.

Bonds Payable

In December 2006, the Economic Development Authority of James City County, Virginia issued 2006 series revenue bonds in the amount of \$9,070,000 (Bonds) and lent the proceeds from the sale of the Bonds to the Foundation and CWMF Ventures. The purpose of the Bonds is to finance the cost of property acquisition, construction and equipping of a three-story building in New Town in James City County, Virginia, for use by the Foundation, CWMF Ventures or the College. In their current mode, interest on the Bonds is calculated weekly at a rate equal to the interest rate per annum that, in the sole judgment of the remarketing agent, SunTrust Capital Markets, Inc., taking into account prevailing financial market conditions, would be the minimum interest rate required to sell the Bonds at a price of par on such date. The Foundation and CWMF Ventures have the option to direct a change in the type of interest period by delivering written notice to the trustee and remarketing agent.

The Bonds mature, subject to prior redemption or demand purchase, on December 1, 2036. Bonds bearing interest at the daily or weekly rate must be purchased from the owners on any tender date upon delivery of written notice to the trustee and remarketing agent. If not successfully remarketed, funds for the purchase of tendered Bonds will be drawn on the credit facility described below. During the year ending June 30, 2009, the Foundation redeemed \$980,000 of the Bonds. In addition, as described below, \$2,745,000 of the Bonds had been tendered but not remarketed as of June 30, 2009. While these Bonds are issued, they were not outstanding at June 30, 2009. These bonds were successfully remarketed during the year ended June 30, 2010. The recorded

amount of the Bonds outstanding at June 30, 2011 and 2010, was \$8,088,650 and \$8,054,303, respectively, based on their original purchase price to the underwriter of the Bonds. The face value of Bonds outstanding at June 30, 2011 and 2010, was \$8,090,000. As interest on the Bonds is a floating rate which is reset weekly, fair value of the Bonds approximates face value. Interest paid to bondholders for the years ended June 30, 2011 and 2010, was \$57,561 and \$65,525, respectively.

In addition to payments under the loan agreement in respect of the Bonds, the Bonds are further secured by an irrevocable letter of credit issued by SunTrust Bank. The initial expiration date of the letter of credit was December 31, 2009, unless extended, renewed or otherwise terminated under the applicable letter of credit documents among SunTrust bank, the Foundation and CWMF Ventures. The terms of the letter of credit provide for automatic one-year extensions through December 31, 2036 unless SunTrust provides at least two years notice of its intent to terminate. SunTrust has provided such notice, and the current date of expiration is December 31, 2011. The terms of the letter of credit also require the Foundation at all times to maintain unrestricted and temporarily restricted net assets equal to at least 200% of the Foundation's total indebtedness, or such lesser amount as may be agreed by SunTrust Bank. Draws on the letter of credit for the purpose of purchasing any of the Bonds will be secured by the pledge of all right, title and interest in those Bonds. Unreimbursed draws under the letter of credit bear interest at the rate of LIBOR plus 1.50% per annum. During the years ended June 30, 2011 and 2010, draws were made, in the normal course, on the letter of credit per the bond and letter of credit documents in order to pay interest to bondholders. In addition, during the years ended June 30, 2011 and 2010, respectively, draws were made in the amount of \$0 and \$100,000 for tendered Bonds not successfully remarketed within the time stipulated in the bond agreement. Proceeds from subsequent successful remarketing of the tendered bonds were used to pay down the draws on the letter of credit. The total interest paid on the letter of credit during the years ended June 30, 2011 and 2010, was \$0 and \$2,012, respectively. As of June 30, 2011 and 2010, there was no amount outstanding under the letter of credit. The total available under the letter of credit is based on the amount of Bonds outstanding, plus 40 days interest at 10%. The total amount of the letter credit was \$8,179,889 as of June 30, 2011 and 2010, and the entire amount was available to draw.

During the year ended June 30, 2009, the Foundation executed an interest rate swap on a \$7,000,000 notional amount in order to create a synthetic fixed rate on a portion of the Bonds. The Foundation makes monthly payments at a fixed annual rate of 2.05%, and receives monthly payments at a floating rate based on 67% of LIBOR. The interest rate swap agreement terminates December 1, 2036, unless terminated early under the provisions of the agreement. The fair value of the interest rate swap is \$671,976 and \$429,657 at June 30, 2011 and 2010, respectively.

Commitments and Contingencies

On August 21, 2002, New Town Associates entered into a borrowing agreement with SunTrust Bank with a limit of \$5,000,000. The facility was revised in September 2004, December 2006, and October 2009. The total currently available is \$5,000,000, which may be used for borrowing or for letters of credit, and bears interest at the rate of the 30 day LIBOR plus 2.50%, with a minimum of 3%. The Foundation guarantees up to \$2,500,000, and members of the C.C. Casey Limited Company guarantee up to \$2,500,000. Outstanding loan balances of \$2,300,000 and \$2,400,000 existed as of June 30, 2011 and 2010, respectively. Letters of credit outstanding under this facility at June 30, 2011 and 2010, were \$1,623,750 and \$1,476,750, respectively. The due date for the loans, originally September 30, 2010, has been extended through September 30, 2011. The letters of credit are issued to guarantee the completion of site improvements as required by James City County. Upon completion of those improvements, these letters of credit are to be terminated, with no residual liability. No draws had been made on the letters of credit as of June 30, 2011 and 2010.

WILLIAM AND MARY BUSINESS SCHOOL FOUNDATION

Commitments and Contingencies

On January 31, 2007, the Foundation entered into a Development Agreement and a Reimbursement Agreement (Agreements) with the College of William and Mary (College), in connection with the construction and equipping of a new academic building, Alan B. Miller Hall, for the College's Mason School of Business (Project). The College received appropriation authority from the Commonwealth of Virginia to initiate the Project. Total expected cost of the Project is \$75 million. Financing the cost of construction and equipping the building is projected to be as follows: (a) \$25 million in private funds (donor gifts) raised by the Foundation; (b) \$25 million in Series A bonds with debt service payable to the College; and (c) \$25 million in Series B bonds with debt service to be reimbursed to the College from the Foundation. The bonds will be secured by the general revenue pledge of the College. No security interest in the Project or deed of trust on the Property will be granted to secure the bonds.

On October 31, 2007, the Virginia College Building Authority authorized the issuance and sale of \$23,635,000 (par value) of 2008 Series A bonds. The proceeds were used to finance construction of the Project. By the terms of the bond issue, the Foundation has no direct obligation for payment of the 2008 Series A bonds.

On January 21, 2009, the Virginia College Building Authority authorized the issuance and sale of \$23,350,000 (par value) of 2009 Series A bonds. By the terms of the Reimbursement Agreement with the College, the Foundation must reimburse the College for all debt service due on the 2009 Series A bonds and all periodic fees due and payable with respect to the 2009 Series A bonds after their issuance, including fees and expenses of the bond trustee, fees of the remarketing agent with respect to the 2009 Series A bonds and fees of any financial institution providing credit support with respect to the 2009 Series A bonds. In addition, the Foundation has pledged as security for the payments all of its assets that are not subject to donor or other legal restrictions, as defined in the Reimbursement Agreement.

The 2009 Series A bonds have a seven-year term, with principal payments due annually beginning in 2012 and interest payments due biannually. The interest paid to the College for the years ended June 30, 2011 and 2010, was \$962,229 and \$962,658, respectively.

RICHARD BLAND COLLEGE FOUNDATION, INC.

Bonds Payable

During December 2006, the Foundation entered into loan agreements with the Industrial Development Authorities of Dinwiddie County, Virginia, Isle of Wight, Virginia, Prince George, Virginia and Sussex County, Virginia to borrow the proceeds of the Authorities' \$27,000,000 Series 2006 Revenue Bonds (Richard Bland College Foundation Student Housing Facilities). The loan agreement provides for rates of interest of 4.23% with adjustments beginning in 2016 and every 5 years thereafter at 70% of the 5-year U.S. Treasury Note, and 60 equal semi-annual principal and interest payments commencing on February 5, 2009. The bonds are due August 5, 2038. The primary purpose of this loan is to refund and redeem in full the outstanding principal amount of the Authorities' \$27,000,000 Series 2006 Revenue Bonds (Richard Bland College Foundation Student Housing Facilities), the proceeds of which were used to finance the costs of construction and equipping of a student housing facility located in Dinwiddie, Virginia.

WILLIAM & MARY REAL ESTATE FOUNDATION

Tribe Square

During 2010, the Foundation began development of properties held and referred to as Tribe Square. The development consists of two properties already held by the foundation, and three properties that were transferred to the Foundation from the College on July 16, 2010. This transfer is included in the statement of activities as transfers from the College of William & Mary in the amount of \$245,000.

The properties are being developed into a mixed use property known as Tribe Square, which will consist of one floor retail space and two floors student housing. The Foundation will continue to own and manage this property once the construction is complete. The Foundation entered into a commercial management agreement dated December 6, 2010 with an agent to manage the property on behalf of the Foundation. The agreement is for one-year term beginning on August 1, 2011 and ending on July 31, 2012, and continuing on an annual basis unless and until terminated by either party. The services to be provided by the agent include the operation and maintenance of the property, as well as financial duties as defined in the agreement. The management fee paid to the agent will be \$ 20,940 per annum. At year-end, the Foundation has executed two lease agreements for tenants in the first floor retail area. Subsequent to year-end, the Foundation executed one additional lease for a tenant in the first floor retail area. These leases become effective upon completion of the project. The student housing space will be leased to the College. Subsequent to year-end, the Foundation executed a lease with the College for the rental of the student housing.

The Foundation is in the process of closing a financing arrangement that includes taxable and tax exempt bonds in the amount of \$5 million, which will be collateralized by the Tribe Square project. It is expected to close in September 2011.

The Foundation has signed commitments related to this project with a contractor for \$5,556,350. At June 30, 2011, unpaid amounts on this contract total \$1,209,789. The project is expected to be completed in September 2011.

14. CONTRIBUTION TO PENSION PLAN

Virginia Retirement System

Employees of the College are employees of the Commonwealth of Virginia. Substantially all full-time classified salaried employees of the College of William and Mary and Richard Bland College participate in the defined benefit retirement plan administered by the Virginia Retirement System (VRS). VRS is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agency for the Commonwealth of Virginia and its political subdivisions.

The College of William and Mary and Richard Bland College's payroll costs for employees covered by VRS were \$33,944,991 for the year ended June 30, 2011. Total payroll costs were \$142,004,063 for the year ended June 30, 2011.

Information regarding types of employees covered, benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions as well as employer and employee obligations to contribute are established can be found in the Commonwealth's Comprehensive Annual Financial Report.

The College of William and Mary and Richard Bland College's total VRS contributions were \$3,542,074 for the year ended June 30, 2011, which included a 5 percent employee contribution assumed by the employer for employees hired prior to July 1, 2010. Employees who were hired on or after July 1, 2010 began paying the 5 percent employee contribution previously paid by the employer. These contributions represent approximately 10.43 percent of covered payroll for the period July 2010 to June 2011.

The VRS does not measure assets and pension benefit obligations separately for individual state institutions. The Comprehensive Annual Financial Report provides disclosure of the Commonwealth's unfunded pension benefit obligation at June 30, 2011. The same report contains historical trend information showing VRS progress in accumulating sufficient assets to pay benefits when due.

Optional Retirement Plan

Full-time faculty and certain administrative staff may participate in a retirement annuity program through various optional retirement plans other than the VRS. This is a fixed-contribution program where the retirement benefits received are based upon the employer's contributions of approximately 10.4 percent or 8.05 percent depending on whether the employee is in Plan 1 or Plan 2, plus interest and dividends. Plan 1 consists of employees who became a member prior to July 1, 2010. Plan 2 consists of employees who became a member on or after July 1, 2010. Employees who were hired on or after July 1, 2010 began paying the 5 percent employee contribution previously paid by the employer.

Individual contracts issued under the plan provide for full and immediate vesting of contributions of the College of William and Mary and Richard Bland College and their employees. Total pension costs under this plan were \$7,795,704 for the year ended June 30, 2011. Contributions to the optional retirement plans were calculated using the base salary amount of \$84,062,536 for fiscal year 2011. The College of William and Mary and Richard Bland College's total payroll for fiscal year 2011 was \$142,004,063.

Deferred Compensation

Employees of the College are employees of the Commonwealth of Virginia. State employees may participate in the Commonwealth's Deferred Compensation Plan. Participating employees can contribute to the plan each pay period with the Commonwealth matching up to \$10 per pay period. The dollar amount of the match can change depending on the funding available in the Commonwealth's budget. The Deferred Compensation Plan is a qualified defined contribution plan under Section 401(a) of the Internal Revenue Code. Employer contributions under the Deferred Compensation Plan were approximately \$429,583 for fiscal year 2011.

15. POST-RETIREMENT BENEFITS

The Commonwealth participates in the VRS administered statewide group life insurance program which provides post-employment life insurance benefits to eligible retired and terminated employees. The Commonwealth also provides health care credits against the monthly health insurance premiums of its retirees who have at least 15 years of service and participate in the State's health plan. Information related to these plans is available at the statewide level in the Comprehensive Annual Financial Report.

16. CONTINGENCIES

Grants and Contracts

The College of William and Mary and Richard Bland College receive assistance from non-state grantor agencies in the form of grants and contracts. Entitlement to these resources is conditional upon compliance with the terms and conditions of the agreements, including the expenditure of resources for eligible purposes. Substantially all grants and contracts are subject to financial and compliance audits by the grantors. Any disallowances as a result of these audits become a liability. As of June 30, 2010, the College estimates that no material liabilities will result from such audits.

Litigation

The College is currently involved in litigation which could result in a judgment against the College. The final outcome of this lawsuit cannot be determined at this time. However, management is of the opinion that any ultimate liability to which the College may be exposed will not have a material effect upon the College's financial position.

17. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The College participates in insurance plans maintained by the Commonwealth of Virginia. The state employee health care and worker's compensation plans are administered by the Department of Human Resource Management and the risk management insurance plans are administered by the Department of Treasury, Division of Risk Management. Risk management insurance includes property, general liability, medical malpractice, faithful performance of duty bond, automobile, and air and watercraft plans. The College pays premiums to each of these departments for its insurance coverage. Information relating to the Commonwealth's insurance plans is available at the statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

18. SUBSEQUENT EVENTS

In November of 2011, the College of William and Mary issued Series 2011A-1 & 2011A-2, 9(c) General Obligation Bonds through the Treasurer of Virginia in the amount of \$14,400,000. Proceeds from these bonds will be used to construct a new dormitory. The bonds were issued with interest rates varying from 3 percent to 5 percent and will mature in 20 years.

Board of Visitors

Resolution 6

December 7-9, 2011

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**COLLEGE OF WILLIAM AND MARY
RECEIPT OF THE FINANCIAL REPORT OF
THE INTERCOLLEGIATE ATHLETIC DEPARTMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The summarized Financial Report of the Intercollegiate Athletic Department for the fiscal year ended June 30, 2011, has been presented by the Vice President for Finance to the President of the College, who has approved it for presentation to the Rector and the Board of Visitors.

RESOLVED, That the Financial Report of the Intercollegiate Athletic Department for fiscal year ended June 30, 2011, is hereby received by the Board of Visitors.



The College
of **WILLIAM
& MARY**
IN
VIRGINIA

**UNAUDITED
FINANCIAL REPORT OF INTERCOLLEGIATE ATHLETICS
FOR THE YEAR ENDED
JUNE 30, 2011**

THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA
Williamsburg, VA

June 30, 2011

THE BOARD OF VISITORS

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ADMINISTRATIVE OFFICERS

W. Taylor Reveley III, President

Edward C. Driscoll, Athletic Director

Steven L. Cole, Associate Athletic Director,
for Internal Operations

Daniel D. Wakely, Assistant Athletic Director
for Business Affairs

THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA
FINANCIAL REPORT OF INTERCOLLEGIATE ATHLETICS

For the Year Ended June 30, 2011

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Schedule of Revenues and Expenditures of Intercollegiate Athletic Programs	1
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THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA
SCHEDULE OF REVENUES AND EXPENDITURES OF
INTERCOLLEGIATE ATHLETIC PROGRAMS
For the Year Ended June 30, 2011

	Football	Men's Basketball	Women's Basketball	Other* Sports	Administrative and General	Total
Operating Revenues:						
Student Fees					\$10,062,222	\$10,062,222
Contributions (Note 2)	\$ 1,867,544	\$ 550,334	\$ 102,288	\$ 3,367,505	180,685	6,068,356
Endowment and Investment Income (Note 3)	696,278	186,558	130,713	802,145	86,764	1,902,458
Ticket Sales	851,657	163,153	8,199	38,689		1,061,698
Guarantees	351,929	150,000	31,012	30,880		563,821
Direct Institutional Support	2,153			200,000	2,472	204,625
Indirect Facilities and Administrative Support	64,974	34,940	34,193	344,308	50,942	529,357
NCAA/Conference Distributions	184,865	221,539	62,755	585,011	185,770	1,239,940
Broadcast, Television, Radio & Internet Rights					1,603	1,603
Program Sales, Concessions, Novelty Sales & Parking	62,184	3,975	600	700		67,459
Royalties, Advertisements and Sponsorships	259,550	46,214	49,830	42,766	142,917	541,277
Sports Camp Revenues			1,500	1,035	32,803	35,338
Other	98,387	2,082	2,422	181,913	204,916	489,720
Subtotal Operating Revenues	4,439,521	1,358,795	423,512	5,594,952	10,951,094	22,767,874
Operating Expenditures:						
Athletics Student Aid	2,060,073	441,122	578,525	3,479,098	24,500	6,583,318
Guarantees	152,058	4,234	1,204	17,426		174,922
Coaching Salaries, Benefits, & Bonuses Paid by W&M and Related Entities	1,066,048	603,981	279,639	1,734,473		3,684,141
Support Staff/Administrative Salaries, Benefits, and Bonuses Paid by W&M and Related Entities	50,661	48,870	47,133	3,982	2,559,063	2,709,709
Severance Payments					4,044	4,044
Recruiting	123,007	69,507	47,028	131,845		371,387
Team Travel	434,557	133,007	128,192	937,581		1,633,337
Equipment, Uniforms and Supplies	183,683	26,622	24,449	234,120	81,870	550,744
Game Expenses	204,040	130,264	58,356	231,791	3,018	627,469
Fund Raising, Marketing and Promotion	363	1,766	1,976	5,003	382,131	391,239
Direct Facilities, Maintenance and Rental	1,021,489			3,158,518	30,230	4,210,237
Spirit Groups					27,478	27,478
Indirect Facilities and Administrative Support	64,974	34,940	34,193	344,308	50,942	529,357
Medical Expenses and Medical Insurance	16,951	160	3,383	21,318	252,267	294,079
Memberships and Dues	804	960	532	7,937	94,463	104,696
Other Operating Expenses	51,402	23,300	19,960	63,276	672,887	830,825
Subtotal Operating Expenses	\$5,430,110	\$1,518,733	\$1,224,570	\$10,370,676	\$ 4,182,893	\$22,726,982
Excess (deficiency) of revenues over (under) expenses						40,892

* Other sports include baseball, field hockey, golf, gymnastics, lacrosse, soccer, swimming, tennis, track and field, and volleyball.

The accompanying notes are an integral part of this schedule.

THE COLLEGE OF WILLIAM AND MARY
NOTES TO SCHEDULE OF REVENUES AND EXPENDITURES OF
INTERCOLLEGIATE ATHLETIC PROGRAMS
AS OF JUNE 30, 2011

1. BASIS OF PRESENTATION

The accompanying Schedule of Revenues and Expenditures of Intercollegiate Athletic Programs has been prepared on the accrual basis of accounting. The purpose of the schedule is to present a summary of current fund revenues and expenditures of the intercollegiate athletic programs of the College for the year ended June 30, 2011. The schedule presents only a selected portion of the activities of the College and it is not intended to nor does it present either the financial position, changes in fund balances, or current funds revenues and other additions, expenditures, transfers and other deductions for the year ended. Revenues and expenditures are directly identifiable with each category presented and reported accordingly.

2. CONTRIBUTIONS

The Athletic Educational Foundation (AEF) of the College of William and Mary in Virginia, Incorporated, also referred to as the Tribe Club, raises funds and collects contributions for the benefit of the Intercollegiate Athletics Department. The College received \$ 2,925,321 from the AEF during the year ended June 30, 2011, including \$423,650 for debt payments on the Laycock football training facilities.

The Athletic Educational Foundation of the College of William and Mary in Virginia, Incorporated, receives directly from various individuals and businesses donations in the form of goods or services for the athletic program. The College received \$3,143,035 from individuals and businesses in donations during the year ended June 30, 2011, including \$2,800,000 through the College of William and Mary Foundation for construction of the Martin Family Stadium used for the Lacrosse and Men's and Women's Soccer Programs.

3. ENDOWMENT AND INVESTMENT INCOME

The College of William and Mary Foundation is authorized to receive and administer gifts and bequests of all kinds. The Foundation makes such resources available to the College, which may be drawn as needed by the College within the Association's budgetary restrictions. The College received \$1,902,458 from the Foundation for the benefit of the Intercollegiate Athletics Department for the year ended June 30, 2011.

4. CAPITAL ASSETS

Capital assets are recorded at historical cost at the date of acquisition or fair market value at the date of donation in the case of gifts. Construction expenses for capital assets and improvements are capitalized when expended. The College's capitalization policy on equipment includes all items with an estimated useful life of two years or more. The William and Mary campus capitalizes all items with a unit price greater than or equal to \$2,000.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Buildings	40-50 years
Improvements other than Buildings	10-50 years
Infrastructure	10-50 years
Equipment	2-30 years
Library Books	10 years

A summary of the capital asset ending balances net of accumulated depreciation for the year ending June 30, 2011 is as follows:

Depreciable capital assets:	
Buildings	\$27,499,363
Improvements other than Buildings	797,963
Infrastructure	2,627,355
Equipment	<u>2,895,611</u>
Total depreciable capital assets	<u>33,820,292</u>
Less Accumulated depreciation for:	
Buildings	8,972,814
Improvements other than Buildings	163,140
Infrastructure	1,537,808
Equipment	<u>1,361,897</u>
Total accumulated depreciation	<u>12,035,659</u>
Total capital assets, net	<u><u>\$21,784,633</u></u>

5. LONG-TERM DEBT

Long-term debt relating to intercollegiate athletics is shown below.

Description

Section 9(d) Bonds:	Interest Rates (%)	Maturity	Balance as of June 30, 2011	% used by Athletics	Athletics Balance June 30, 2011
William and Mary Hall, Series 2004B	3.000-5.000	2016	800,000	85%	\$ 680,000
William and Mary Hall, Series 2007B	4.000-4.250	2018	165,000	85%	140,250
Recreation Sports Center, Series 2003A	2.000-5.000	2024	485,000	15%	72,750
Recreation Sports Center, Series 2004A	3.500-5.000	2025	6,120,000	15%	918,000
Recreation Sports Center, Series 2005A	3.500-5.000	2026	2,145,000	15%	321,750
Recreation Sports Center, Series 2010B	2.000-5.000	2021	220,000	15%	33,000
Improve Athletics Facilities, Series 2005A	3.500-5.000	2026	2,930,000	100%	2,930,000
Improve Athletics Facilities, Series 2006A	3.000-5.000	2027	680,000	100%	680,000
J. Laycock Football Facility, Series 2006A	3.000-5.000	2027	4,880,000	100%	4,880,000
Busch Field Astroturf Replacement 2009B	3.000-5.000	2030	1,380,000	100%	<u>1,380,000</u>
Total					<u>\$ 12,035,750</u>

Long-term debt matures as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 581,000	\$ 558,319
2013	613,250	528,913
2014	640,500	497,569
2015	679,250	464,575
2016	710,750	429,825
2017-2021	3,689,750	1,600,994
2022-2026	4,236,250	644,638
2027-2031	<u>885,000</u>	<u>48,250</u>
Total	<u>\$ 12,035,750</u>	<u>\$ 4,773,082</u>

6. INDIRECT COSTS

The College recovers a percentage of each auxiliary enterprise's expenditures, including athletics, to cover overhead costs such as utilities and custodial services. In the fiscal year ended June 30, 2011 the overhead rate charged to athletics and other auxiliary enterprise was 28.06% percent. This amount is included in direct facilities, maintenance, and rental expenses, under the category "Administrative and General."

**THE COLLEGE OF WILLIAM AND MARY
2011-2012 OPERATING BUDGET SUMMARY**

Board of Visitors

December 7-9, 2011

Enclosure D

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	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	Board Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through <u>9/30/11</u>
CARRYOVER BALANCE			\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
REVENUE					
Federal Stimulus Funds	\$ 2,188,188	\$ 6,943,426	\$ 0	\$ 0	\$ 0
General Funds					
Educational/General	38,602,485	40,468,124	35,010,223	35,010,223	8,855,685
Student Aid	3,546,629	3,620,227	3,769,066	3,769,066	3,769,066
Sponsored Programs	752,516	414,000	1,800,000	1,800,000	1,800,000
Nongeneral Funds					
Educational/General	96,036,808	104,833,567	111,671,350	111,671,350	58,642,206
Student Aid	8,463,763	11,669,617	13,209,683	13,209,683	13,209,683
Auxiliary Enterprise	76,933,782	81,120,439	81,979,919	81,979,919	34,900,179
Sponsored Programs	28,632,339	31,484,073	28,850,000	28,850,000	11,342,668
Private Funds	10,545,463	11,822,623	11,885,696	11,885,696	1,415,705
Total Revenue	\$ 265,701,973	\$ 292,376,096	\$ 288,175,937	\$ 288,175,937	\$ 133,935,192
EXPENDITURES					
Instruction	\$ 78,203,710	\$ 84,125,717	\$ 84,756,199	\$ 84,713,139	\$ 23,274,928
Research	1,415,736	1,057,239	986,052	986,052	539,284
Public Service	39,120	51,929	27,278	27,278	25,356
Academic Support	23,438,713	25,007,397	24,113,046	23,667,968	6,469,930
Student Services	7,655,487	8,430,764	7,329,823	7,304,323	2,173,652
Institutional Support	18,610,925	21,428,918	22,556,602	22,378,453	7,512,013
Plant Operations	14,706,671	17,660,001	17,148,447	16,903,447	5,153,610
Student Aid	15,085,872	17,982,111	20,161,270	20,161,270	18,359,360
Auxiliary Enterprise	72,248,456	76,226,174	80,829,345	80,829,345	19,608,715
Sponsored Programs	29,384,855	31,898,073	30,650,000	30,650,000	13,142,668
Unallocated		0	(1,000,000)	(63,213)	0
Total Expenditures	\$ 260,789,545	\$ 283,868,323	\$ 287,558,062	\$ 287,558,062	\$ 96,259,516

December 7-9, 2011

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The College of William and Mary
Education and General
2011-2012 Operating Budget Summary

	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	Board Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through 9/30/11
CARRYOVER BALANCE			\$1,000,000	\$1,000,000	\$1,000,000
REVENUE:					
Federal Stimulus Funds	\$2,188,188	\$6,943,426	\$0	\$0	\$0
General Funds	38,602,485	40,468,124	35,010,223	35,010,223	8,855,685
Nongeneral Funds	96,036,808	104,833,567	111,671,350	111,671,350	\$58,642,206
Total Revenue	\$136,827,481	\$152,245,117	\$146,681,573	\$146,681,573	\$67,497,891
AVAILABLE FOR EXPENDITURES	\$136,827,481	\$152,245,117	\$147,681,573	\$147,681,573	\$68,497,891
EXPENDITURES:					
Instruction	\$77,289,596	\$83,314,623	\$83,552,387	\$83,509,327	\$23,093,552
Research	1,229,159	853,270	824,440	824,440	403,231
Public Service	8,021	8,306	8,179	8,179	193
Academic Support	22,461,848	24,448,507	23,390,558	22,945,480	6,273,377
Student Services	7,221,394	8,116,604	7,125,027	7,099,527	2,132,318
Institutional Support	14,226,286	18,198,069	16,683,664	16,505,515	5,390,387
Plant Operations	14,391,177	17,265,065	17,097,318	16,852,318	5,137,343
Unallocated			(1,000,000)	(63,213)	0
Total Expenditures	136,827,481	\$152,204,444	\$147,681,573	\$147,681,573	\$42,430,401

The College of William and Mary
Student Financial Assistance*
2011-2012 Operating Budget Summary

	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	Board Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through 9/30/11
REVENUE:					
General Funds	\$3,546,629	\$3,620,227	\$3,769,066	\$3,769,066	\$3,769,066
Nongeneral Funds	8,463,763	11,669,617	13,209,683	13,209,683	13,209,683
Total Revenue	\$12,010,392	\$15,289,844	\$16,978,749	\$16,978,749	\$16,978,749
EXPENDITURES:					
	\$12,009,892	\$15,257,056	\$16,978,749	\$16,978,749	\$16,978,749

* Excludes student financial assistance support included in Board of Visitors private fund budget.

The College of William and Mary
Education and General
2011-2012 Operating Budget Summary

	2009-2010 Actual	2010-2011 Actual	Board Approved 2011-2012 Budget	Estimated 2011-2012 Budget	Year to Date Through 9/30/11
CARRYOVER BALANCE			1,000,000	1,000,000	1,000,000
<u>REVENUE</u>					
Federal Stimulus Funds	\$2,188,188	\$6,943,426	\$0	\$0	\$0
General Funds	38,602,485	40,468,124	35,010,223	\$35,010,223	8,855,685
Nongeneral Funds (Pam)	96,036,808	104,833,567	111,671,350	111,671,350	58,642,206
TOTAL REVENUE	\$136,827,481	\$152,245,117	\$146,681,573	\$146,681,573	\$67,497,891
AVAILABLE FOR EXPENDITURES	\$136,827,481	\$152,245,117	\$147,681,573	\$147,681,573	\$68,497,891
<u>EXPENDITURES</u>					
<u>Instruction</u>					
Personal Services	\$70,134,557	\$73,629,791	\$75,561,008	\$75,517,948	\$21,507,266
Contractual Services	2,424,968	3,938,195	3,087,676	3,087,676	550,600
Supplies and Materials	652,582	648,368	825,899	825,899	182,651
Transfer Payments	2,465,667	2,960,258	684,728	684,728	133,102
Continuous Charges	549,491	474,432	540,970	<u>540,970</u>	118,006
Property & Improvements	484,589	58,849	75,000	75,000	111,434
Equipment	577,743	1,602,847	2,777,106	2,777,106	490,494
Indirect Costs	0	1,885	0	0	0
TOTAL	\$77,289,596	\$83,314,623	\$83,552,387	\$83,509,327	\$23,093,552
<u>Research</u>					
Personal Services	\$723,906	\$495,040	\$460,786	\$460,786	\$154,317

Board of Visitors

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	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	Board Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through 9/30/11
Contractual Services	146,182	61,076	56,746	56,746	3,142
Supplies and Materials	13,137	1,258	22,452	22,452	368
Transfer Payments	291,129	284,965	208,371	208,371	244,965
Continuous Charges	1,036	592	300	300	-
Property & Improvements	39,555	0	-	-	-
Equipment	14,214	10,339	75,785	75,785	440
TOTAL	\$1,229,159	\$853,270	\$824,440	\$824,440	\$444,047
<u>Public Service</u>					
Personal Services	\$3,025	\$1,543	\$2,760	\$2,760	\$0
Contractual Services	3,354	6,649	4,942	4,942	193
Supplies and Materials	4	0	477	477	-
Continuous Charges	0	0	-	-	-
Equipment	1,638	115	-	-	-
TOTAL	\$8,021	\$8,306	\$8,179	\$8,179	\$193
<u>Academic Support</u>					
LIBRARIES:					
Personal Services	\$5,156,477	\$5,179,592	\$5,339,186	\$5,306,066	\$1,759,230
Contractual Services	757,362	712,663	443,399	443,399	143,953

	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	Board Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through 9/30/11
Supplies and Materials	46,463	58,873	38,658	38,658	15,432
Transfer Payments	0	0	0	0	0
Continuous Charges	1,797	4	93,422	93,422	2,847
Property & Improvements	0	0	-	0	-
Equipment	3,494,370	3,694,597	3,799,255	3,799,255	450,235
TOTAL	\$9,456,468	\$9,645,729	\$9,713,920	\$9,680,800	\$2,412,512
OTHER ACAD. SUPPORT:					
Personal Services	\$10,849,486	\$11,709,868	\$10,922,771	\$10,922,771	\$2,917,493
Contractual Services	1,218,375	1,917,972	1,569,403	1,325,791	686,279
Supplies and Materials	84,640	59,840	137,001	137,001	50,971
Transfer Payments	73,396	112,599	74,566	74,566	87,161
Continuous Charges	93,302	114,436	295,761	295,761	58,245
Property & Improvements	1,340	36,532	-	0	472
Equipment	516,494	837,501	662,771	494,425	101,060
Obligations	168,347	14,029	14,365	14,365	-
TOTAL	\$13,005,380	\$14,802,778	\$13,676,638	\$13,264,680	\$3,901,681
TOTAL ACADEMIC SUPPORT	\$22,461,848	\$24,448,507	\$23,390,558	\$22,945,480	\$6,314,193

	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	Board Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through 9/30/11
<u>Student Services</u>					
Personal Services	\$6,084,190	\$6,895,763	\$5,905,506	\$5,905,506	\$1,846,768
Contractual Services	852,752	925,352	955,545	930,045	193,220
Supplies and Materials	126,186	145,673	123,624	123,624	28,711
Transfer Payments	72,952	68,344	23,752	23,752	29,332
Continuous Charges	5,881	3,857	3,750	3,750	2,533
Property & Improvements	63	9,589	0	0	94
Equipment	79,369	68,026	112,850	112,850	31,659
TOTAL	\$7,221,394	\$8,116,604	\$7,125,027	\$7,099,527	\$2,132,318
<u>Institutional Support</u>					
Personal Services	\$12,000,827	\$15,577,617	\$12,945,972	\$12,826,972	\$3,886,744
Contractual Services	1,264,059	1,500,147	2,607,799	2,607,799	358,366
Supplies and Materials	133,992	197,259	168,216	168,216	444,936
Transfer Payments	73,308	142,676	94,454	94,454	26,240
Continuous Charges	471,053	484,182	531,870	531,870	643,855
Property & Improvements	1,537	14,699	0	0	2,756
Equipment	222,362	276,560	327,306	268,157	27,489

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	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	Board Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through 9/30/11
Obligations	59,148	4,929	8,047	8,047	-
TOTAL	\$14,226,286	\$18,198,069	\$16,683,664	\$16,505,515	\$5,431,203
<u>Plant Operations</u>					
Personal Services	\$3,742,549	\$5,191,152	\$4,445,498	\$4,445,498	\$1,401,566
Contractual Services	4,355,849	5,876,269	5,314,103	5,314,103	1,483,940
Supplies and Materials	1,570,388	1,810,488	1,850,775	1,850,775	464,313
Transfer Payments	0	0	0	0	-
Continuous Charges	4,422,237	4,061,056	5,057,787	<u>4,812,787</u>	1,788,015
Property & Improvements	39,728	205,268	144,575	144,575	19,777
Equipment	260,425	120,832	284,580	284,580	(20,268)
TOTAL	\$14,391,177	\$17,265,065	\$17,097,318	\$16,852,318	\$5,137,343
Contingency	\$0	\$0	\$0	\$0	\$0
Unallocated			(\$1,000,000)	(\$63,213)	\$0
E&G PROGRAM TOTAL	\$136,827,481	\$152,204,444	\$147,681,573	\$147,681,573	\$42,552,849

The College of William and Mary
Auxiliary Enterprise
2011-2012 Operating Budget Summary

Board of Visitors
 December 7-9, 2011

Enclosure D

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	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	Board Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through 9/30/2011
REVENUE					
Residence Life	\$22,639,688	\$23,860,980	\$23,567,000	\$23,567,000	\$10,211,068
Food Service	13,739,009	13,906,637	14,191,000	14,191,000	5,557,161
Telecom/Network	3,588,710	3,664,668	3,515,230	3,515,230	1,203,920
Student Unions	2,859,634	2,899,844	2,735,600	2,735,600	1,341,157
W&M Hall	1,991,145	2,172,942	2,204,100	2,204,100	1,116,553
Athletics	17,018,614	18,755,845	19,520,400	19,520,400	5,944,640
Other	<u>15,096,982</u>	<u>15,859,523</u>	<u>16,246,589</u>	<u>16,246,589</u>	<u>9,525,680</u>
Total Revenue	\$76,933,782	\$81,120,439	\$81,979,919	\$81,979,919	\$34,900,179
EXPENDITURES					
Residence Life	\$20,758,808	\$22,235,788	\$23,562,000	\$23,562,000	\$6,362,376
Food Service	12,970,853	12,191,866	13,439,680	13,439,680	1,637,574
Telecom/Network	3,469,172	3,509,928	3,418,286	3,418,286	580,183
Student Unions	2,536,867	2,714,689	2,735,600	2,735,600	820,516
W&M Hall	1,617,105	2,109,104	2,204,100	2,204,100	683,133
Athletics	16,911,072	18,744,923	19,520,400	19,520,400	4,369,606
Other	<u>13,984,579</u>	<u>14,719,876</u>	<u>15,949,279</u>	<u>15,949,279</u>	<u>5,155,327</u>
Total Expenditures	\$72,248,456	\$76,226,174	\$80,829,345	\$80,829,345	\$19,608,715

Board of Visitors

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Enclosure D

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The College of William and Mary
Sponsored Programs
2011-2012 Operating Budget Summary

	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	April 2011 Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through 9/30/2011
REVENUE					
General Fund	\$752,516	\$414,000	\$1,800,000	\$1,800,000	\$1,800,000
Nongeneral Fund	<u>28,632,339</u>	<u>31,484,073</u>	<u>28,850,000</u>	<u>28,850,000</u>	<u>11,342,668</u>
Total Revenue	\$29,384,855	\$31,898,073	\$30,650,000	\$30,650,000	\$13,142,668
EXPENDITURES					
	\$29,384,855	\$31,898,073	\$30,650,000	\$30,650,000	\$13,142,668

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The College of William and Mary
Private Funds
2011-12 Operating Budget Summary

	2009-2010 Actual	2010-2011 Actual	Board Approved 2011-2012 Budget	Estimated 2011-2012 Budget	Year to Date Through 9/30/11
REVENUE:					
Distributed Endowment Income	\$2,005,031	\$2,017,708	\$2,102,696	\$2,102,696	\$524,521
Administrative Overhead Allocation	200,000	200,000	200,000	200,000	50,000
Transfers from Other Sources	533,492	102,084	283,000	283,000	66,195
Interest on Cash Balances	15,539	153,395	186,000	186,000	21,665
Annual Gifts	7,195,279	8,451,745	7,600,000	7,600,000	687,702
Drawdown from BOV Quasi Endowment	0	0	1,000,000	1,000,000	0
Distribution from External Trusts	25,421	34,328	14,000	14,000	212
Other Revenue	570,701	863,363	500,000	500,000	65,410
Total Revenue	\$10,545,463	\$11,822,623	\$11,885,696	\$11,885,696	\$1,415,705
EXPENDITURES:					
Instruction	\$914,114	\$811,094	\$1,203,812	\$1,203,812	181,376
Research	186,577	203,969	161,612	161,612	136,053
Public Service	31,099	43,623	19,099	19,099	25,163 (1)
Academic Support	976,865	558,890	722,488	722,488	196,553
Student Services	434,093	314,160	204,796	204,796	41,334
Institutional Support	4,384,639	3,230,849	5,872,938	5,872,938	2,121,626
Plant: Operations & Capital Improvements	315,494	394,936	51,129	51,129	16,267
Student Aid	3,075,980	2,725,055	3,182,521	3,182,521	1,380,611
Total Expenditures	\$10,318,861	\$8,282,576	\$11,418,395	\$11,418,395	\$4,098,983

(1) Mostly expenditures in BOV-VIMS Community Service which will be reimbursed by VIMS Foundation.

Board of Visitors

December 7-9, 2011

Enclosure E

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VIRGINIA INSTITUTE OF MARINE SCIENCE
2011-2012 Operating Budget Summary

	2009-2010 <u>Actual</u>	2010-2011 <u>Actual</u>	Board Approved 2011-2012 <u>Budget</u>	Estimated 2011-2012 <u>Budget</u>	Year to Date Through 9/30/11
<u>REVENUE</u>					
General Fund	\$17,776,971	\$18,576,281	\$16,688,654	\$16,688,654	\$4,792,739
Nongeneral Funds					
Educational/General	\$1,735,439	\$1,759,741	1,811,188	1,811,188	\$810,160
Federal Stimulus	\$0	\$2,704,790	0	0	\$420,304
Sponsored Programs	<u>\$22,168,374</u>	<u>\$18,609,523</u>	<u>21,500,000</u>	<u>21,500,000</u>	<u>\$5,678,254</u>
Total Revenue	\$41,680,784	\$41,650,335	\$39,999,842	\$39,999,842	\$11,701,458
<u>EXPENDITURES</u>					
Instruction	\$1,441,027	\$1,394,266	\$1,630,070	\$1,630,070	\$402,984
Research and Advisory Services	\$8,188,604	\$9,431,887	7,566,213	7,566,213	\$2,159,569
Academic Support	\$4,122,504	\$4,580,226	3,634,904	3,634,904	\$1,121,626
Institutional Support	\$2,017,786	\$3,159,290	1,544,128	1,544,128	\$1,002,322
Plant Operations	\$3,503,961	\$3,721,015	3,886,001	3,886,001	\$1,142,813
Student Financial Assistance	\$238,527	\$715,798	238,527	238,527	\$112,905
Sponsored Programs	<u>\$22,168,374</u>	<u>\$18,609,523</u>	<u>21,500,000</u>	<u>21,500,000</u>	<u>\$5,678,254</u>
Total Expenditures	\$41,680,784	\$41,612,005	\$39,999,843	\$39,999,843	\$11,620,473

EXECUTIVE COMMITTEE
December 8, 2011
9:00 – 10:00 a.m.
Rector's Office - Blow Memorial Hall

Jeffrey B. Trammell, Chair
Charles A. Banks III, Vice Chair
Dennis H. Liberson, Secretary

I. Introductory Remarks - Mr. Trammell

II. Approval of Minutes

- A. September 21, 2011
- B. November 15, 2011

III. Closed Session (if necessary)

IV. Open Session - Certification of Closed Session **Resolution**

Chair should review topic discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the Committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.

V. Adjourn

EXECUTIVE COMMITTEE

MINUTES - SEPTEMBER 21, 2011 and
NOVEMBER 15, 2011

MINUTES
Executive Committee
September 21, 2011
Rector's Office – Blow Memorial Hall

Attendees: Jeffrey B. Trammell, Chair; Charles A. Banks III, Vice Chair; Colin G. Campbell; Timothy P. Dunn; R. Philip Herget III; Dennis H. Liberson. Others in attendance: President W. Taylor Reveley III and Michael J. Fox.

Chair Jeffrey B. Trammell called the meeting to order at 3:00 p.m. Recognizing that a quorum was present, Mr. Trammell moved adoption of the minutes of the meeting of April 15, 2011. Motion was seconded by Mr. Banks and approved by voice vote of the Committee.

Mr. Trammell moved that the Executive Committee of the Board of Visitors of the College of William and Mary convene in Closed Session for the purpose of discussing the performance of specific college employees; and matters pertaining to honorary degrees, as provided for in Section 2.2-3711.A.1., and 10., of the Code of Virginia. Motion was seconded by Mr. Liberson and approved by voice vote. The observers were asked to leave the room and the Committee went into closed session at 3:05 p.m.

The Executive Committee reconvened in open session at 4:00 p.m. Mr. Trammell reviewed the topics discussed during closed session for the benefit of the observers, then moved adoption of the Resolution certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Banks and approved by roll call vote of the Committee members conducted by Secretary to the Board Michael Fox (**Certification Resolution** is appended).

There being no further business, the Committee adjourned at 4:05 p.m.

September 21, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Executive Committee has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3711.A.10. of the Code of Virginia requires a certification by this Committee that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, That the Executive Committee, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Executive Committee.

VOTE

AYES: 6

NAYS: 0

ABSENT DURING CLOSED SESSION:


Jeffrey B. Trammell
Chair
Executive Committee

MINUTES
Executive Committee
November 15, 2011
Board Conference Room – Blow Memorial Hall

Attendees: Jeffrey B. Trammell, Chair; Charles A. Banks III, Vice Chair; Colin G. Campbell; Timothy P. Dunn; R. Philip Herget III; Dennis H. Liberson; Janet M. Brashear and Robert E. Scott participated via telephone. Others in attendance: President W. Taylor Reveley III, Provost Michael R. Halleran, Samuel E. Jones, Michael J. Fox, Sandra J. Wilms and Brian W. Whitson.

Chair Jeffrey B. Trammell called the meeting to order at 2:00 p.m., noting that this meeting was the first of occasional Executive Committee meetings to be held between the regularly scheduled Board meetings. Mr. Trammell welcomed those participating via telephone.

Mr. Trammell moved that the Executive Committee of the Board of Visitors of the College of William and Mary convene in Closed Session for the purpose of discussing personnel matters pertaining to specific executive employees; specific recommendations related to fundraising strategies as well as current development activities, and matters pertaining to honorary degrees and speakers, as provided for in Section 2.2-3711.A.1., 8., and 10., of the Code of Virginia. Motion was seconded by Mr. Herget and approved by voice vote. The observers were asked to leave the room and the Committee went into closed session at 2:07 p.m.

The Executive Committee reconvened in open session at 3:28 p.m. Mr. Trammell reviewed the topics discussed during closed session for the benefit of the observers, then moved adoption of the Resolution certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Liberson and approved by roll call vote of the Committee members conducted by Secretary to the Board Michael Fox (**Certification Resolution** is appended).

Vice President for Finance Sam Jones provided an update on the six-year plan submitted in October, noting that, to date he had received no feedback or other communication from Richmond. Mr. Jones noted that the Governor introduces his budget on December 19 and the General Assembly will likely make adjustments during the upcoming legislative session. A general discussion ensued.

There being no further business, the Committee adjourned at 3:58 p.m.

November 15, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Executive Committee has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3711.A.10. of the Code of Virginia requires a certification by this Committee that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, That the Executive Committee, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Executive Committee.

VOTE

AYES: 7

NAYS: 0

ABSENT DURING CLOSED SESSION:


Jeffrey B. Trammell
Chair
Executive Committee

COMMITTEE ON AUDIT
December 8, 2011
9:00 – 9:50 a.m.
Board Conference Room - Blow Memorial Hall

John C. Thomas, Chair
Michael Tang, Vice Chair

- I. Introductory Remarks - Mr. Thomas
- II. Approval of Minutes - September 21, 2011
- III. Report from Auditor of Public Accounts
- IV. Report from Director of Internal Audit - Michael L. Stump
 - A. Report of Internal Audit Activity Since September 21, 2011 - Enclosure F.
 - B. Approval of 2012 Internal Audit Work Plan - **Resolution** 7.
 - C. Risk Management Considerations – Enclosure G.
- V. Closed Session (if necessary)
- VI. Open Session - Certification of Closed Session **Resolution**

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the Committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.
- VII. Discussion
- VIII. Adjourn

COMMITTEE ON AUDIT

MINUTES – SEPTEMBER 21, 2011

MINUTES
Committee on Audit
September 21, 2011
Board Conference Room - Blow Memorial Hall

Attendees: John C. Thomas, Chair; Michael Tang, Vice Chair; Laura L. Flippin; Leigh A. Pence; and L. Clifford Schroeder, Sr. Board member present: Peter A. Snyder. Others present: Kiersten L. Boyce; Ariel Cohen; Michael R. Halleran; Samuel E. Jones; Jennifer B. Latour; Deborah A. Love; Anna B. Martin; Michael L. Stump; and Russell E. Whitaker.

Chair John C. Thomas called the meeting to order at 3:00 p.m. and recognizing that a quorum was present, asked for a motion to approve the minutes of the meeting of April 14, 2011. Motion was made by Mr. Tang, seconded by Ms. Flippin and approved by voice vote.

Mr. Thomas asked Mr. Stump to discuss projects completed and underway. Mr. Stump referred the Committee to the Report of Internal Audit Activity as detailed in Enclosure C, noting that the first two projects would be discussed in closed session. He briefly discussed each of the remaining 10 completed projects. One project, involving controls over cash collection and deposits, included 15 separate cash collection functions. Each function was provided a separate memo that addressed the specific findings for that function.

Mr. Stump also discussed the eight projects in process.

Vice President for Finance Sam Jones briefly reported on the external review of the Internal Audit Office, which was completed in July 2011, as detailed in Enclosure D.

Mr. Thomas moved that, pursuant to Section 2.2-3711.A.1 and 7 of the Code of Virginia, the meeting be closed to discuss personnel matters involving identifiable College employees and consultation with legal counsel. Motion was seconded by Mr. Schroeder and approved by voice vote. Observers were asked to leave the room and the Committee went into closed session at 3:32 p.m.

The Committee reconvened in open session at 3:56 p.m. Mr. Thomas reviewed the topics discussed in the closed session and moved the adoption of the **Resolution** certifying the closed session was held in accordance with the Freedom of Information Act. Motion was seconded by Mr. Tang and approved by roll call vote conducted by Vice President for Finance Sam Jones. (Certification **Resolution** is appended.)

There being no further business, the Committee adjourned at 3:57 p.m.

September 21, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Audit has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this Committee that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, That the Committee on Audit, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Committee on Audit.

VOTE

AYES: 4

NAYS: 0

ABSENT DURING CLOSED SESSION:

A handwritten signature in blue ink, appearing to read "John C. Thomas", is written over a horizontal line.

John C. Thomas
Chair
Committee on Audit

COLLEGE OF WILLIAM AND MARY and RICHARD BLAND COLLEGE
REPORT OF INTERNAL AUDIT ACTIVITY SINCE SEPTEMBER 21, 2011

Projects

Completion Date

- Association of Inspectors General presentation October 12
- Internet use policies and practices (RBC) Audit Committee req. November 7
- Internet use policies and practices (W&M) Audit Committee req. November 7
- Association of Government Accountants presentation December 1

Projects in process

Estimated Completion Date

- Assist Auditor of Public Accounts Ongoing
- Centralized billing and VA benefits – management request Ongoing
- Data centers physical and security controls - RBC Dec 2011
- Financial Aid – Audit Committee request Dec 2011
- President's Honor System Review Comm – President's request Dec 2011
- President's Business Innovation Comm – President's request Ongoing
- Risk Management Steering Committee – management request Ongoing
- Sadler and Campus centers cash thefts Dec 2011
- Small Purchase Charge Card Program Ongoing

COLLEGE OF WILLIAM AND MARY
APPROVAL OF 2012 INTERNAL AUDIT WORK PLAN

As provided in the Office of Internal Audit Charter, the Director is responsible for preparing comprehensive work plans based upon his judgment and a risk assessment model.

The proposed 2012 Work Plan for the Office of Internal Audit includes the following areas:

1. ARMICS – risk management and internal controls directive
2. Auditor of Public Accounts (APA) Support
3. Centralized billing and VA benefits
4. Fraud, Waste and Abuse Hotline; internal investigations
5. Payroll
6. Personnel hiring and evaluation committees
7. President's Honor System Review Committee
8. President's Business Innovation Committee
9. Procurement
10. Related foundations
11. Data centers (Jones, Blow and Miller Halls, Discovery 1 and Swem Library)
12. Risk Management Committee
13. Small purchase cards
14. William and Mary Police Department – assist investigations
15. Additional requests from the Board and management

The 2012 Work Plan has been reviewed by the Committee on Audit and management of the College of William and Mary and Richard Bland College, and is hereby recommended to the Board of Visitors.

THEREFORE, BE IT RESOLVED, That the 2012 Work Plan for the Office of Internal Audit is approved by the Board of Visitors.

College of William and Mary and Richard Bland College
Risk Management Considerations – November 2011

Risk Area	Financial Impact (FY 2010)	Operational Considerations	Operational Responsibility	Completed Projects	2012 Projects (Proposed)
Safety	Potential for lawsuits	Safety; emergency prep; facility security; hazardous materials	WM: VP Admin; Vice Provost Research RBC: VP for Admin and Finance	<ul style="list-style-type: none"> President's Honor System Review Committee - ongoing 2012 audit risk assessment 7/5/11 ARMICS deposit delivery by WM/PC 6/30/11 ARMICS Facilities Planning, Design, and Construction internal controls 6/23/10 Child Care Center 7/8/09 Police captain search 5/15/09 Student health insurance procurement 2/27/09 Facilities Planning, Design, and Construction 1/2/10 	<ul style="list-style-type: none"> Risk Management Committee – ongoing Data center security review (Jones, Blow, and Miller Halls; Discovery One, and Swem Library)
Regulatory and Compliance	Potential for fines, repayments, and disallowed costs	Numerous and complex compliance issues and privacy considerations	WM: Provost; VPs Admin, Finance, and Student Affairs RBC: Provost; VP for Admin and Finance	<ul style="list-style-type: none"> President's Business Innovation Committee – implementation and assessment - ongoing 2012 audit risk assessment 7/5/11 ARMICS – 15 cash collection points 6/30/11 Provost's Office 3/29/11 Center For Student Diversity 2/24/11 Combined Virginia Campaign 1/31/11 Athletics internal controls 1/6/11 Student Activities (2 reports) 12/7/10 Leave abuse and misuse of College computer 9/7/10 ARMICS internal controls 7/17/09 Student health insurance procurement 2/27/09 Student Assembly internal controls 2/5/09 	<ul style="list-style-type: none"> Data center security review (Jones, Blow, and Miller Halls; Discovery One, and Swem Library) President's Business Innovation Committee – implementation and assessment - ongoing ARMICS Centralized billing and VA benefits Personnel hiring and evaluation committees Risk Management Committee - ongoing

College of William and Mary and Richard Bland College
Risk Management Considerations – November 2011

Risk Area	Financial Impact (FY 2010)	Operational Considerations	Operational Responsibility	Completed Projects	2012 Projects (Proposed)
<i>Changing Nature and Amounts of Funding Sources</i>	\$65 Million in State appropriations – excludes capital (Note 12)	Sources and levels of funding; impact on programs and credit rating	WM: VP for Finance RBC: VP for Admin and Finance	<ul style="list-style-type: none"> President's Business Innovation Committee – implementation and assessment - ongoing 2012 audit risk assessment 7/5/11 ARMICS investments internal controls 5/26/10 McCormack-Nagelsen Tennis Center 3/16/10 One-Card reconciliation controls 5/19/09 	<ul style="list-style-type: none"> President's Business Innovation Committee – implementation and assessment – ongoing Risk Management Committee - ongoing
<i>Information Technology Systems and Infrastructure</i>	Very significant	Support mission- critical activities	WM: CIO RBC: VP for Admin and Finance	<ul style="list-style-type: none"> President's Business Innovation Committee – implementation and assessment - ongoing Information Technology Steering Committee - ongoing Internet use policy review (W&M/RBC) est 12/2011 2012 audit risk assessment 7/5/11 ARMICS internal controls 6/15/10 Banner security and controls WM 12/9/09 Banner security and controls RBC 2/16/10 	<ul style="list-style-type: none"> Data center security review (Jones, Blow, and Miller Halls; Discovery One, and Swem Library) President's Business Innovation Committee – implementation and assessment - ongoing ARMICS Risk Management Committee - ongoing

College of William and Mary and Richard Bland College
Risk Management Considerations – November 2011

Risk Area	Financial Impact (FY 2010)	Operational Considerations	Operational Responsibility	Completed Projects	2012 Projects (Proposed)
<i>Enrollment</i>	\$110 Million in tuition and fees (SRECNA)	Enrollment management, recruiting and retaining students	WM: Assoc Provost Enrollment RBC: Provost	<ul style="list-style-type: none"> Financial Aid compliance 12/2011 (est) 2012 audit risk assessment 7/5/11 ARMICS receipts/deposits 6/30/11 ARMICS internal controls 6/7/10 Risk Management Committee - Ongoing 	<ul style="list-style-type: none"> Centralized billing and VA benefits
<i>Financial Aid</i>	\$42 Million in scholarship allowances and student aid – including foundations (SRECNA)	Numerous and complex compliance issues	WM: Assoc Provost Enrollment RBC: VP for Admin and Finance	<ul style="list-style-type: none"> Financial aid compliance 12/2011 (est) 2012 audit risk assessment 7/5/11 ARMICS internal controls 6/7/10 	<ul style="list-style-type: none"> Centralized billing and VA benefits
<i>Payroll and Benefits</i>	\$190 Million in expenditures (Note 11)	Largest expense category	WM: VPs for Admin and Finance RBC: VP for Admin and Finance	<ul style="list-style-type: none"> President's Business Innovation Committee – implementation and assessment - ongoing 2012 audit risk assessment 7/5/11 Swem Library accountant search 11/20/09 ARMICS internal controls 7/17/09 Banner overtime rate calculations 9/4/09 Police captain search 5/15/09 	<ul style="list-style-type: none"> Payroll audit President's Business Innovation Committee – implementation and assessment - ongoing Personnel hiring and evaluation committees

College of William and Mary and Richard Bland College
Risk Management Considerations – November 2011

Risk Area	Financial Impact (FY 2010)	Operational Considerations	Operational Responsibility	Completed Projects	2012 Projects (Proposed)
Research	\$50 Million in expenditures (Note 11)	Numerous and complex compliance issues	WM: Vice Provost Research RBC: Provost	<ul style="list-style-type: none"> President's Business Innovation Committee – implementation and assessment - ongoing 2012 audit risk assessment 7/5/11 ARMICS receipts/deposits 6/30/11 ARMICS grants internal controls 10/6/09 	<ul style="list-style-type: none"> President's Business Innovation Committee – implementation and assessment - ongoing Risk Management Committee
Services and Supplies	\$88 Million in expenditures (Note 11)	Federal, Commonwealth, and College rules, regulations, and policies	WM: VPs for Admin and Finance RBC: VP for Admin and Finance	<ul style="list-style-type: none"> Small Purchase Credit Card ongoing President's Business Innovation Committee – implementation and assessment - ongoing 2012 audit risk assessment 7/5/11 Accounts Payable compliance review 6/22/10 Ash Lawn Opera Festival fraud 9/15/09 Accounts Receivable travel advances and reimbursements 2/5/09 	<ul style="list-style-type: none"> Procurement audit President's Business Innovation Committee – implementation and assessment - ongoing Small Purchase Credit Card - ongoing
Land and Facilities	\$642 Million in capital assets (Note 6)	Capital project management and facilities maintenance	WM: VP for Admin RBC: VP for Admin and Finance	<ul style="list-style-type: none"> 2012 audit risk assessment 7/5/11 ARMICS Facilities Management and Facilities Planning, Design, and Construction internal controls 6/23/10 ARMICS fixed assets internal controls 6/14/10 Facilities Planning, Design, and Construction 1/21/09 	<ul style="list-style-type: none"> Data center security review (Jones, Blow, and Miller Halls; Discovery One, and Swem Library) President's Business Innovation Committee – implementation and assessment - ongoing

College of William and Mary and Richard Bland College
Risk Management Considerations – November 2011

Risk Area	Financial Impact (FY 2010)	Operational Considerations	Operational Responsibility	Completed Projects	2012 Projects (Proposed)
<i>Foundations</i>	\$545 Million in total net assets (<i>Note 13</i>)	Relationships with foundations; gift restrictions; dependence on donations; other considerations	WM: VP for Development RBC: Provost	<ul style="list-style-type: none"> • Law School Foundation journal entry work for public accounting firm 8/2011 • 2012 audit risk assessment 7/5/11 • ARMICS receipts/deposits 6/30/11 • Law School Foundation journal entry work for public accounting firm 8/13/10 	<ul style="list-style-type: none"> • Data center security review (Jones, Blow, and Miller Halls; Discovery One, and Swem Library) • Law School Foundation journal entry work for public accounting firm • Foundations work - minimal
<i>Athletics</i>	\$18 Million in expenditures (<i>APA NCAA Audit</i>)	NCAA compliance; College reputation	WM: Director of Athletics RBC: Not applicable	<ul style="list-style-type: none"> • President's Business Innovation Committee – implementation and assessment - ongoing • 2012 audit risk assessment 7/5/11 • ARMICS receipts/deposits 6/30/11 • Athletics internal controls 1/6/11 	<ul style="list-style-type: none"> • Risk Management Committee
<i>SACS Accreditation</i>	Very significant	Enrollment, financial aid, and Federal and Commonwealth funding	WM: Provost RBC: Provost	<ul style="list-style-type: none"> • President's Business Innovation Committee – implementation and assessment - ongoing 	<ul style="list-style-type: none"> • President's Business Innovation Committee – implementation and assessment - ongoing

COMMITTEE ON ATHLETICS

December 8, 2011

9:50 – 10:30 a.m.

Board Conference Room – Blow Memorial Hall

Todd A. Stottlemeyer, Chair

Timothy P. Dunn, Vice Chair

I. Introductory Remarks - Mr. Stottlemeyer

II. Committee Discussion

A. Charge/Role of the Committee

B. Orientation/Education on Athletics

1. Mission Statement
2. Objectives
3. Performance

C. Challenges

1. Financial

- a. Grants-in-aid
- b. Compensation

2. Competitive

III. Adjourn

COMMITTEE ON ADMINISTRATION

December 8, 2011

10:00 – 10:40 a.m.

Board Room - Blow Memorial Hall

Dennis H. Liberson, Chair

R. Philip Herget III, Vice Chair

- I. Introductory Remarks – Mr. Liberson
- II. Approval of Minutes – September 22, 2011
- III. Report from Provost – Michael R. Halleran
 - A. Compensation Report
- IV. Report from Vice President for Administration – Anna B. Martin
 - A. Resolution to Approve Final Regulation Regarding Weapons on Campus.
Resolution 8.
- V. Closed Session (if necessary)
- VI. Open Session - Certification of Closed Session **Resolution**

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the Committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.
- VII. Discussion
- VIII. Adjourn

COMMITTEE ON ADMINISTRATION

MINUTES – SEPTEMBER 22, 2011

MINUTES
Committee on Administration
September 22, 2011
Board Room – Blow Memorial Hall

Attendees: Dennis H. Liberson, Chair; Thomas R. Frantz, John C. Thomas. Board Members present: Laura L. Flippin, Peter A. Snyder; student representative Kaveh Sadeghian; staff liaison Mary S. Molineux. Others present: Provost Michael A. Halleran, Kiersten L. Boyce; Michael J. Fox, Deborah A. Love; Anna B. Martin, Samuel E. Jones, Virginia M. Ambler, Courtney M. Carpenter, and other administrative staff.

Chair Dennis H. Liberson called the meeting to order at 8:07 a.m. and welcomed new member Thomas Frantz. Recognizing that a quorum was present, Mr. Liberson requested a motion to approve the minutes of the meeting of April 14, 2011. Motion was made by Mr. Thomas, seconded by Mr. Frantz, and approved by voice vote of the Committee.

Mr. Liberson moved that the Committee convene in Closed Session for consultation with legal counsel on specific legal matters requiring legal advice, as provided for in Section 2.2-3711.A.7., of the Code of Virginia. Motion was seconded made by Mr. Thomas, and approved by voice vote of the Committee. The Committee went into closed session at 8:10 a.m.

The Committee reconvened in open session at 8:20 a.m. Mr. Liberson reviewed the topics discussed during closed session, then moved adoption of the **Resolution** certifying the closed session was held in compliance with Freedom of Information Act. Motion was seconded by Mr. Thomas, and approved by roll call vote of the Board members conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended).

Mr. Liberson then requested a motion to approve **Resolution 8(R)**, Resolution to Approve Policy and Proposed Regulation Regarding Weapons on Campus, as amended in the final paragraph to direct that the regulation regarding weapons on campus be brought back to the full Board for final action at its December 2011 meeting. Motion was made by Mr. Thomas, seconded by Mr. Frantz, and approved by voice vote of the Committee. (Amended page 1 of **Resolution 8(R)** is appended).

Vice President for Administration Anna Martin provided the Committee with the annual report on Risk Management. Ms. Martin's powerpoint presentation informed and updated the Committee on process, implementation and schedule, as well as results and observations gained from recently completed assessments. Risk Management is coordinated with other strategic efforts, including Emergency Management and Disaster Recovery (Continuous Operations Plans, etc.).

Provost Michael Halleran reviewed **Resolution 7**, Resolution to Approve Employee Background Check Policy. The intent of the resolution is to extend the existing policy of criminal background checks to all final candidates for all categories of positions, effective October 1, 2011. A brief discussion ensued. Under the policy, the Provost will have the authority and discretion to overcome any exclusion, should that become necessary. Mr. Liberson then

Committee on Administration

MINUTES

Page 2

requested a motion to approve **Resolution 7**. Motion was made by Mr. Thomas, seconded by Mr. Frantz, and approved by voice vote of the Committee.

Mr. Liberson invited the Committee and Board members in attendance to suggest future topics for future meetings. The reports completed, and there being no further business, the Committee adjourned at 8:40 a.m.

September 22, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Administration has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this Committee that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, That the Committee on Administration, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the ad hoc Property Committee.

VOTE

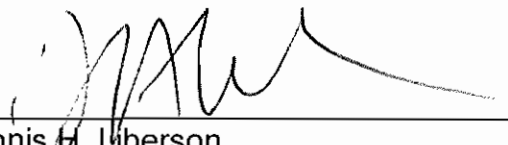
AYES:

3

NAYS:

0

ABSENT DURING CLOSED SESSION:



Dennis M. Liberson
Chair
Committee on Administration

**COLLEGE OF WILLIAM & MARY
RESOLUTION TO APPROVE POLICY AND PROPOSED
REGULATION REGARDING WEAPONS ON CAMPUS**

WHEREAS, protecting the safety of the campus community is of utmost importance to the Board of Visitors of The College of William and Mary in Virginia;

WHEREAS, Chapter 5 of Title 23 of the Code of Virginia provides that the Board of Visitors shall “make all needful rules and regulations” concerning the College;

WHEREAS, the Supreme Court of Virginia has confirmed that public institutions of higher education in Virginia may regulate the possession of weapons on their campuses;

WHEREAS, the College has long prohibited weapons possession on campus by its students, and the Commonwealth of Virginia, through a policy promulgated by its Department of Human Resource Management applicable to certain employees of the College, prohibits the carrying of weapons while on College premises or while engaged in College business;

WHEREAS, the Board of Visitors desires to extend the weapons restrictions to all categories of College employees;

WHEREAS, the Board of Visitors deems it prudent to regulate weapons possession by visitors or other third parties in certain facilities controlled by the College as well as at certain College events, pursuant to its authority conveyed in Chapter 5 of Title 23 of the Code of Virginia; and

WHEREAS, the Board of Visitors has reviewed the proposed Weapons on Campus Policy and Regulation;

THEREFORE, BE IT RESOLVED, That, upon recommendation of the President, the Weapons on Campus Policy, a copy of which is attached hereto, is hereby approved; and

BE IT FURTHER RESOLVED, That, upon recommendation of the President, the Board approves the Weapons on Campus Regulation, a copy of which is attached hereto, as a proposed regulation to be published in the Virginia Register, and to be considered for final adoption at the December meeting of the Board.

COLLEGE OF WILLIAM AND MARY

**RESOLUTION TO APPROVE
FINAL REGULATION REGARDING WEAPONS ON CAMPUS**

WHEREAS, protecting the safety of the campus community is of utmost importance to the Board of Visitors of The College of William and Mary in Virginia;

WHEREAS, Chapter 5 of Title 23 of the Code of Virginia provides that the Board of Visitors shall "make all needful rules and regulations" concerning the College;

WHEREAS, the Supreme Court of Virginia has confirmed that public institutions of higher education in Virginia may regulate the possession of weapons on their campuses;

WHEREAS, College and Commonwealth policies restrict weapons possession by College students and employees;

WHEREAS, the Board of Visitors deems it prudent to regulate weapons possession by visitors or other third parties in certain facilities controlled by the College as well as at certain College events, pursuant to its authority conveyed in Chapter 5 of Title 23 of the Code of Virginia; and

WHEREAS, the Board of Visitors adopted a proposed Weapons on Campus Regulation on September 23, 2011, which was published in the Virginia Register of Regulations on October 24, 2011;

THEREFORE, BE IT RESOLVED, That, upon recommendation of the President, the proposed Weapons on Campus Regulation, a copy of which is attached hereto, is hereby adopted as a final regulation for publication in the Virginia Register in accordance with the Virginia Administrative Process Act, with an effective date on January 1, 2012; and

BE IT FURTHER RESOLVED, That the College's Regulatory Coordinator is hereby authorized and directed to take all necessary action to implement this resolution.

CHAPTER 20 WEAPONS ON CAMPUS REGULATION

8VAC115-20-10. Definitions.

The following words and terms when used in this chapter shall have the following meanings unless the context clearly indicates otherwise:

"Police officer" means law-enforcement officials appointed pursuant to Article 3 (§ 15.2-1609 et seq.) of Chapter 16 and Chapter 17 (§ 15.2-1700 et seq.) of Title 15.2, Chapter 17 (§ 23-232 et seq.) of Title 23, Chapter 2 (§ 29.1-200 et seq.) of Title 29.1, or Chapter 1 (§ 52-1 et seq.) of Title 52 of the Code of Virginia or sworn federal law-enforcement officers.

"University property" means any property owned, leased, or controlled by the College of William & Mary in Virginia, including the Virginia Institute of Marine Science.

"Weapon" means any firearm or any other weapon listed in § 18.2-308 A of the Code of Virginia.

8VAC115-20-20. Possession of weapons prohibited.

Possession or carrying of any weapon by any person, except a police officer or an individual authorized pursuant to university policy, is prohibited on university property in academic buildings, administrative buildings, student residence and student life buildings, or dining or athletic facilities, or while attending an official university event, such as an athletic, academic, social, recreational or educational event, or on vessels that are university property. Entry upon such university property in violation of this prohibition is expressly forbidden.

8VAC115-20-30. Person lawfully in charge.

In addition to individuals authorized by university policy, College of William & Mary police officers are lawfully in charge for the purposes of forbidding entry upon or remaining upon university property while possessing or carrying weapons in violation of this prohibition.

COMMITTEE ON ACADEMIC AFFAIRS

December 8, 2011

10:30 – 11:30 a.m.

Board Room - Blow Memorial Hall

Colin G. Campbell, Chair
Robert E. Scott, Vice Chair

- I. Introductory Remarks – Colin G. Campbell
- II. Approval of Minutes – September 22, 2011
- III. Report from Provost Michael R. Halleran
- IV. Report from Faculty Liaison Committee Chair Professor Charles F. Gressard
- V. Closed Session (if necessary)
- VI. Open Session

A. Certification of Closed Session Resolution

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the Committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.

B. Action Materials - Provost Michael R. Halleran

- | | |
|---|-----------------------------|
| 1. Appointments to Fill Vacancies in the Professionals and Professional Faculty | Resolution <u>9</u> |
| 2. Faculty Promotion | Resolution <u>10</u> |
| 3. Award of Academic Tenure | Resolution <u>11</u> |
| 4. Designated Professorship | Resolution <u>12</u> |
| 5. Term Distinguished Professorship | Resolution <u>13</u> |
| 6. Faculty Leave of Absence | Resolution <u>14</u> |
| 7. Resolution to Approve Policy on Credit for Advanced Placement, International Baccalaureate, Cambridge and Other Pre-Matriculation Examinations | Resolution <u>15</u> |

COMMITTEE ON ACADEMIC AFFAIRS
December 8, 2011

VII. Discussion

VIII. Adjourn

COMMITTEE ON ACADEMIC AFFAIRS

MINUTES – SEPTEMBER 22, 2011

MINUTES
Committee on Academic Affairs
September 22, 2011
Board Conference Room – Blow Memorial Hall

Attendees: Colin G. Campbell, Chair; Robert E. Scott, Vice Chair; Timothy P. Dunn; Peter A. Snyder; Todd A. Stottlemeyer and Michael Tang. Board members present: Charles A. Banks III; Faculty representative Alan J. Meese; Others present: Provost Michael R. Halleran; Virginia M. Ambler; Dean John T. Wells; Acting Dean Eugene Tracy; Carrie L. Cooper; Sarah Marchello; members of the Faculty Liaison Committee and other College staff.

Chair Colin Campbell called the Committee to order at 9:00 a.m. and welcomed the new members. Mr. Campbell and Mr. Scott briefly outlined initiatives for the coming year, including the role of technology in William and Mary pedagogy and the importance of linking Academic Affairs with the discussions being conducted under Strategic Initiatives. Mr. Campbell advised that he planned to have informal discussions with faculty members between the Board meetings.

Recognizing that a quorum was present, Mr. Campbell asked for a motion to approve the minutes of the meeting of April 14, 2011. Motion was made by Mr. Scott, seconded by Mr. Tang and approved by voice vote of the Committee.

Provost Michael Halleran introduced the staff members present and reported on some of the important issues for the academic year: curriculum review; new faculty members; coalescing of several international initiatives; SACS 5-year review; the six-year plan and the importance of compensation issues; and changes in the tectonic plates of higher education and the necessity of “creative adaptation” in this environment. A brief discussion ensued.

Faculty Assembly Vice President and Faculty Liaison Committee Chair Professor Rick Gressard reported on faculty issues for the year, stressing the importance of communication. A brief discussion ensued.

The Provost reviewed **Resolution 9**, Appointments to Fill Vacancies in the Instructional Faculty; **Resolution 10**, Appointments to Fill Vacancies in the Professionals and Professional Faculty; **Resolution 13**, Designated Professorship; **Resolution 14**, Term Distinguished Professorships; **Resolution 15**, Faculty Leaves of Absence; and **Resolution 16**, Revisions of the Bylaws of the Faculty of Arts and Sciences.

Mr. Campbell moved that the Committee convene in Closed Session for the purpose of discussing and/or approving personnel actions involving promotion and tenure of specific college employees; as provided for in Section 2.2-3711.A. 1., of the Code of Virginia. Motion was seconded by Mr. Scott and approved by voice vote. The Committee went into closed session at 9:54 a.m.

The Committee reconvened in open session at 10:05 a.m. Mr. Campbell reviewed the topics discussed during closed session, then moved adoption of the **Resolution** certifying the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Scott and approved by roll call vote of the Board members conducted by Executive Assistant to the Board Sandra Wilms. (Certification **Resolution** is appended.)

Mr. Campbell asked for a motion to approve as a block **Resolution 9**, Appointments to Fill Vacancies in the Instructional Faculty; **Resolution 10**, Appointments to Fill Vacancies in the Professionals and Professional Faculty; **Resolution 11**, Award of Academic Tenure; **Resolution 12**, Faculty Promotion; **Resolution 13**, Designated Professorship; **Resolution 14**, Term Distinguished Professorships; and **Resolution 15**, Faculty Leaves of Absence. Motion was made by Mr. Tang, seconded by Mr. Dunn and approved by voice vote of the Committee.

Mr. Campbell asked for a motion to approve **Resolution 16**, Revisions of the Bylaws of the Faculty of Arts and Sciences. Motion was made by Mr. Dunn, seconded by Mr. Tang and approved by voice vote of the Committee.

There being no further business, the Committee adjourned at 10:06 a.m.

September 22, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Academic Affairs has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this Committee that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, That the Committee on Academic Affairs, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Committee on Academic Affairs.

VOTE

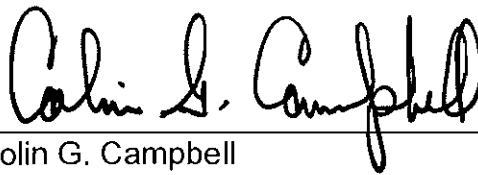
AYES:

6

NAYS:

0

ABSENT DURING CLOSED SESSION:



Colin G. Campbell
Chair

Committee on Academic Affairs

COLLEGE OF WILLIAM AND MARY
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY

Vacancies in the Professionals and Professional Faculty of the College of William and Mary have resulted because of resignations, terminations or the approval of additional authorized positions.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the appointments of the following individuals to fill these positions:

KELLY J. FINZER, Program Assistant, Washington Office, effective
October 6, 2011

B.A., The Ohio State University, 2011

The Ohio State University
Student Advisor, Ohio Student Educational Policy Institute, 2010-2011
Student Administrative Assistant, President's Office, 2008-2011

GREGORY W. JOHNSON, Director of Procurement Services, effective
October 31, 2011

B.A., Washington and Lee University, 1976
MBA, Indiana University, 1978

Liberty University
Director of Purchasing, 2007-2011

Quality Foods Co-Operative
Director of Purchasing and Marketing, 2005-2007
Category Manager, 2003-2005

Wild Bird Center and Sharp Edges Edging
Co-owner, 1994-2003

COLLEGE OF WILLIAM AND MARY
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY

JAKE R. NELSON, Coordinator, Student Philanthropy and
Recent Graduate Programs, University Development, effective
November 28, 2011

B.A., College of William and Mary, 2011

United States Department of State, Bureau of European and
Eurasian Affairs
Intern, Office of Policy and Global Issues, 2011

JOHN T. SPIKE, Assistant Director and Chief Curator and
Distinguished Professor in Residence, Muscarelle Museum of Art,
effective January 1, 2012

B.A., Wesleyan University, 1973
A.M. (1974); Ph.D. (1979), Harvard University

European University of Rome and the Pontifical Athenaeum,
'Regina Apostolorum' at the Vatican, Italy
Professor, 2007-2011

Board of Visitors

Resolution 10

December 7-9, 2011

Page 1 of 1

COLLEGE OF WILLIAM AND MARY
FACULTY PROMOTION

The following member of the Instructional Faculty of the College of William and Mary has been recommended for promotion in academic rank by the appropriate departmental committee and chair, the appropriate dean, and by the Provost and President.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the academic promotion of the following member of the Faculty of the College, effective with the start of the 2012 spring semester:

Assistant Professor to Associate Professor

RANI D. MULLEN, Department of Government

COLLEGE OF WILLIAM AND MARY
AWARD OF ACADEMIC TENURE

The following member of the Instructional Faculty at the College of William and Mary has been recommended for the award of academic tenure by the appropriate departmental committee and chair, the appropriate dean, and by the Provost and President.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the following member of the Faculty be awarded academic tenure, effective with the start of the 2012 spring semester:

RANI D. MULLEN, Department of Government

COLLEGE OF WILLIAM AND MARY
DESIGNATED PROFESSORSHIP

The following member of the Instructional Faculty of the College of William and Mary has been recommended for a designated professorship.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the designated professorship for the following member of the Faculty of the College, effective with the 2011-2012 academic year:

FRANKLIN E. ROBESON, William J. Fields Professor of Business

COLLEGE OF WILLIAM AND MARY
TERM DISTINGUISHED PROFESSORSHIP

The following member of the Instructional Faculty of the College of William and Mary has been recommended for a term distinguished professorship.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the term distinguished professorship for the following member of the Faculty of the College, effective with the 2011-2012 academic year:

JAMES R. BRADLEY, Hays T. Watkins Term Distinguished Professor
of Business

COLLEGE OF WILLIAM AND MARY
FACULTY LEAVE OF ABSENCE

The following faculty member has requested a leave of absence without pay or partial pay during the 2011-2012 academic year for the reason given.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary hereby approve this leave of absence:

CHI-KWONG LI, Walter F.C. Ferguson Professor of Mathematics, to conduct research at the Institute of Mathematical Research at the University of Hong Kong.

COLLEGE OF WILLIAM AND MARY

**RESOLUTION TO APPROVE POLICY ON CREDIT FOR ADVANCED PLACEMENT,
INTERNATIONAL BACCALAUREATE,
CAMBRIDGE AND OTHER PRE-MATRICULATION EXAMINATIONS**

WHEREAS, in 2010 and 2011, the Virginia General Assembly passed legislation (§ 23-9.2:3.8. Course credit; International Baccalaureate, Advanced Placement, and Cambridge Advanced examinations) related to institutional policies on the granting of credit based on examinations of pre-collegiate work; and,

WHEREAS, the University Registrar and Dean for Educational Policy worked with the Educational Policy Committee to effect a full review of all AP and IB (Higher Level and Standard Level) examination content and curricular materials by faculty; and,

WHEREAS, the Educational Policy Committee has created a policy statement to serve as the initial text for the Undergraduate Catalog "Requirements for Degrees" section,

RESOLVED, That the Board of Visitors of the College of William and Mary in Virginia approves the following policy statement on "Credit for Advanced Placement, International Baccalaureate, Cambridge, and Other Pre-Matriculation Examinations;" and,

BE IT FURTHER RESOLVED, That the Board authorizes the Provost and the Educational Policy Committee to set and make adjustments to examination score requirements, based on review of curriculum and educational outcomes, on an on-going basis without further review by the Board; and,

BE IT FURTHER RESOLVED, That the Board directs that this policy and the score requirements be published annually in the Undergraduate Catalog.

**POLICY ON
CREDIT FOR ADVANCED PLACEMENT, INTERNATIONAL BACCALAUREATE,
CAMBRIDGE AND OTHER PRE-MATRICULATION EXAMINATIONS**

College Board Advanced Placement (AP): Entering students interested in receiving academic credit and/or advanced placement for college level work undertaken during high school should take the College Board Advanced Placement Examination. These examinations are graded by the College Entrance Examination Board on a 5 point scale.

International Baccalaureate Programme (IB): Entering students who took IB examinations as part of their high school experience may present their scores for credit consideration. These examinations are graded by the International Baccalaureate Organization on a 7 point scale. Credits are granted only based on examination results; no credit or waivers are granted for the diploma itself, although the diploma programme is recognized as a strong college preparatory curriculum.

Cambridge (A/AS): Entering students who took Cambridge Advanced (A/AS) examinations as part of their secondary school experience may present their scores for credit consideration.

General Rules: In all cases, the examinations must have been taken prior to high school graduation or within six months thereafter, but in all cases before entering William and Mary.

The policies in each department governing credit and/or advanced placement for scores on AP or IB examinations vary according to how the material covered by examinations fits the curriculum of the department. Members of the William and Mary faculty are actively engaged with the College Board in the development and grading of AP examinations and they regularly review AP, IB, and Cambridge curricular documents to update the examination equivalencies.

In most departments, academic credit and/or advanced placement is awarded based on the test score. In some cases, the AP, IB, or Cambridge Examinations are reviewed by faculty in the appropriate departments at William and Mary to determine whether advanced placement and/or academic credit is warranted, using the content of the College's introductory courses as a guide.

Credit received through these pre-matriculation examinations may be applied toward degree requirements, including proficiency, General Education Requirements, minor and major requirements. However, exemptions from courses may not be applied toward General Education Requirements except where noted.

RICHARD BLAND COLLEGE COMMITTEE

December 8, 2011

10:40 – 11:30 a.m.

Board Room – Blow Memorial Hall

Dennis H. Liberson, Chair

Laura L. Flippin, Vice Chair

- I. Introductory Remarks – Mr. Liberson
- II. Approval of Minutes - September 22, 2011
- III. Closed Session (if necessary)
- IV. Open Session - Certification of Closed Session **Resolution**

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the Committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.

- V. General Reports
 - A. Report from President James B. McNeer
 - B. Report from Provost LeAnn Binger
 - C. Report from Vice President of Administration and Finance Russell E. Whitaker, Jr.
 - D. Institutional Advancement Report – Ms. Binger
 - E. Report from Faculty Representative - Professor Steven E. Martin
 - F. Report from Student Representative – Ms. Emily R. Michalek
- VI. Action Material
 - A. Receipt of the Consolidated Financial Report of the College of William and Mary in Virginia and Richard Bland College for the Fiscal Year Ended June 30, 2011
(joint with William and Mary).

Resolution 1

RICHARD BLAND COLLEGE COMMITTEE

December 8, 2011

B. Resolution to Approve Policy and Propose
Regulation Regarding Weapons on Campus

Resolution 2

C. Changes to the College's Faculty Handbook

Resolution 3

D. 2012-2018 Six Year Plan – Revised

Resolution 4

E. Master Plan Revision

Resolution 5

VII. Informational Material

A. 2010-11 Operating Budget Update

Enclosure A

B. Capital Outlay Progress Report

Enclosure B

C. Advancement Report

Enclosure C

VIII. Discussion

IX. Adjourn

RICHARD BLAND COLLEGE COMMITTEE

MINUTES – SEPTEMBER 22, 2011

MINUTES
Richard Bland College Committee
September 22, 2011
Board Room – Blow Memorial Hall

Attendees: Dennis H. Liberson, Chair; Laura L. Flippin, Vice Chair; Thomas R. Frantz and Leigh A. Pence. Others in attendance: student representative Emily Michalek; faculty representative Steven E. Martin; William and Mary staff liaison Mary Molineux; President James B. McNeer, Provost LeAnn Binger, Professor Alexandra Duckworth; Assistant Attorney General Deborah A. Love; Michael J. Fox; Samuel E. Jones; Michael L. Stump and Russell E. Whitaker, Jr..

Chair Dennis Liberson called the Richard Bland College Committee to order at 9:16 a.m. Recognizing that a quorum was present, Mr. Liberson asked for a motion to approve the minutes of the meeting of April 14, 2011. Motion was made by Mr. Frantz, seconded by Ms. Pence, and approved by voice vote of the Committee.

President James McNeer reported that the enrollment headcount was 1626, noting the trend toward more part-time students due to the economy in the area. Over 100 students are on the waiting list for residential housing. He advised that there are 80 Presidential Merit scholars this year, which is the highest number to date. The President reported on plans to celebrate the College's 50th anniversary on October 20-21, including the unveiling of the mascot.

President McNeer advised that the Six-Year Plan had been presented to the State Council of Higher Education, with the goal to add faculty, inasmuch as the current student/faculty ratio was increasing to 27:1. A brief discussion ensued.

Provost Binger provided an update on articulation agreements with other state schools, noting that an agreement has been completed with George Mason and meetings have been held to discuss collaborative opportunities between Richard Bland and the Southern Virginia Higher Education Center. Meetings have also been held with Pamplin Park to review the classes offered for teacher recertification. The Provost advised that she continues to work with William and Mary Professor Pam Eddy on a remedial plan for retention and graduation. A brief discussion ensued.

Vice President of Administration and Finance Russell Whitaker reported on the effects of the economy on the College, especially in an economically depressed area like Petersburg, noting that the six-year plan calls for a substantial increase in tuition. Mr. Whitaker reviewed the Capital Outlay Progress Report, as detailed in Enclosure A. A brief discussion ensued.

Provost Binger provided an update on institutional advancement, as detailed in Enclosure B, and reviewed fund raising efforts, as well as pending gifts and grants and upcoming special events. A brief discussion ensued.

Richard Bland College Committee
MINUTES
Page 2

Faculty representative Professor Steven Martin reported on recent faculty activities and upcoming events.

Mr. Liberson welcomed new student representative Emily Michalek. Ms. Michalek reported on recent student activities, including club sports and upcoming trips and events.

Following review of the faculty resolutions, Mr. Liberson asked for a motion to adopt as a block **Resolution 1**, Appointment of Assistant Professor of History; **Resolution 2**, Appointment of Assistant Professor of English; and **Resolution 3**, Retirement of John L. Blair, Division of Humanities and Social Sciences. Motion was made by Mr. Frantz, seconded by Ms. Flippin and approved by voice vote of the Committee.

Provost Binger reviewed the background for **Resolution 4**, Approval of Criteria for Course Credit: International Baccalaureate and Advanced Placement Courses. Following a brief discussion, Mr. Liberson asked for a motion to adopt the resolution. Motion was made by Mr. Frantz, seconded by Ms. Pence and approved by voice vote of the Committee.

President McNeer reported on **Resolution 5 (R)**, 2011-14 Operating Budget Proposal, noting that under base adequacy guidelines, the College was underfunded. The revised resolution reflects an update in the figures since the original printing. The President also reported on **Resolution 6**, Residence of the Dean of Administration and Finance, due to the need for more space and a more central location for the campus police department. Following a brief discussion, Mr. Liberson asked for a motion to approve both resolutions. Motion was made by Mr. Frantz, seconded by Ms. Pence and approved by voice vote of the Committee.

There being no further business, the Committee adjourned at 10:20 a.m.

RICHARD BLAND COLLEGE**2012 - 2014 OPERATING BUDGET PROPOSAL**

The operating budget proposals for institutions of higher education were due to the Department of Planning and Budget on September 15, 2011. Base budget proposals were limited to current operating budgets plus central appropriations and certain technical adjustments. Requests for items such as faculty salaries, base adequacy and financial aid will be addressed on a statewide basis. Other limited requests could be submitted as Decision Packages. The Richard Bland College requests are as follows:

	<u>2012-2013</u>	<u>2013-2014</u>
<u>Educational and General</u>		
• Base Budget	9,408,745	9,408,745
• <u>Decision Package #1</u> 3.00 F.T.E Advisors	<u>215,000</u>	<u>230,000</u>
Total Request	9,623,745	9,638,745
General Funds	5,086,522	5,096,522
Nongeneral Funds	4,537,223	4,542,223
<u>Student Financial Assistance</u>		
General Funds	381,736	381,736
Nongeneral Funds	<u>70,000</u>	<u>75,000</u>
Total Request	451,736	456,736

Auxiliary Enterprises

Nongeneral Funds	2,722,000	2,872,000
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Financial Assistance For
E&G Services

Nongeneral Funds	335,110	335,110
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RESOLVED, upon recommendation of the President, that the Board of Visitors of the College of William and Mary in Virginia approves the 2012-2014 Operating Budget Proposal for Richard Bland College.

**COLLEGE OF WILLIAM AND MARY
RECEIPT OF THE CONSOLIDATED FINANCIAL REPORT OF
THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA AND
RICHARD BLAND COLLEGE FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The Consolidated Financial Report of The College of William and Mary in Virginia and Richard Bland College for the fiscal year ended June 30, 2011, has been presented by the Vice President for Finance and the Vice President of Administration and Finance to the Presidents of the Colleges, who have approved it for presentation to the Rector and the Board of Visitors.

The statements included in this consolidated Financial Report provide a concise analysis of the College's financial affairs for fiscal year 2010-2011. The report is subject, of course, to a detailed audit to be directed by the Auditor of Public Accounts.

RESOLVED, That the unaudited Consolidated Financial Report for fiscal year 2010-2011 of The College of William and Mary in Virginia and Richard Bland College is hereby received by the Board of Visitors.

RICHARD BLAND COLLEGE

**RESOLUTION TO APPROVE POLICY AND PROPOSE
REGULATION REGARDING WEAPONS ON CAMPUS**

WHEREAS, protecting the safety of the campus community is of utmost importance to the Board of Visitors of The College of William and Mary in Virginia;

WHEREAS, Chapter 5 of Title 23 of the Code of Virginia provides that the Board of Visitors shall “make all needful rules and regulations” concerning the College;

WHEREAS, the Supreme Court of Virginia has confirmed that public institutions of higher education in Virginia may regulate the possession of weapons on their campuses;

WHEREAS, the College has long prohibited weapons possession on campus by its students and employees;

WHEREAS, the Board of Visitors desires to amend its weapons restrictions upon College employees and students;

WHEREAS, the Board of Visitors deems it prudent to regulate weapons possession by visitors or other third parties in certain facilities controlled by the College as well as at certain College events, pursuant to its authority conveyed in Chapter 5 of Title 23 of the Code of Virginia; and

WHEREAS, the Board of Visitors has reviewed the proposed Weapons on Campus Policy and Regulation;

THEREFORE, BE IT RESOLVED, That upon recommendation of the President, the Board approves the Weapons on Campus Policy, a copy of which is attached hereto, and directs that it be made a part of the handbooks for students as well as faculty and staff, and

BE IT FURTHER RESOLVED, That upon recommendation of the President, the Board approves the proposed Weapons on Campus Regulation, a copy of which is attached hereto, as a proposed regulation to be published in the Virginia Register, and to be considered for final adoption at the February meeting of the Board.

Title: Weapons on Campus	
Effective Date: December 9, 2011	Responsible Office: Richard Bland College Police
Revision Date: First Version	Page: 2 of 4

I. SCOPE

This policy applies to Richard Bland College of the College of William and Mary. It applies to all college employees, including faculty, hourly and wage employees, and contract workers, and volunteers (collectively, members of the campus community) on any property owned, leased, rented, or otherwise under the control of the college (college property).

The conduct of students is covered by the Student Code of Conduct, particularly the prohibition on weapons, firearms, combustibles, and explosives.

II. PURPOSE

The purpose of this policy is to help provide a safe and secure working, living, and learning environment for the campus community by restricting weapons possession on college property.

III. DEFINITIONS

“law enforcement officials” means

- individuals appointed pursuant to §15.2-1609, et seq.; §15.2-1700, et seq.; §23-232, et. seq.; §29.1-200, et seq.; or §52-1, et seq. of the Code of Virginia; and
- sworn federal law enforcement officers.

“members of the campus community” is defined in Section I

“college property” is defined in Section I

“weapons” means any firearm or any other weapon listed in §18.2-308(A) of the Code of Virginia.

IV. POLICY

A. Prohibition

The possession, carrying, storage, or maintenance of any weapon by any member of the campus community, with the exception of law enforcement officials and other individuals authorized under this policy is prohibited on college property.

Any individual who is reported or discovered to possess a weapon on college property or maintains or stores a weapon on college property in violation of this prohibition will be asked to remove it immediately. The presence of a prohibited item will result in disciplinary action.

B. Authorized Exceptions

Exceptions to the weapons prohibition may be made only with appropriate authorization as described below.

1. Work-Related Weapons Use, Possession, etc. An employee may request authorization to possess, carry, store or maintain a weapon on college property if it is:
 - a. required as part of the employee's job duties; or
 - b. connected with training received by the employee in order to perform the responsibilities of their job with the college.

Request for the authorization of an exception first must be endorsed by the head of the employee's department, school, or other college unit – typically a vice president or dean. Final authorization may be made only by the Richard Bland College Police Department.

2. Other Exceptions. Other exceptions must be authorized by the Vice President for Administration and Finance in consultation with appropriate college offices. The Vice President will grant such exceptions only in limited circumstances, when the college has adequate assurance that an exception may be made without creating risk to campus safety and security.

C. Prop Weapons

Due to the risk of being identified as a real weapon, any toy, prop or other item that looks like a weapon and is used for any purpose on college property must be reported to and approved by the Richard Bland College Police prior to being used in any activity. Examples of activities for which prop weapon use may be approved include plays and class presentations.

V. AUTHORITY AND IMPLEMENTATION

This policy was approved by the Board of Visitors. The Richard Bland College Police are responsible for the implementation of this policy.

PROPOSED WEAPONS ON CAMPUS REGULATION

CHAPTER 30

RICHARD BLAND COLLEGE WEAPONS ON CAMPUS REGULATION

8VAC115-30-10. Definitions.

The following words and terms when used in this chapter shall have the following meanings unless the context clearly indicates otherwise:

"College property" means any property owned, leased, or controlled by Richard Bland College of the College of William and Mary.

"Police officer" means law-enforcement officials appointed pursuant to Article 3 (§ 15.2-1609 et seq.) of Chapter 16 and Chapter 17 (§ 15.2-1700 et seq.) of Title 15.2, Chapter 17 (§ 23-232 et seq.) of Title 23, Chapter 2 (§ 29.1-200 et seq.) of Title 29.1, or Chapter 1 (§ 52-1 et seq.) of Title 52 of the Code of Virginia or sworn federal law-enforcement officers.

"Weapon" means any firearm or any other weapon listed in § 18.2-308 A of the Code of Virginia.

Statutory Authority

§ 23-44 of the Code of Virginia.

Historical Notes

Derived from Virginia Register Volume __, Issue __, eff. December 9, 2011.

8VAC115-30-20. Possession of weapons prohibited.

Possession or carrying of any weapon by any person, except a police officer or an individual authorized pursuant to college policy, is prohibited on college property in academic buildings, administrative buildings, student residence and student life buildings, or dining or athletic facilities, or while attending an official college event, such as an athletic, academic, social, recreational or educational event, or on vessels that are college property. Entry upon such college property in violation of this prohibition is expressly forbidden.

Statutory Authority

§ 23-44 of the Code of Virginia.

Historical Notes

Derived from Virginia Register Volume __, Issue __, eff. December 9, 2011.

8VAC115-30-30. Person lawfully in charge.

In addition to individuals authorized by college policy, Richard Bland College police officers are lawfully in charge for the purposes of forbidding entry upon or remaining upon college property while possessing or carrying weapons in violation of this prohibition.

Statutory Authority

§ 23-44 of the Code of Virginia.

Historical Notes

Derived from Virginia Register Volume __, Issue __, eff. December 9, 2011.

RICHARD BLAND COLLEGE
CHANGES TO THE
COLLEGE'S FACULTY HANDBOOK

WHEREAS, official operational and personnel policies and procedures must occasionally be revised to reflect changing conditions in higher education; and

WHEREAS, The Faculty Affairs Committee of Richard Bland College has completed a review and drafted changes to its Faculty Handbook, Section VIII, INSTITUTIONAL POLICIES AFFECTING FACULTY, as detailed in the following pages;

THEREFORE, BE IT RESOLVED, That upon the recommendation of the President and Provost, the Board of Visitors of the College of William and Mary approves the revisions to the Faculty Handbook Section VIII, E. (deleted), F., G., H. (re-positioned), I. J., and K., dated November 11, 2011.

Recommended Changes to Faculty Handbook**November 11, 2011****SECTION VIII. INSTITUTIONAL POLICIES AFFECTING FACULTY**~~E. POLICY ON FACULTY CREDENTIALS - *Delete this section*~~**E. FACULTY APPOINTMENTS**

The teaching faculty (9/10- Month Teaching and Research Faculty,), including Division Chairs, whose original appointments are made by the Board of Visitors, are reviewed annually by the President. If a change of status results in a promotion in rank, Board approval is again required.

Full-time faculty appointments at the College are held under one of the following categories:

1. Tenured appointments- Richard Bland College accepts the principles of tenure. A tenured appointment may be terminated by the College only for adequate cause. A detailed description of the rights, obligations, and policies associated with a tenured appointment may be found in the Academic Tenure Policy.
2. Tenure-eligible appointments- Faculty who hold tenure-eligible appointments may be considered for tenure under the provisions specified in the Academic Tenure Policy.
3. Specified-term appointment is one with a written contract that states the appointment is not tenure- eligible and terminates on the date specified in the contract. Specified –term contracts may be made for periods up to five years.

F. FACULTY EVALUATION AND PROFESSIONAL ADVANCEMENT**1. Definition**

- a. An evaluation of the performance of all faculty members will be conducted on a periodic basis, including an Annual Faculty Evaluation of all faculty members and an in-depth evaluation of non-tenured faculty at the end of their second year at Richard Bland College and tenured faculty at least every five years following immediately upon award of tenure. Tenure considerations occur in an individual's fifth year. The three criteria on which this evaluation will be based are teaching

effectiveness, College service, and professional development and community service.

- b. The primary responsibility for evaluation of the performance of faculty Members rest with the Division Chair and the Provost. The Division Chair will make the initial evaluation on the information provided by the faculty member, Student Course Evaluations, classroom observations, and other relevant information. Each faculty member will see the Division Chair's evaluation and have an opportunity to provide a written response. The Division Chair's evaluation and the faculty member's response will be submitted to the Provost for review. Each faculty member will see the Provost's written comments and have an opportunity to respond in writing.
- c. Policies and Procedures for evaluation of Adjunct Faculty are found in the Adjunct Faculty Policies and Procedures Manual.

2. Procedures

a. Annual Evaluation

All full-time faculty members must complete an annual Faculty Development Report (www.rbc.edu/faculty/forms) this report will detail evidence in support of the faculty member's teaching effectiveness, college service, and professional development and community service as follows:

(1) Teaching Effectiveness

- (a) A description of the nature and quality of the faculty member's teaching to include—but not be limited to—course load, updating of course presentation, innovative techniques, use of technology, helping students outside of class time, grading of papers, testing procedures, choice of textbooks, and any additional demonstrations of professional growth.
- (b) A self-evaluation of student achievement of course objectives listed on the syllabus for each course.
- (c) The Student Course Evaluation form administered in all courses.

(2) College Service

- (a) Advising
- (b) Discipline and Division Responsibilities
- (c) Committee Work

(d) College-wide Activities

(3) Professional Development and Community Service

(a) Membership in Professional Organizations

(b) Attendance at Professional Meetings and Conferences

(Indicate program participation)

(c) Research and /or Publications

(d) Graduate Credits earned during this academic year

(e) Public Service-Civic and Social Services Activities, Memberships and Talks

(f) Additional comments concerning professional development not already covered

- b. Committee chairs will submit evaluations for faculty members on all standing committees, Self-study committees, and major ad hoc committees to the faculty member in time to forward with the Report. Faculty members of other committees may request evaluation from the chairs.
- c. Faculty members may submit other information that they wish taken into consideration.
- d. The Division Chair, using the Faculty Development Report and other available evidence will write an evaluation of each faculty member. In the case of Division Chairs, the Provost will write the evaluation. These evaluations should be narrative interpretations of the submitted information that will be helpful to the faculty members and other evaluators. The Division Chair will rate the performance of each faculty member:

Excellent

Above average

Average

Needs improvement

Needs considerable improvement

- e. The criteria and weights for evaluation will generally be as follows, although in the course of a faculty member's professional growth the weights in College Service and Professional Development and Community Service may vary. (Adjustment in the thirty percent/ten percent will be initiated by the faculty

member in consultation with the Division Chair and the Provost as the circumstance arises and before completing of the Annual Faculty Development Report):

(1) Teaching effectiveness (60%)

The evaluation will take into consideration evidence on the Faculty Development Report, Student Course Evaluations, classroom observations, and other available information.

(2) College Service (30%)

The evaluation will take into consideration evidence on the Faculty Development Report and committee chair evaluations.

(3) Professional Development and Community Service (10%)

The evaluation will take into consideration evidence on the Faculty Development Report.

- f. The faculty member will see the Division Chair's evaluation and have an opportunity to provide a written response.
- g. The Division Chair's evaluation and the faculty member's response will be submitted to the Provost for review. Each faculty member will see the Provost's written comments and have an opportunity to respond in writing. Final decisions regarding salary increases will include a joint review by the Division Chair, the Provost, and the President.
- h. If the Annual Faculty Evaluation identifies a pattern of deficient performance, the Provost will conduct a thorough assessment to include those items in VIII, I, 2, g, below.

G. PROCEDURES FOR FORMATIVE PRE-TENURE REVIEW

1. Eligibility

Non-tenured faculty will submit for evaluation a portfolio at the beginning of their third year of teaching at Richard Bland College. The purpose of the portfolio is to provide another means for evaluation of teaching effectiveness. College service, and professional development and community service. The portfolio will cover the first two years.

2. Submission of portfolio

The portfolio will include:

- a. A curriculum vita and a reflective essay addressing the faculty member's teaching philosophy and professional development
- b. The first two faculty development reports.
- c. A sampling of instructor-provided materials use in each course taught during this interval, materials such as course syllabi, assignment lists, research paper assignments, reading lists, study guides, handouts, problem sets, laboratory exercises, tests, final examinations, descriptions of films shown, and any other course material useful to the evaluators.
- d. Grade distributions and Student Course Evaluations for these two years, if available.
- e. A list of committee service and committee chair evaluations, a summary of activities pertaining to advising, discipline, division, and college-wide activities, and professional development and community service.

3. Evaluation

- a. The portfolio will be evaluated by the Peer Review Committee.
 - (1) The Committee will consist of three tenured members of each Division selected by the Provost, and will be co-chaired by representatives of the two Divisions.
 - (2) This committee will make all pre-tenure, post-tenure, and tenure recommendations, and promotion recommendation through the rank of associate professor
 - (3) The Committee will write an evaluation based on the above issues which will consist of an assessment of the issues listed above (G.2.a-e) and suggestions for continuing professional growth. The evaluation will be forwarded to the Division Chair.
- b. The Division Chair will write an in-depth review of the faculty member that emphasizes the anticipated long-term effect of the faculty member on Richard Bland College. The review will focus on teaching performance, productivity, and potential to excel. The review is intended to give the faculty member an indication of progress toward tenure and to make suggestions for continuing professional growth.
- c. The Division Chair will forward the review to the Provost. The Provost will meet with the faculty member and set goals to be met for tenure.

4. Criteria for evaluations

The Peer Review Committee will address the following eleven topics in its deliberations:

- a. The faculty member's teaching load.
 - b. The quality of the material selected in each course
 - c. The development of each course
 - d. The appropriateness of the intellectual tasks set by the e instructor
 - e. The quality of testing in each course
 - f. The distribution of grades, if appropriate
 - g. Student course evaluations
 - h. The quality of committee service
 - i. The quality of discipline, division and College-wide activities, including advising
 - j. The commitment to professional growth , and
 - k. The representation of Richard Bland College in the community
5. The Peer Review Committee will write an evaluation based on the above topics. The Formative Pre-Tenure Review Evaluation will be given to the faculty member and a copy will be kept on file in the Office of the Provost and Dean of Faculty. The faculty member may choose to use the findings of the evaluation in later summative evaluations for promotion and tenure. The Provost and Dean of Faculty may use the pre-tenure formative evaluation to provide guidance to the faculty member concerning ways to improve performance.

H. ACADEMIC TENURE POLICY

Richard Bland College, a branch college of The College of William and Mary in Virginia, accepts the principle of tenure and adheres to it as a moral and professional obligation, although under the laws of the Commonwealth it is not permitted to grant a contract of unlimited duration. Tenure is defined by the 1940 Statement of Principles on Academic Freedom and Tenure with 1970 Interpretive Comments as "an appointment which may be terminated by the College only for adequate cause, or by retirement, or because of a bona fide reduction of staff or necessary curtailment or discontinuance of a department."

Adequate cause in faculty dismissal proceedings includes, but is not necessarily restricted to (a) demonstrated incompetence or dishonesty in teaching or research, (b) substantial and manifest neglect of duty, (c) personal conduct that substantially impairs the individual's fulfillment of meeting responsibilities to the institution, (d) bona fide financial exigency on the part of the College, (e) discontinuance of a program or department of instruction, or (f) when a discipline is not being discontinued, but student demand/enrollment does not justify retaining that number of faculty. The burden of proof in establishing cause for dismissal rests upon the institution.

1. Eligibility

- a. When a faculty member joins the faculty of Richard Bland College, a probationary initial appointment for a specified period begins, at the conclusion of which the appointment (or contract) expires unless reappointment is offered; reappointment is also for a specified period and likewise expires unless renewed.
- b. No faculty member has any rights, real or inferable, to appointment or reappointment during the full probationary period.
- c. A faculty member is evaluated for tenure in the fall of his sixth year. The Provost and Dean of the Faculty is responsible for notifying faculty members for whom a tenure review is required. Notification should be made during the spring semester preceding the review. At that time candidates should also be informed of the members of the Peer Review committee. In case a faculty member is not informed by the Provost, the member should contact the Provost concerning his/her eligibility.
- d. In exceptional cases, early eligibility for the tenure review process may be granted by the Provost.
- e. Full-time, tenure- eligible service, in any rank, from instructor to professor, or any combination of ranks, will count towards tenure. However, tenure will not be accorded those below the academic rank of Assistant Professor.
- f. Faculty members on academic leave, with or without pay, may gain credit toward tenure if such leave is approved and is designated "tenure eligible" by the Provost.
- g. Richard Bland College is administered under a July 1- June 30 fiscal year. Faculty who serve under twelve-month appointment will be considered to have served a full year if they commenced duties by July 1 and faculty under academic year appointment only if they serve the entire academic year. Fractional years of service may not be combined into one or more whole years in the computation of probationary years of service.
- h. Full –time teaching/research experience at the rank of Instructor or above at any other accredited institution of higher learning will be credited towards the above tenure probationary period. The individual may be required, however, to serve a

probationary period of as much as four years at Richard Bland College before tenure is granted, even if the total full-time service thereby exceeds seven years. The terms of such a probationary period will be stated at the time of initial appointment, both in the letter of offer and in the final written contract.

2. Submission of portfolio

The portfolio should include:

- a. The items listed in G. 2. a-c.
- b. Any other evidence bearing on the question that the candidates believe may be relevant and helpful to their case, and
- c. The pre-tenure review and reports,

The portfolio for pre-tenure review may be submitted with revisions and updates

3. Evaluation

The portfolios will be reviewed by the Peer Review Committee as in G.3.a. The Division Chair will write a review and forward recommendations to the Provost.

4. Criteria for evaluation

The Peer Review Committee will address the eleven issues listed in G.4.a-k for Formative Pre-Tenure Review.

5. Permissible reasons for non-renewal of probationary contract or non-appointment to tenure include but are not limited to the following: (a) unsatisfactory performance or lack of sufficient progress in meeting the institution's stated criteria for reappointment or award of tenure; (b) qualification and performance which, although satisfactory, will not enable the institution to achieve or advance its educational objectives and standards; (c) full staffing at tenure level in the areas of the candidate's principal competence or specialty; (d) changes in the institution's academic program; (e) budgetary constraints that make it impossible or imprudent to renew the appointment or to increase the tenure staff; and (f) failure to complete educational requirements agreed upon in writing at time of hiring.

6. Conditions for the Granting of Tenure: Upon approval by the Board of Visitors, the College will give notification of tenure decisions by June 30 of the year proceeding the last academic year of the faculty member's period of probation. In essence, tenure consideration will be given not later than June 30 of the sixth year of full-time service.

7. Non-renewal Notice of Probationary Contract: Written notice that a probationary appointment is not to be renewed will be given to the faculty member in advance of the expiration of appointment as follows:
 - a. Not later than March 1 of the first academic year of service, if the appointment expires at the end of that year; or if a one-year appointment terminates during an academic year, at least three months in advance of its termination.
 - b. Not later than December 15 of the second academic year of service, if the appointment expires at the end of that year.
 - c. At least twelve months before the expiration of an appointment after two or more years at the institution.
 - d. Upon its inability or failure to give notice by the required date, the College may meet this requirement by providing advance notice time commensurate with the above time duration.
8. Special Considerations: Richard Bland College occupies a unique status in the Commonwealth of Virginia as its sole public junior college. Because its full-time faculty must serve in other capacities, including that of Academic Division Chairs, they should not be caused to suffer any discrimination with regard to tenure by virtue of serving, additionally, in an administrative capacity. Division Chairs performing full-time duties shall accrue credit toward tenure.
9. Procedures for Termination of Employment of Tenured Faculty Members: Notice of intent to terminate employment of any tenured faculty member shall be given not later than March 1, one academic year prior to the intended effective date and will be preceded by (a) discussions between the faculty member and appropriate administrative officers looking toward a mutual settlement; and (b) a statement of reasons framed with reasonable particularity by the President.
10. Appeal Procedure: The individual concerned will have the right to be heard initially by an ad hoc committee of the faculty. The ad hoc committee shall be elected by the faculty and will consist of five members. Members deeming themselves disqualified

for bias or interest shall remove themselves from the case. The complainant and the defendant will have the right if they wish to reject one member of the hearing committee. The faculty will then elect replacements.

(The Appeal Procedure may also be followed by any faculty member who has a grievance to appeal through the internal structure of Richard Bland College.)

- a. Pending a final decision by the ad hoc committee, the faculty member may be assigned to other duties only if immediate harm to him or herself, others, or the College is threatened by continuance in the present position.
- b. The hearings of the ad hoc committee shall be closed, unless otherwise requested by the faculty member.
- c. During the proceedings the faculty member will be permitted to have an academic advisor or a legal counsel of his or her own choice and expense.
- d. At the request of either the faculty member or the ad hoc committee, a representative of a responsible educational association shall be permitted to attend the proceedings as an observer. The right to call in more than one such observer shall not be denied.
- e. Ordinarily, a record of the hearing will be taken, but the form and availability of this record is left to the discretion of the ad hoc committee.
- f. The College will have the burden of proving the propriety of the dismissal (or sanction).
- g. The ad hoc committee may grant adjournments to enable either party to investigate evidence to which a valid claim of surprise is made.
- h. The faculty member will be afforded a reasonable opportunity to obtain necessary witnesses and documentary or other evidence. The administration will cooperate with the ad hoc committee in securing witnesses and making available documentary and other evidence.
- i. The faculty member, the administration, and the complainant have the right at the hearing on the complaint to cross-examine in person all first-hand witnesses to the event or events that led to the complaint. Those not direct first-hand witnesses to the

event or events that led to the complaint may, if they wish, submit signed statements in writing.

- j. In the hearing of charges of reasons of incompetence, the testimony shall include that of qualified faculty members whom either party may wish to call.
- k. The ad hoc committee will not be bound by strict rules of legal evidence and may admit any evidence of probative value in determining the issues involved. Every possible reasonable effort will be made to obtain the most reliable evidence available.
- l. The findings of fact and decision will be based solely on the evidence presented at the hearing.
- m. Except for such simple announcements as may be required, covering the time of meetings and similar matters, public statements and publicity about the case either by the faculty member or administrative officers will be avoided insofar as possible until the proceedings have been completed, including consideration by the Board of Visitors in instances of suspension or termination.
- n. The President and the faculty member will be notified in writing by the ad hoc committee of the decision. If the President rejects the report, he or she will state in detail the reasons for doing so in a written communication to the ad hoc committee and to the faculty member. The President will also provide an opportunity for response before transmitting the case to the Board of Visitors in instances of suspension or termination.
- o. The President will, on request of the faculty member in cases of suspension or termination, transmit to the Board of Visitors all pertinent information pertaining to the case. The Board of Visitors' review will be based on this information, including the record of the ad hoc committee if one was prepared. Any further opportunity for argument shall be at the discretion of the Board.

1. PROCEDURES FOR POST-TENURE REVIEW

1. Eligibility

Tenured faculty will submit a portfolio review in the beginning of the fifth year after they have achieved tenure and every five years thereafter. The purpose of the portfolio

is to provide a means of evaluation of teaching effectiveness, College service, professional development and community service.

2. Submission of portfolio

The portfolio, covering the previous five years, will include:

- a. the faculty development reports from the previous five years,
- b. the division chair evaluations from the previous five years,
- c. the students' evaluations from the previous two years, and
- d. a review, written by the Division Chair, of the faculty member's record over the five year interval.

3. Evaluation

The portfolio will be evaluated by the Peer Review Committee as in G.3.a.

4. Criteria for evaluation

The Peer Review Committee will address the eleven topics listed in G.4.a-k for Formative Pre-Tenure Review. It will write an evaluation based on these topics. The Post-Tenure Review Evaluation will be given to the faculty member, and a copy will be kept on file in the Office of the Provost and the Dean of Faculty. The faculty member may choose to use the findings of the evaluation in later evaluations.

5. If the Peer Review Committee identifies a pattern of deficient performance, the Provost will conduct a thorough assessment, to include:

- a. the faculty member's expected long-term contributions to Richard Bland College,
- b. areas where improvement is needed,
- c. a plan for ways to deal with problem areas,
- d. a timetable for the next three semesters to measure progress toward improvement.

6. Subsequent actions after plan for improvement has been created are:

- a. Annual evaluations in succeeding years will specifically address the progress toward improvement established in the timetable.
- b. A faculty member who does not meet the requirements for satisfactory performance as specified in the plan within the agreed-upon timetable will be subject to disciplinary actions consistent with institutional policy on such matters.

c. Faculty and administration will adhere to Procedures for Termination of Employment of Tenured Faculty Members and the Appeal Procedure outlined in the *Faculty Handbook* (See VIII, H 10).

J. PROMOTION POLICIES AND ACADEMIC RANK

1. Recommendations for the promotion of a faculty member at Richard Bland College shall be made by the Peer Review Committee. Recommendations are also to be made by the Division Chair. In the event the person being considered is a Division Chair, the recommendation shall be made by the Peer Review Committee directly to the Provost. In all cases, the Provost, upon receipt of the Peer Review Committee's report, shall make recommendations regarding promotions to the President of the College whose decision is final, subject to the approval of the Board of Visitors. Though there will be consideration of promotion at the stated times in rank, promotion is not automatic upon completion of stated time in rank. The following are guidelines for minimum requirements:

2. Instructor:

A master's degree and a minimum of eighteen graduate hours in the area of instruction.

3. From Instructor to Assistant Professor:

a. Eligibility

To be considered for promotion to Assistant Professor a faculty member must:

- (1) Complete two years as Instructor.
- (2) Hold a Master's Degree in the field of appointment.
- (3) Demonstrate performance at the college that reflects considerable promise of being a strong addition to the college in his or her Professional field.
- (4) Complete a pre-tenure review prior to promotion.

b. Submission of portfolio

Faculty members applying for promotion to Assistant Professor should submit to the Peer Review Committee a portfolio including the

following:

- (1) Complete college transcripts.
- (2) An essay describing the instructor's teaching philosophy and how that may have changed since becoming a faculty member at Richard Bland College. When describing his or her teaching philosophy, the instructor should discuss points unique to Richard Bland College students.
- (3) Sample of course materials used such as notes, special worksheets, assessment materials, course syllabi, and special assignments.
- (4) Students' Course Evaluations for the year, if available.
- (5) Richard Bland College Faculty Development Reports.
- (6) A list of committee service evaluations, a summary of activities pertaining to advising, discipline, division, and college-wide activities, and community service.

c. Evaluation

- (1) The portfolio will be evaluated by the Peer Review Committee. The Committee will consist of three tenured members of each Division selected by the Provost and will be co-chaired by representatives of the two Divisions. This committee will make all pre-tenure, post-tenure and tenure recommendations and promotion recommendations through the rank of associate professor.
- (2) Recommendations are also to be made by the Division Chair.
- (3) In all cases, the Provost, upon receipt of the Peer Review Committee's report, shall make recommendations regarding promotions to the President of the College, whose decision is final, subject to the approval of the Board of Visitors. Though there will be consideration of promotion at the stated times in rank, promotion is not automatic upon completion of stated time in rank.

d. Criteria for evaluation of the faculty member.

The Peer Review Committee will address the same eleven issues listed in G.4.a-k for Formative Pre-Tenure Review.

4. From Assistant Professor to Associate Professor

a. Eligibility

A faculty member may qualify for promotion to Associate Professor

after the completion of the fourth year of teaching at the rank of Assistant Professor. The faculty member must also have at least six years of *total* college teaching.

b. Submission of portfolio

Same topics as for promotion from Instructor to Assistant Professor as found in J.3.b.1-6.

c. Evaluation

(1) Recommendation will be made by the Peer Review Committee.

(2) Recommendations are also to be made by the Division Chair. In the event the person being considered is a Division Chair, the recommendation shall be made by the Peer Review Committee directly to the Provost.

d. Criteria for evaluation of the faculty member

Same eleven issues as for promotion from Instructor to Assistant Professor that are found in G.4.a-k will be used.

5. From Associate Professor to Full Professor

a. Eligibility

(1) A candidate may be considered for promotion to full professor in his/her 12th year of college teaching (assuming it coincides with his/her 6th year as associate professor) or in the first year after completing the 12th year of college teaching that coincides with the 6th year as associate professor, and achievement of terminal degree in his or her field or sustained academic excellence in his or her field (significant scholarly publications). The M.F.A. can be considered as a terminal degree for a faculty member whose field is theatre or studio art. No more than one third of the full-time faculty shall hold the position of Full Professor at any one time. Promotions to Full Professor should be based on recommendations made by a committee consisting of all the Full Professors. The promotion, if awarded, is to take effect in the fall semester following the candidate's completion of the requirements listed in the subsection (a) and approval of the Full Professor promotion committee, the administration, and the Board of Visitors.

b. Submission of portfolio

Faculty members applying for promotion to full professor

should submit to the Full Professor Promotion Review Committee a portfolio including:

- (1) a cover letter requesting promotion and outlining the candidate's qualifications to apply for such promotion.
- (2) the candidate's five most recent Faculty Development reports.

c. Evaluation

- (1) The portfolio will be evaluated by the Full Professor Promotion Review Committee.
- (2) The committee will make all recommendations regarding promotion to the rank of full professor.

d. Criteria for evaluation of the faculty member

The Full Professor Promotion Review Committee will address the following issues in its evaluation:

- (1) the evaluations of the candidate contained in the submitted Faculty Development Reports,
- (2) contributions to his or her field through research or activity and professional service,
- (3) responsible participation in divisional, faculty, and College government, and
- (4) service to the community.

RICHARD BLAND COLLEGE

2012-2018 SIX YEAR PLAN (REVISED)

Richard Bland College administrative staff met with SCHEV staff and representatives of the legislative money committees, the Secretary of Finance and the Secretary of Education on August 24, 2011 to discuss the College's current Six Year Plan.

After further discussions, it was decided to revise the plan to more accurately reflect possible tuition increases for the 2012-2014 Biennium. This change resulted in changing the original estimate of 17% in 2012-2013 and 10% in 2013-2014 to an estimate of 10% and 5% for those years. These figures are only estimates based on an assumption of no additional General Funds from the Commonwealth and does not commit the College or the Board to these estimates.

RESOLVED, That upon recommendation of the President, The Board of Visitors of the College of William and Mary in Virginia approves the revised 2012-2018 Six Year Plan for Richard Bland College.

RICHARD BLAND COLLEGE

MASTER PLAN REVISION

The Richard Bland College Master Plan has not been updated since 2004. Since that time the College has added two residence halls, a science and technology building, a recreation complex and has replaced all underground water and sewer lines and deactivated all underground fuel storage tanks.

This plan revision has been prepared by Vanasse Hangen Brustlin, Inc. (VHB) of Watertown, Massachusetts (*see attached booklet*). The plan includes all building additions since 2004, new drawings of all utility systems and projected facilities for the next twenty years. The plan will be filed with the Division of Engineering and Buildings of the Commonwealth.

RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the revised Master Plan for Richard Bland College.



Richard Bland College MASTER PLAN



October 2011



Credits

President – Dr. James B. McNeer
Vice President of Administration and Finance –
Dr. Russell E. Whitaker, Jr.
Director of Facilities - Michael Shriver
Facilities Manager – Nate Jellerson

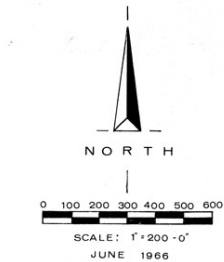
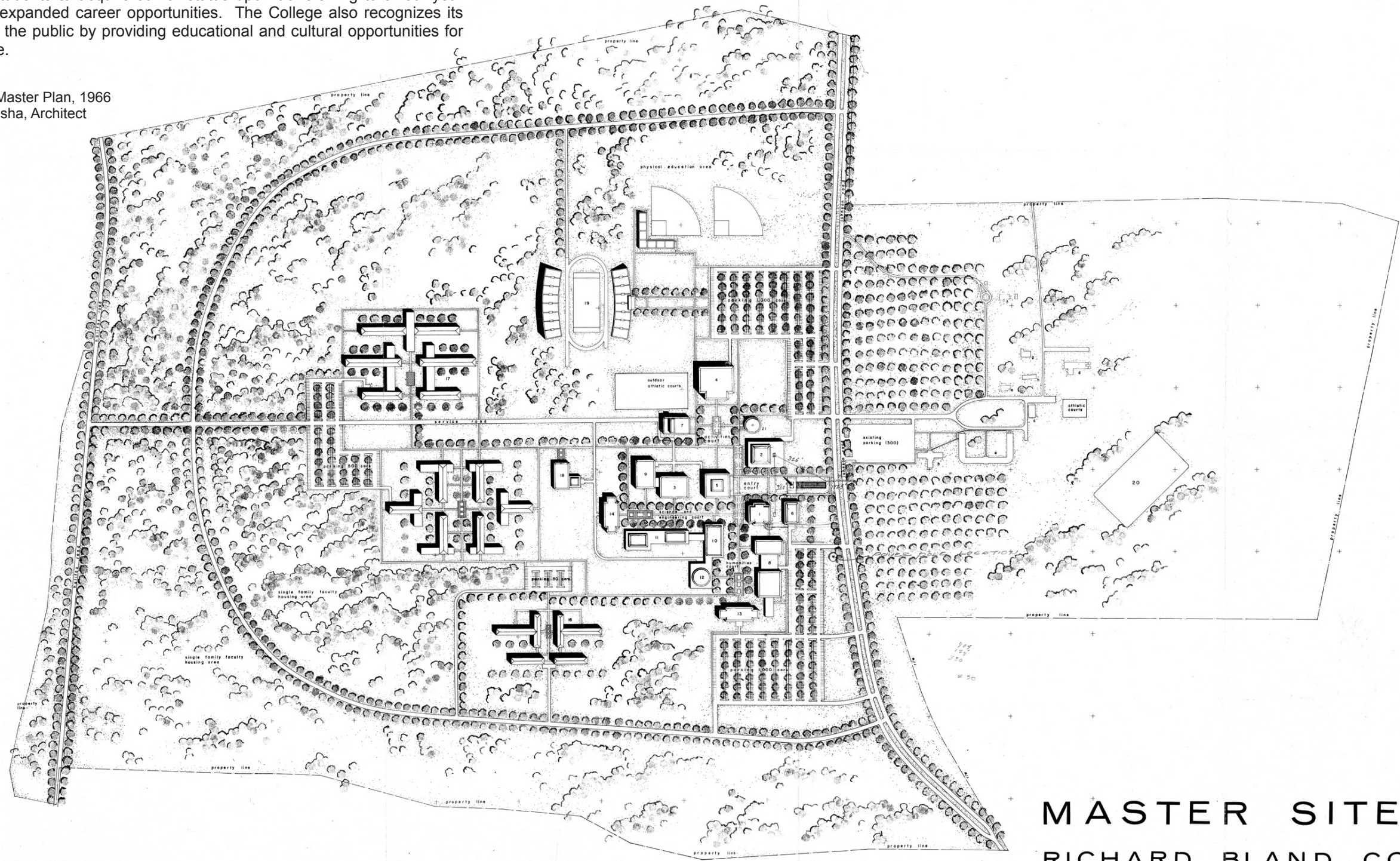
Civil Engineering - Vanasse Hangen Brustlin, Inc
Scott Chapman, PE

Planning – BCWH Architects
Charles Piper, AIA, REFP, LEED^{AP}
Shannon Dowling, Associate AIA, LEED^{AP}

HISTORY

Founded in 1960, Richard Bland College of the College of William and Mary celebrates its fiftieth anniversary in 2011. It is the only State supported Junior College in Virginia. The College provides a traditional program in the liberal arts and sciences, leading to associate degrees, and other programs appropriate to a junior college. The curriculum is intended to allow students to acquire Junior status upon transferring to a four-year college, or to pursue expanded career opportunities. The College also recognizes its responsibility to serve the public by providing educational and cultural opportunities for the community at large.

Image: Richard Bland Master Plan, 1966
Gordon B. Galusha, Architect



- FUTURE**
- 1 classroom building
 - 2 student center
 - 3 science building
 - 4 gymnasium
 - 5 library
 - 6 administrative building
 - 7 auditorium
 - 8 classroom buildings
 - 9 science building
 - 10 classroom building
 - 11 laboratory
 - 12 classroom building
 - 13 classroom building
 - 14 laboratory & classroom building
 - 15 faculty apartments
 - 16 women's dormitories
 - 17 men's dormitories
 - 18 dining hall
 - 19 stadium
 - 20 stabilization lagoon
 - 21 chapel
- EXISTING**
- A administrative & classroom building
 - B science building
 - C arts & classroom building
 - D gymnasium
 - E residence
 - F residence
 - G storage
 - H storage

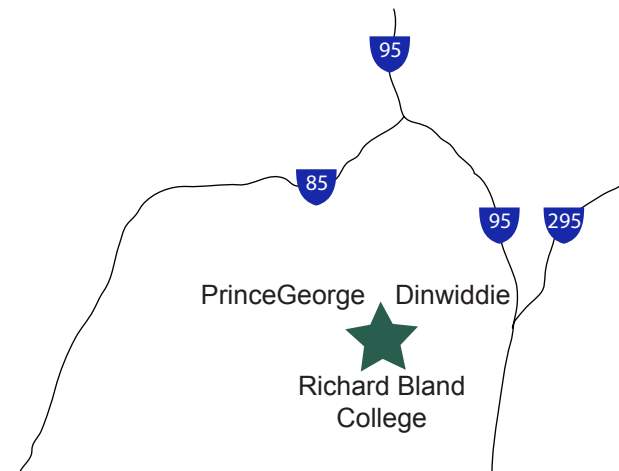
MASTER SITE PLAN

RICHARD BLAND COLLEGE

COLLEGE OF WILLIAM & MARY
PETERSBURG, VIRGINIA

GORDON B. GALUSHA A.I.A.
ARCHITECT





The 712 acre campus is located just south of Petersburg, Virginia between Interstates 85 and 95, approximately forty minutes from Richmond, Virginia. During the Civil War the campus was the site of a Union encampment of more than 15,000 men around the Globe Tavern on the northwest corner of the site. The Weldon Railroad bisected the campus, and the railroad beds are still visible in some areas.

The campus is located at the rural crossroad of Johnson Road and Carson Drive. Johnson Road is the primary through-street and generally bisects the campus east and west. The campus is located in Prince George County on the east and Dinwiddie County on the west, roughly along the line of Johnson Road. The undeveloped land in Dinwiddie County contains low-lying swamps and other wetlands areas.

The eastern part of the site was developed as the Gurley farm prior to the civil war. The foundations of many of the original agricultural buildings remain visible at the site. The eastern side's most distinctive feature is the vast grove of Pecan Trees north and south of Carson Drive. While not utilized by the students very often, the community is free to collect pecans in the grove in the fall. This has become an important community ritual.



TRAFFIC

Approximately 40% of traffic enters campus via Carson Drive from the I-85 exit. This road remains a public access through the campus. Approximately 60% of traffic enters via Johnson Road, a through street on which RBC anticipates higher traffic volumes over time due to probable residential development in the area. Municipal water and sewer are available.

There is no bus service to the campus, however, the College provides residential students shuttle service to local stores and Southpark Mall. Many students ride bikes around the campus. The low density of the campus allows the bikes to share the sidewalks and streets.



Of the 1650 students enrolled in the fall of 2010, approximately 2/3 were full-time and 1/3 were part-time. Overall enrollment is increasing as well as the proportion of full-time enrollment. The College is drawing an increasing number of students from Northern Virginia due to the attractiveness of articulation agreements with other state universities and on campus student housing. Out of state enrollment is also increasing. Future enrollment growth is envisioned to reach as many as 2500 students.

The addition of a residential population has had a significant physical and social impact on the campus. The campus is no longer a place where all students and faculty drive to and then leave at the end of the day, but is now a place that students call “home” and occupy 24/7. Two-hundred and fifty students now live on campus as a result of the construction of two residential halls, built three years ago as Phase I of a new residential community. These have been very successful and have a wait list of interested students. Three additional residential halls are planned with a capacity to hold 750 students total in the residential quad.

The resident population has generated increased interest in campus activities and recreation. The new recreation complex is a direct response to this interest and includes a softball field, three tennis courts, a basketball court, sand volleyball court, covered pavilion, additional adjacent parking and walking trails to the Residential Village. The gym and weight room were recently renovated in Statesman Hall. Cultural offerings include a chorus and wind ensemble that utilize the Barn Theatre for practice and performance.

Interest in collegiate athletics is increasing, however all existing athletic programs are intramural. There is the possibility of forming intercollegiate soccer or basketball team(s) in the foreseeable future. Improvements to the existing soccer field are planned and would require new services, a grandstand, lighting and sound systems.

There are no plans to increase staff over the next several years. The College is increasing class hours and space utilization to address growth without capital and staff investment in the short term.

The College recently completed its first new academic building in over forty years. James B. McNeer Hall opened in fall, 2010 and is a LEED certified gold building. McNeer Hall, houses all science, math and computer classes and is equipped with the technology to serve distance learning as the College begins to consider such initiatives.

The student community at Richard Bland College is more geographically diverse, more traditional (full-time) and more residential than ever before. RBC faculty/ staff/ students describe themselves as “like a family”. The College features small class sizes and individual attention; teachers know students by name.

Students feel safe on the rural campus. While the program is a “stepping stone” to four year institutions, many students regard their time at RBC with great appreciation for the opportunities that the school provides for personal and academic growth- effective preparation for the future.



Primary Master Planning Factors:

- potential growth of RBC from 1650 to up to 2500 students
- higher proportion of traditional full-time students
- trend towards becoming a residential student campus community
- mission of RBC serving as a focal point and destination for the surrounding communities
- growth of the residential populations surrounding the campus
- desire to improve the quality of the campus as a unique place
- sensitivity to the campus and its wetlands as an environmental resource

THE CAMPUS ENVIRONMENT

The current campus could benefit from a higher density of structures and activities. The current dispersion of the campus tends not to reinforce the sense of community and interaction desired on a college campus. At the same time, a “rural campus” feel is important to the identity and character of Richard Bland.

Academic activities will exist on both the east and west sides of the campus for the foreseeable future, however most new development is targeted for the west side and will occur in Dinwiddie County rather than Prince George. Development to the west avoids impacts on the older structures and pecan groves on the east campus. The west campus provides more land area available for new buildings as well as the requisite parking and stormwater management development. Wetland areas consume a large part of the western real estate, making development challenging, but present an opportunity for passive recreation and student learning, such as the nature trail behind Ernst Hall used by the Biology department.



STUDENT LIFE ON CAMPUS

Students congregate around several outdoor features on campus; the gazebo, water garden, and courtyards located adjacent to classroom buildings as well as the residential buildings.



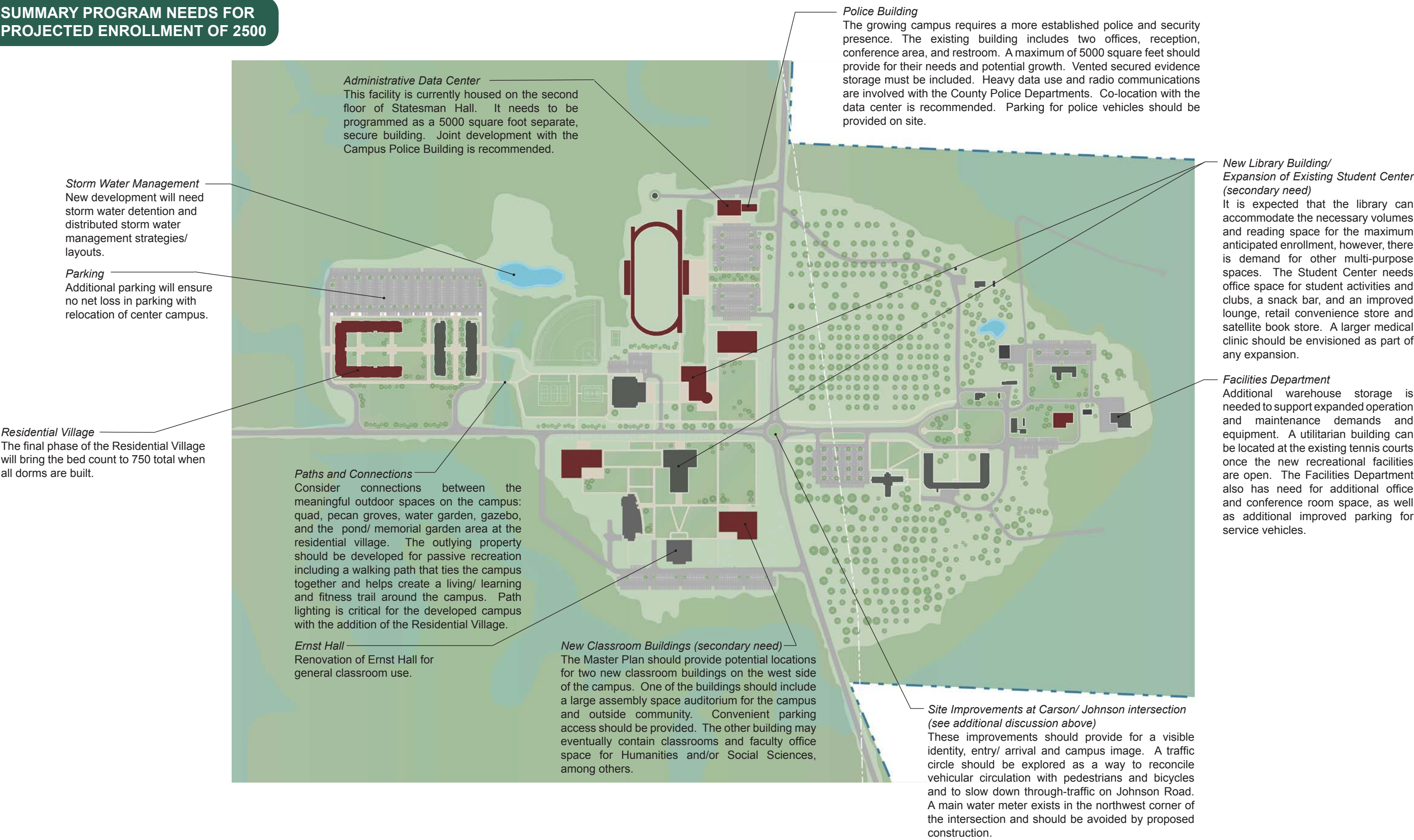
FUTURE DEVELOPMENT PLANNING AND DESIGN

Basic Planning Principles:

1. The campus should be planned with greater density to enhance its quality and identity and to create a better sense of belonging. It should be a memorable and unique place for all.
2. Impacts to the existing wetlands should be avoided in all new development.
3. The Globe Tavern site must not be impacted in order to preserve this historic site.
4. **The intersection of Johnson Road and Carson Drive is a pivotal opportunity for changing/enhancing the campus.** Carson Drive is expected to remain open as a public street. This intersection is the most important point of arrival, creates the first impression of the campus, is an important means of traffic management, and its design is especially important to pedestrian and bike safety. These issues are important considering traffic on Johnson Road is increasing and students will continue to cross this street to reach academic and administrative facilities on the east side of the campus for many years to come. With this in view, there are several objectives for the intersection:
 - The large parking lots should be moved away from the intersection.
 - Open space should be preserved on all four corners in the form of either pecan groves or open lawns or landscaped areas. The appearance, presence and usefulness of the pecan groves should be enhanced by these efforts.
 - Pedestrian, bicycle and automobile circulation should be carefully reconciled.
 - Use this campus entrance, signage, graphics and lighting to strengthen the image and identity of the campus and give a strong sense of arrival.
 - Care should be taken to avoid impacts to the main water vault on the northwest corner of the intersection.
 - New buildings should help define and shape outdoor campus space, but should avoid any configuration creating a high degree of enclosure. The current arrangement of McNeer Hall, the Library and Ernst Hall is a representative pattern of scale of development that should be continued. The rural scale and character of the campus should be preserved.
5. Most campus parking should be moved to the perimeter of the campus whenever possible. The lots should be well-sectioned and landscaped with trees and appropriate lower pole lighting, not too large and open.
6. Future site development should have well-distributed storm water management strategies generally to the perimeter of the campus.
7. Athletic and recreational spaces should be envisioned as a unit or zoned district. Good outdoor spaces should be used to make connections between various components of the campus
8. Service and facilities buildings should remain on the perimeter of campus while student and community-oriented buildings should be centrally located.



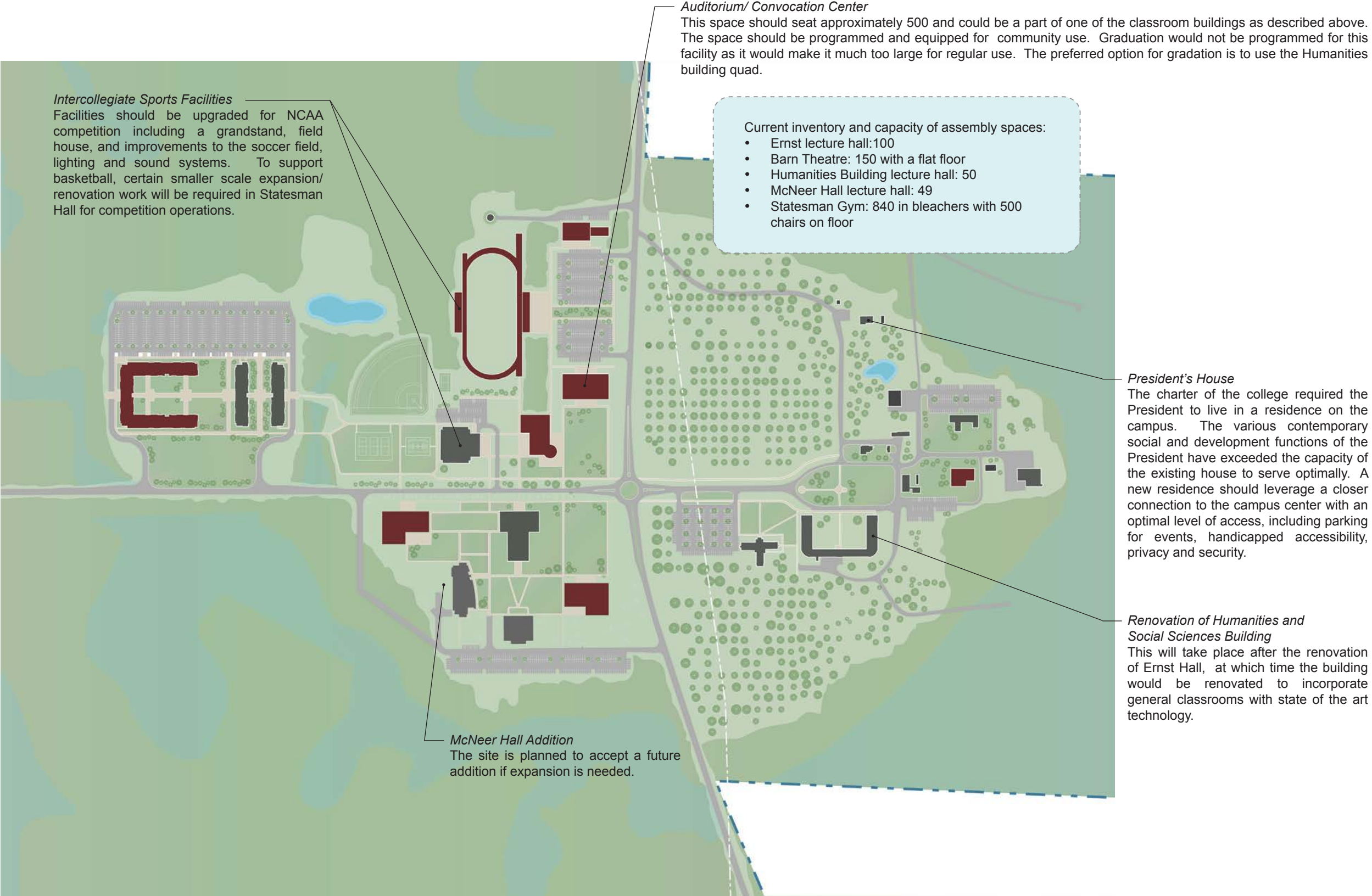
SUMMARY PROGRAM NEEDS FOR
PROJECTED ENROLLMENT OF 2500



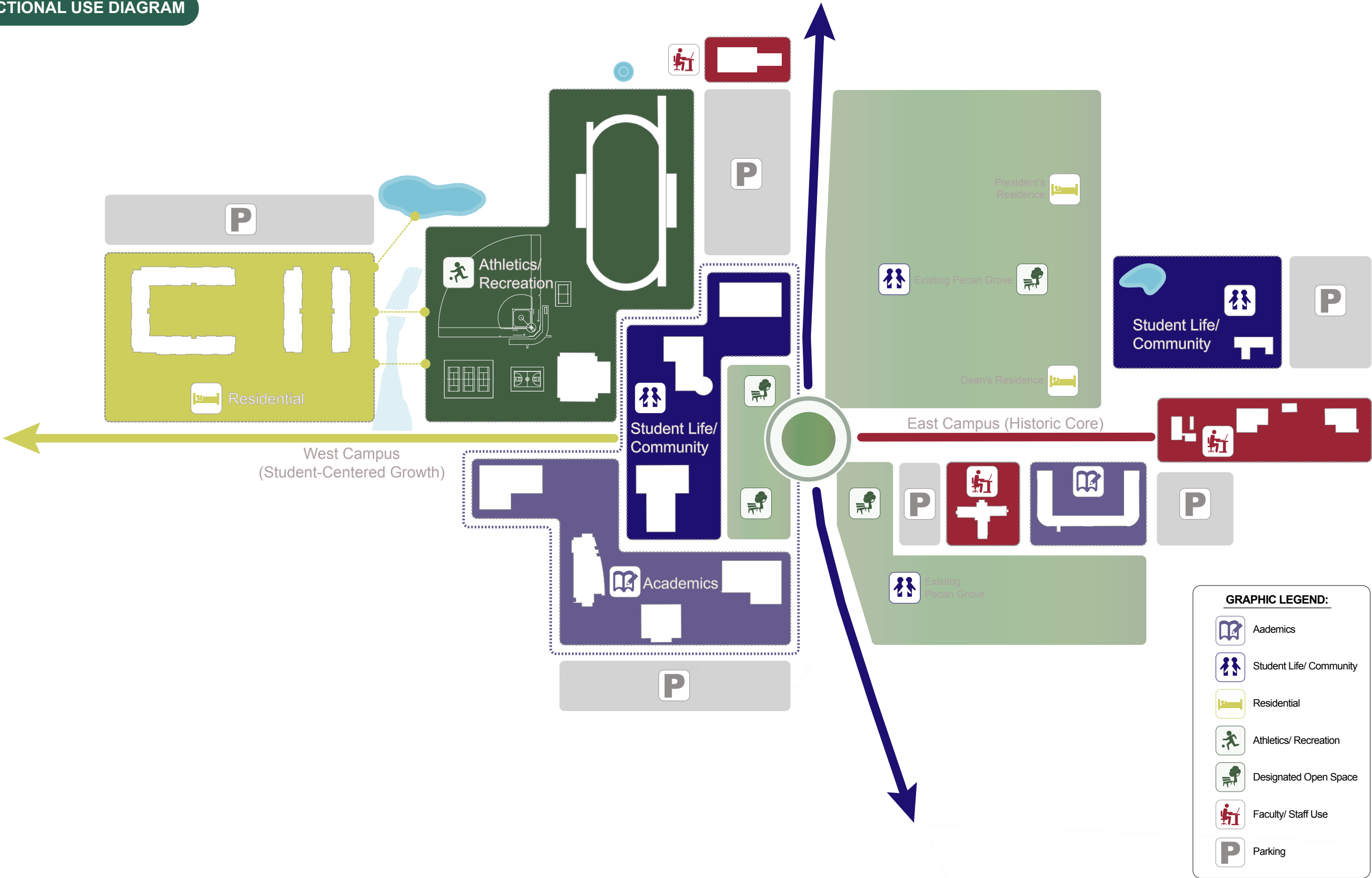
FUTURE NEEDS

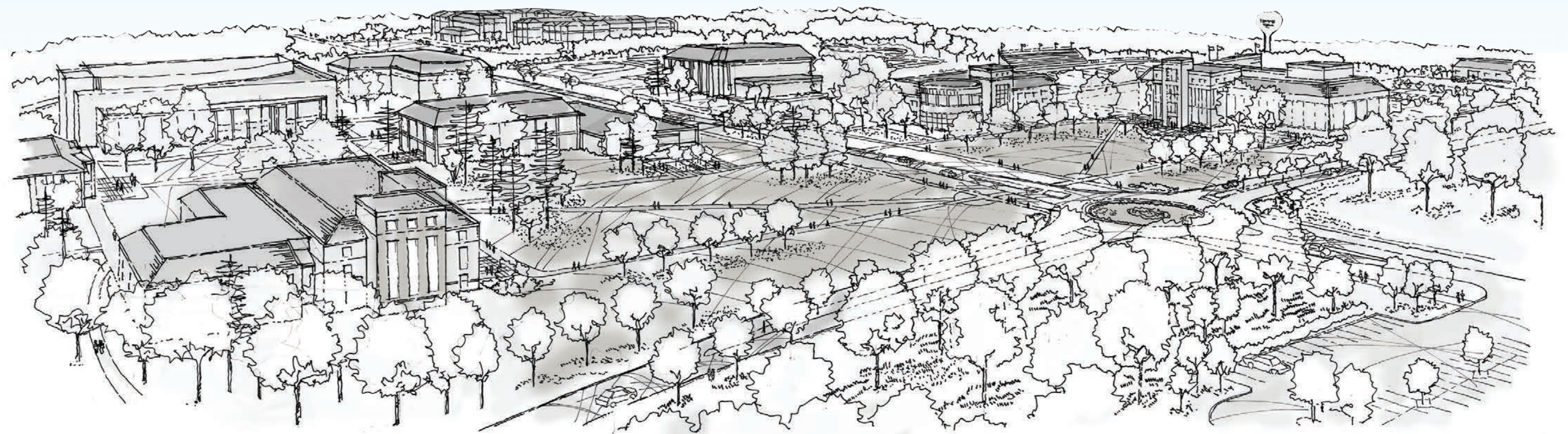
PHASING

- Early Phases*
- Renovation of Ernst Hall
 - Data an Police Building
 - Housing, Phase II
 - Site Improvements + Utilities
- Secondary Phases*
- New Classroom Building(s)
 - New Library Building/
 - Expansion of Existing
 - Student Center
- Future Needs*
- Intercollegiate Sports Facilities
 - Renovation of Humanities and
 - Social Sciences Building
 - Auditorium/ Convocation
 - Center



FUNCTIONAL USE DIAGRAM





December 7-9, 2011

Page 1 of 3

**RICHARD BLAND COLLEGE
2011-12 OPERATING BUDGET UPDATE**

EDUCATIONAL & GENERAL

	Actual 2008-09	Actual 2009-10	Actual 2010-11	Approved 2011-12	To Date 10/31/2011
REVENUE					
General Funds	\$ 6,119,777	\$ 6,062,200	\$ 5,234,621	\$ 4,908,736	\$ 4,908,736
Nongeneral	3,282,470	3,509,190	3,714,578	3,898,431	2,013,669
Central Appropriations	(35,083)	(148,222)	(133,352)	77,786	61,984
Prior Year Reappropriations	101,997	112	24,800	177,533	-
ARRA	-	155,539	200,000	520,569	520,569
General Fund Reversion	(295,397)	(819,526)	-	-	-
General Fund Carryover	-	-	-	-	-
TOTAL REVENUE	\$ 9,173,764	\$ 8,759,293	\$ 9,040,646	\$ 9,583,055	\$ 7,504,958
EXPENDITURES					
Instruction	\$ 3,478,496	\$ 3,082,695	\$ 2,890,044	\$ 3,409,431	\$ 781,587
Public Service	-	-	-	1,000	-
Academic Support	339,316	329,583	291,137	430,000	122,614
Student Services	971,741	984,503	988,523	1,160,000	409,014
Institutional Support	2,888,116	2,766,213	2,773,697	2,650,000	1,014,382
Operation of Plant	1,544,941	1,415,317	1,719,711	1,200,000	734,501
ARRA	-	155,539	200,000	520,569	520,579
Contingency	-	-	-	212,055	-
TOTAL EXPENDITURES	\$ 9,222,610	\$ 8,733,850	\$ 8,863,114	\$ 9,583,055	\$ 3,582,677

RICHARD BLAND COLLEGE
2011-12 OPERATING BUDGET UPDATE
SCHOLARSHIPS AND LOAN ASSISTANCE
FINANCIAL AID

	Actual 2008-09	Actual 2009-10	Actual 2010-11	Approved 2011-12	To Date 10/31/2011
REVENUE					
General Funds	\$ 308,417	\$ 313,819	\$ 331,255	\$ 394,778 *	\$ 208,508
Nongeneral Funds	30,000	40,000	50,000	60,000	31,765
TOTAL REVENUE	\$ 338,417	\$ 353,819	\$ 381,255	\$ 454,778	\$ 240,273

*Includes CS, CSAP, and VMSDEP

EXPENDITURES					
Scholarships	\$ 308,417	\$ 353,819	\$ 381,255	\$ 441,736	\$ 240,273

FINANCIAL ASSISTANCE FOR E & G PROGRAMS
SPONSORED PROGRAMS

REVENUE					
General Funds	\$ -	\$ -	\$ -	\$ -	
Nongeneral Funds	35,869	10,364	25,000	25,000	25,000
TOTAL REVENUE	\$ 35,869	\$ 10,364	\$ 25,000	\$ 25,000	\$ 25,000
EXPENDITURES					
Sponsored Programs	\$ 34,633	\$ 10,364	\$ 7,863	\$ 25,000	\$ 1,368

December 7-9, 2011

Page 3 of 3

**RICHARD BLAND COLLEGE
2011-12 OPERATING BUDGET UPDATE**

AUXILIARY ENTERPRISES

	Actual 2008-09	Actual 2009-10	Actual 2010-11	Approved 2011-12	To Date 10/31/2011
REVENUE					
Fund Balance	\$ 358,885	\$ 1,704,628	\$ 1,655,677	\$ 1,291,000	\$ 1,659,215
Residences	1,477,489	1,832,350	2,073,819	2,000,000	1,040,998
Special Funds	9,480	9,480	9,840	35,000	3,400
General Auxiliary Income	155,299	159,304	164,692	150,000	92,386
Parking	135,294	147,640	144,915	135,000	70,915
Intramural Athletics	22,130	22,100	22,910	24,000	15,611
Health Services	142,147	151,503	148,635	150,000	77,175
Food Services	85,280	79,275	79,500	60,000	45,920
TOTAL REVENUE	\$ 2,386,004	\$ 4,106,280	\$ 4,299,988	\$ 3,845,000	\$ 3,005,620
EXPENDITURES					
Residences	\$ 212,807	\$ 1,981,918	\$ 1,957,553	\$ 2,200,000	\$ 1,103,017
General Operating	67,028	138,660	232,473	100,000	40,119
Parking	43,047	9,000	138,013	50,000	358
Intramural Athletics	14,805	12,640	18,805	24,000	3,519
Health Services	16,028	14,142	20,150	135,000	6,399
Food Services	83,345	98,726	87,778	60,000	29,270
Indirect Costs	244,317	194,317	186,000	200,000	-
Renewal/Replacement	-	-	-	70,000	-
TOTAL EXPENDITURES	\$ 681,377	\$ 2,449,403	\$ 2,640,772	\$ 2,839,000	\$ 1,182,682
REVENUE					
Private Funds	\$ 21,329	\$ 14,215	\$ 7,690	\$ 22,000	\$ 10,374
EXPENDITURES					
Scholarships	\$ 13,000	\$ 15,600	\$ 21,193	\$ 22,000	\$ 6,850

PRIVATE FUNDS

December 7-9, 2011

Page 1 of 1

RICHARD BLAND COLLEGE
CAPITAL OUTLAY PROGRESS REPORT

- Maintenance Reserve

The appropriation of \$51,900 for each year of the 2010-2012 Biennium will be used to replace aging and obsolete HVAC units in the Humanities and Social Sciences Building.

- Umbrella Maintenance Project

- Water line replacement campus wide (completed).
- Miscellaneous renovation in Statesman Hall (completed).
- Abandon all underground fuel tanks (completed).
- Roof replacement in Humanities and Social Sciences (completed).
- Renovation of Student Commons – a design contract has been awarded to McKinney & Co. architects of Ashland, VA.

December 7-9, 2011

Page 1 of 1

RICHARD BLAND COLLEGE
ADVANCEMENT REPORT

November 16, 2011

Annual Fund 08-09	370,324.44
Annual Fund 09-10	254,889.92
Annual Fund 10-11	225,748.25
Annual Fund 11-12	<u>53,859.00</u>
Total 11-16-11	\$904,821.61

Golf Tournament - Fall 2008	\$9,049.00
Golf Tournament - Fall 2009	\$11,759.40
Golf Tournament - Fall 2010	\$11,600.00
Golf Tournament - Fall 2011	\$12,000.00
Wine Tasting & Silent Auction - Spring 2009	\$9,522.10
Wine Tasting & Silent Auction - Spring 2010	\$11,500.00
Wine Tasting & Silent Auction - Spring 2011	\$9,534.17
Night at the Bistro	<u>\$842.00</u>
Total:	\$75,806.67

Quarterly Figures for Fiscal Year 2011-12:

1st Quarter

Unrestricted:	\$22,632.50
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Restricted:	<u>\$10,052.00</u>
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Total:	\$32,684.50
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2nd Quarter

Unrestricted:	\$7,132.00
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Restricted:	<u>\$14,043.00</u>
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Total:	\$21,175.00
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3rd Quarter

Unrestricted:

Restricted:

Total:

4th Quarter

Unrestricted:

Restricted:

Total:

Total for Fiscal Year 2011-12 11-16-2011:	\$53,859.50
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JOINT DISCUSSION

COMMITTEE ON STRATEGIC INITIATIVES and PROVOST REPORT

December 8, 2011

11:30 a.m. – 1:00 p.m.

Board Room – Blow Memorial Hall

Robert E. Scott, Chair, Committee on Strategic Initiatives

Janet M. Brashear, Vice Chair, Committee on Strategic Initiatives

Colin G. Campbell, Chair, Committee on Academic Affairs

- I. Introductory Remarks – Mr. Scott and Mr. Campbell
- II. Communications Update – Vice President for Strategic Initiatives James R. Golden
- III. Update on the Strategic Planning Progress – Provost Michael R. Halleran and Vice President Golden
 - A. Strategic Planning Overview
 - B. University Dashboard Update - Enclosure H.
- IV. Discussion of Academic Strategic Structural Issues – Mr. Scott and Mr. Campbell
 - A. Differential Teaching Loads
 - B. Faculty Composition
 - C. Innovative Teaching Ideas
- V. Adjourn

PRELIMINARY DRAFT WILLIAM & MARY DASHBOARD

Measures*	W&M 2007-08	W&M 2008-09	W&M 2009-10	W&M 2010-11	W&M 2011-12	Target	UVA**	Brown**
Challenge 1 - Leading Liberal Arts University								
1. Undergraduate acceptance rate ^a	34%	34%	34%	32%	35%	34%	33% (2010-11)	9% (2010-11)
2. Undergraduate yield rate ^a	37%	35%	34%	35%	33%	34%	45% (2010-11)	53% (2010-11)
3. Undergraduate 25 th - 75 th percentile SAT score range ^{b1}	1250-1450	1250-1440	1240-1450	1260-1440	1240-1450	1250-1450	1220-1450 (2010-11)	1330-1530 (2010-11)
4. Undergraduate graduation rates ^b	91%	91%	90%	90%	Avail. 5/2012	93%	93% (2009-10)	96% (2009-10)
5. Student: faculty ratio ^{b2}	11:1	11:1	12:1	12:1	Avail. 5/2012	<13:1	16:1 (2010-11)	9:1 (2010-11)
6. Undergraduate small class percentage (2-19 students) ^b	49%	45%	48%	47%	Avail. 5/2012	50%	52% (2010-11)	68% (2010-11)
Challenge 2 - Diversity								
7. Undergraduates who are members of historically underrepresented groups ^{a2}	20%	22%	23%	25%	26%		26% (Fall 2010)	33% (Fall 2011)
8. Undergraduates who are nonresident aliens ^a	1%	2%	2%	3%	3%		6% (Fall 2010)	10% (Fall 2010)
9. Graduate/professional students who are members of historically underrepresented groups ^{a2}	13%	13%	13%	14%	15%		16% (2010-11)	21% (2010-11)
10. Graduate students who are nonresident aliens ^a	8%	10%	12%	11%	12%		11% (Fall 2010)	27% (Fall 2010)
11. Average per-borrower cumulative undergraduate debt ^{c3}	\$15,602	\$16,765	\$21,367	Avail. 2/2012	Avail. 2/2013	<\$20,000	\$19,939 (2009-10)	\$22,468 (2009-10)
Challenge 3 - Lifelong Connection								
12. Alumni giving participation rate: undergraduates with degrees ^d	21.9%	22.4%	23.4%	Avail. 9/2012	Avail. 9/2013	30% by 2014	22% (USNews)	34.4% (2009-10)
Challenge 4 - Business Plan								
13. US News & World Report: Financial resources rank ^b	111	88	85	97	Avail. 9/2012	<70	60 (2010-11)	26 (2010-11)
14. Total sponsored program expenditures (millions) ^{a3}	\$50	\$50	\$54	Avail. 1/2012	Avail. 1/2013	\$60 by 2014	\$344 (2009-10)	\$113 (2009-10)
15. Debt Service as Percent of Operating Expense ^e	4.2%	4.6%	4.1%	Avail. 9/2012	Avail. 9/2013	<7%	Not available	Not available
16. Annual Total Value of Private Gifts (in millions) ^{a6}	\$35	\$51	\$43	Avail. 9/2012	Avail. 9/2013	50	\$196 (2009-10)	\$167 (2009-10)
Challenge 5 - Administrative Resources and Infrastructure								
17. All E&G Facilities Condition Index ^{a5}	12.4%	11.0%	7.6%	7.8%	Avail. 12/2011	<10%	9.4% (2009-10)	Not available
Challenge 6 - Communications								
18. US News & World Report: National Universities ^b	32	33	31 (tie)	33 (tie)	Avail. 9/2012		25 (tie) (2010-11)	15 (tie) (2010-11)
19. US News & World Report: Public Universities ^b	6	6	6	6	Avail. 9/2012		2 (tie) (2010-11)	Not applicable

- +Preliminary list. A measure of the quality of faculty is under discussion.
- *Year's vary by data availability as noted in W&M data
- **Denotes schools with a medical school and engineering program
- * From Integrated Postsecondary Education Data System of US Dept. of Education Nat'l Center for Education Statistics (data for required reports could vary among schools by one year for some measures)
- ^bFrom US News & World Report: rankings published in August based on data submitted in previous spring
- ^cFrom Common Data Set (or institutional website, as available)
- ^dFrom Council for Aid to Education/Voluntary Support of Education
- ^eCalculated by facilities management for submission to State Council of Higher Education
- ^fInternal calculation using data included in the College's annual audited financial statements
- ^gFrom National Association of College and University Business Officers (NACUBO)
- ¹Calculated by adding the 25th and 75th percentiles for Critical Reading and the percentiles for Math.
- ²Figures are estimates for current year or actual for previous year
- ³Average cumulative principal borrowed by undergraduate borrowers who started as freshmen at the institution and who had earned bachelor's in year previous to when IPEDS report was submitted
- ⁴Includes W&M and VIMS operating and non-operating expenditures; excludes independent operations, auxiliary and hospital services expenditures. Operating expenditures include instruction, research, public service, academic support, student services, institutional support, operation/maintenance of plant. FTE count includes both graduate and undergraduate students and is based on Fall Headcount (similar to NACUBO).
- ⁵The Facilities Condition Index (FCI) is a fitness indicator for the College's facilities and infrastructure. The FCI is the ratio of known maintenance deficiencies to the current replacement value of academic facilities. Industry standards suggest that an FCI of 5% or less indicates good condition, 5% to 10% fair condition, and above 10% poor condition. "All E&G Facilities" are those facilities supported by general funds allocated by the Commonwealth. These facilities include "major" E&G facilities (classrooms, class lab facilities, Wren Building, Admissions, Blow Memorial Hall, Cohen Career Center) and "minor" E&G facilities (e.g., Jamestown Road Houses, Galt Houses, Quonset Huts, physical plant-related facilities). E&G facilities do not have a revenue generating component and exclude facilities that are self-supporting such as dormitories, athletic facilities, food service facilities.
- ⁶Annual rate based on Council for Aid to Education/ Voluntary Support of Education. For UVa, 2-year average from US News & World Report is used
- ⁷Also includes race reported as unknown and non-resident alien
- ⁸Does not include faculty or students in stand-alone graduate or professional programs (i.e., Law and, prior to 2010, VIMS)
- ⁹Underrepresented groups include American Indian or Alaska Native, Asian/Native Hawaiian/ Other Pacific Islander, Black or African American, Hispanic or Latino, Two or more races. Underrepresented groups do not include White, Unknown, Nonresident aliens.

COMMITTEE ON ALUMNI RELATIONS

December 8, 2011

2:15 – 3:00 p.m.

Board Room - Blow Memorial Hall

Laura L. Flippin, Chair

Peter A. Snyder, Vice Chair

- I. Opening Remarks – Ms. Flippin
- II. Alumni Association President – Peter M. Nance
- III. Alumni Association Report – Executive Vice President Karen R. Cottrell
- IV. Closed Session (if necessary)
- V. Open Session - Certification of Closed Session **Resolution**

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the Committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.

- VI. Discussion
- VII. Adjourn

COMMITTEE ON STUDENT AFFAIRS

December 8, 2011

3:00 – 4:00 p.m.

Board Room - Blow Memorial Hall

Michael Tang, Chair

John C. Thomas, Vice Chair

- I. Introductory Remarks - Mr. Tang
- II. Open Session
 - A. Understanding Our Students Through National Assessment Data:
Cooperative Institutional Research Program (CIRP)
National Survey of Student Engagement (NSSE)

Virginia M. Ambler, Vice President for Student Affairs

Susan L. Bosworth, Associate Provost, Institutional Analysis
and Effectiveness

Jodi Fisler, Assistant to the Vice President for Student Affairs

- B. Report from Student Liaisons
- III. Closed Session (if necessary)
- IV. Open Session - Certification of Closed Session **Resolution**

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the Committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.

- V. Discussion
- VI. Adjourn

COMMITTEE ON DEVELOPMENT

December 9, 2011

8:30 – 10:00 a.m.

Board Room - Blow Memorial Hall

R. Phillip Herget III, Chair

Thomas R. Frantz, Vice Chair

L. Clifford Schroeder, Sr., Vice Chair

- I. Opening Remarks – Mr. Herget
- II. Approval of Minutes – September 22, 2011
- III. College of William and Mary Foundation Report – H. Thomas Watkins III, Chair
- IV. University Development Report – Vice President Sean M. Pieri
 1. Establishment of the Kae Brown Memorial Symphony Orchestra Endowment - **Resolution 16**.
 2. Establishment of the Katherine E. Towers and Lewis C. Towers Scholarship Quasi-Endowment - **Resolution 17**.
- V. Closed Session (if necessary)
- VI. Open Session - Certification of Closed Session **Resolution**

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the Committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.
- VII. Discussion
- VIII. Adjourn

COMMITTEE ON DEVELOPMENT

MINUTES – SEPTEMBER 21-22, 2011

MINUTES
Committee on Development
September 21-22, 2011
Board Room - Blow Memorial Hall

Attendees: R. Philip Herget III, Chair; Thomas R. Frantz, Vice Chair; L. Clifford Schroeder, Sr., Vice Chair; Charles A. Banks III, Janet M. Brashear; Colin G. Campbell; Timothy P. Dunn; Edward L. Flippin; Laura L. Flippin, Dennis H. Liberson, Leigh A. Pence; Robert E. Scott; Peter A. Snyder, Todd A. Stottlemeyer, Michael Tang, John C. Thomas, Jeffrey B. Trammell; Faculty Representative Alan J. Meese, Student Representative Kaveh Sadeghian and Staff Liaison Mary S. Molineux. Others attending: President W. Taylor Reveley III, Provost Michael R. Halleran, Virginia M. Ambler, Jennifer M. Bateman, Molly A. Bodnar, Carrie L. Cooper, Karen R. Cottrell, Lee J. Foster, Michael J. Fox, Sue H. Gerdelman, W. Fanchon Glover, James R. Golden, Earl T. Granger, III., Brooke Harrison, Jermaine R. Johnson, Samuel E. Jones, John S. Kane, Anna B. Martin, Robert Mooney, Jennifer J. Morgan, Teresa L. Munford, Sean M. Pieri, Gene R. Tracy, John T. Wallace, Brian W. Whitson and Sandra J. Wilms.

On Wednesday, September 21, Mr. Herget convened the Committee on Development at 4:10 p.m., noting that this was the first meeting of the Committee focusing only on Development. Mr. Herget congratulated Ms. Cottrell and Ms. Flippin on the newly created Committee on Alumni Relations.

Mr. Herget moved that the Committee on Development convene in Closed Session to discuss specific recommendations related to future fundraising strategies as well as current development activities, as provided for in Section 2.2-3711.A.8., of the Code of Virginia. Motion was seconded by Mr. Schroeder and approved by voice vote. The observers were asked to leave the room and the Committee went into closed session at 4:10 p.m.

The Committee reconvened in open session at 5:30 p.m. Mr. Herget reviewed the topic discussed during closed session for the benefit of the observers, then moved adoption of the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Schroeder and approved by roll call vote of the Committee members conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended).

There being no further business, the Committee recessed at 5:30 p.m.

On Thursday, September 22, Mr. Herget reconvened the meeting at 4:15 p.m. Recognizing that a quorum was present, Mr. Herget moved adoption of the minutes of the meeting of April 14, 2011. Motion was seconded by Mr. Schroeder and approved by voice vote.

Mr. Herget introduced Sean Pieri, Vice President for Development. Mr. Pieri discussed the Braun, Eagleburger, English, Moslener-Dart and Phelps resolutions.

Following brief discussion, Mr. Herget moved adoption as a block **Resolution 23**, Establishment of the Douglas E. Braun Endowed Fellowship Fund; **Resolution 24**, Establishment of the Lawrence S. Eagleburger Expendable Fund; **Resolution 25**, Establishment of the Lawrence S. Eagleburger Quasi-

Committee on Development
MINUTES
Page 2

Endowment; **Resolution 26**, Establishment of the David Clay Jenkins English Quasi-Endowment; **Resolution 27**, Establishment of the Moslener-Dart Endowed Scholarship Fund; and **Resolution 28**, Establishment of the Helen I. Phelps Endowment. Motion was seconded by Mr. Scott and approved by voice vote.

Mr. Herget moved that the Committee on Development convene in Closed Session pursuant to Section 2.2-3711.A.8, of the Code of Virginia, in order to discuss specific recommendations related to future fundraising strategies as well as current development activities. Motion was seconded by Mr. Schroeder and approved by voice vote. The observers were asked to leave the room and the Committee went into closed session at 4:25 p.m.

The Committee reconvened in open session at 5:11 p.m. Mr. Herget reviewed the topic discussed during closed session for the benefit of the observers, then moved adoption of the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Scott and approved by roll call vote of the Committee members conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended).

There being no further business, the Committee adjourned at 5:13 p.m.

September 21, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Development and Alumni Affairs has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this Committee that such closed session was conducted in conformity with Virginia law;

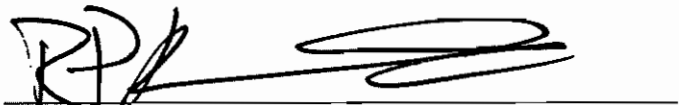
NOW, THEREFORE, BE IT RESOLVED, That the Committee on Development and Alumni Affairs, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Committee on Development and Alumni Affairs.

VOTE

AYES: 14

NAYS: 0

ABSENT DURING CLOSED SESSION: BRASHEAR, FLIPPEN, FRANTZ

A handwritten signature in black ink, appearing to read 'R. Philip Herget III', is written over a horizontal line.

R. Philip Herget III
Chair
Committee on Development

September 22, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Development and Alumni Affairs has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this Committee that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, That the Committee on Development and Alumni Affairs, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Committee on Development and Alumni Affairs.

VOTE

AYES: 17

NAYS: 0

ABSENT DURING CLOSED SESSION:

A handwritten signature in black ink, appearing to read 'RPH', followed by a long horizontal line.

R. Philip Herget III
Chair
Committee on Development

COLLEGE OF WILLIAM AND MARY
ESTABLISHMENT OF THE
KAE BROWN MEMORIAL
SYMPHONY ORCHESTRA ENDOWMENT

In memory of his wife, Dr. Joseph D. Brown, III made a generous gift to the College of William and Mary establishing the Kae Brown Memorial Symphony Orchestra Endowment. The income from this endowment is to be used for the most pressing needs of the Symphony Orchestra and the Music Department, such as scholarships for music lessons and student support for orchestra-related travel.

For decades, Mrs. Brown was a fixture in the orchestra's bass section. A number of her family members participated in the orchestra as well. Her daughter in-law, Sue Brown, class of 1982, played in the orchestra as did Kae's granddaughter, Emily Brown, a member of the class of 2012. This endowment cements in perpetuity Mrs. Brown's powerful legacy with the William and Mary Symphony Orchestra.

BE IT RESOLVED, That the Board of Visitors of the College of William and Mary hereby acknowledges this generous gift and establishes the Kae Brown Memorial Symphony Orchestra Endowment, the income from which shall be used at the discretion of the Director of Orchestras; and

BE IT FURTHER RESOLVED, That the Board of Visitors directs the Secretary to inform Dr. Joseph D. Brown, III of this action with its gratitude.

COLLEGE OF WILLIAM AND MARY
ESTABLISHMENT OF THE
KATHERINE E. TOWERS AND LEWIS C. TOWERS
SCHOLARSHIP QUASI-ENDOWMENT

Established by a generous bequest to the College of William and Mary from the Towers Family Charitable Trust created by Katherine E. Towers and Lewis C. Towers, both now deceased, the Katherine E. Towers and Lewis C. Towers Scholarship Quasi-Endowment Fund will provide income for need-based scholarships for out-of-state undergraduate students.

Mrs. Towers graduated from William and Mary with a degree in home economics in the Class of 1938. Mr. and Mrs. Towers, who lived in Iowa for many years, were both committed to supporting their respective alma maters, which compelled them to create the Towers Family Charitable Trust. In discussions with surviving family members, the College determined the most appropriate use of the quasi-endowment would be to support the ability of students from beyond Virginia's borders to attend the College of William and Mary.

BE IT RESOLVED, That the Board of Visitors of the College of William and Mary hereby acknowledges this generous bequest and establishes the Katherine E. Towers and Lewis C. Towers Scholarship Quasi-Endowment, the income from which shall be used at the discretion of the Director of Financial Aid; and

BE IT FURTHER RESOLVED, That the Board of Visitors directs the Secretary to inform Daniel Towers, the Trustee of the Towers Family Charitable Trust, of this action.

COMMITTEE ON FINANCIAL AFFAIRS – INVESTMENTS REPORT

December 9, 2011

10:00 – 10:45 a.m.

Board Room - Blow Memorial Hall

Timothy P. Dunn, Chair
Charles A. Banks III, Vice Chair
Edward L. Flippen, Vice Chair

- I. Introductory Remarks - Mr. Dunn
- II. Closed Session (if necessary)
- III. Open Session – Certification of Closed Session **Resolution**

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.

- IV. Investment Portfolio Evaluation Overview - Joseph W. Montgomery, Wells Fargo Advisors
 - A. Investment Update for Period Ending September 30, 2011.
Enclosure I. (*see separate booklet*)
 - B. Revision: Investment and Spending Policy for Endowment.
Resolution 18.
- V. Discussion
- VI. Adjourn



Investment Portfolio Evaluation For Periods Ending September 30, 2011



Board of Visitors Endowment



Wells Fargo Advisors is the trade name under which Wells Fargo & Company provides brokerage services through two registered broker/dealers: Wells Fargo Advisors, LLC, member NYSE/SIPC, and Wells Fargo & Company Financial Network, Inc., member NASD/SIPC. Each broker/dealer is a separate non-bank affiliate of Wells Fargo & Company.



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Section

I. Executive Summary

II. Equity Sector Review

III. Fixed Income Sector Review

IV. Capital Markets Review

V. Green Fund Update

The information provided herein is obtained from sources believed to be reliable, but no representation or warranty is made as to its accuracy or completeness. These investments are not insured or otherwise protected by the U.S. Government, the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other government agency and involve risk including the possibility of loss of principal.



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Capital Markets Review

For Periods Ending October 31, 2011

Index Name	October	3Q11	YTD	1 year	3 years	5 years	10 years
Dow Jones Industrial Average	9.7	(11.5)	5.5	10.4	11.8	2.5	5.4
NASDAQ Composite	0.1	(12.7)	(8.2)	(2.5)	13.1	1.3	4.4
S&P 500	10.9	(13.9)	1.3	8.1	11.4	0.2	3.7
Russell 1000	11.2	(14.7)	0.9	8.0	12.2	0.5	4.2
Russell 1000 Value	11.4	(16.2)	(1.1)	6.2	8.8	(2.0)	4.6
Russell 1000 Growth	11.0	(13.1)	3.0	9.9	15.6	3.0	3.6
Russell Midcap	13.0	(18.9)	(0.9)	7.8	17.8	2.3	8.3
Russell Midcap Value	12.6	(18.5)	(2.1)	5.8	15.6	0.7	8.8
Russell Midcap Growth	13.5	(19.3)	0.3	10.1	20.0	3.5	7.0
Russell 2000	15.1	(21.9)	(4.5)	6.7	12.9	0.7	7.0
Russell 2000 Value	14.4	(21.5)	(6.8)	3.5	9.5	(1.4)	7.6
Russell 2000 Growth	15.9	(22.2)	(2.2)	9.8	16.3	2.7	6.0
Russell 3000	11.5	(15.3)	0.5	7.9	12.3	0.5	4.4
MSCI EAFE Index	9.6	(19.0)	(6.4)	(3.6)	10.4	(1.9)	6.2
MSCI World Index	10.4	(16.5)	(2.7)	2.3	11.4	(0.4)	5.1
MSCI EM (EMERGING MARKETS)	13.3	(22.5)	(11.3)	(7.4)	23.6	6.8	17.2
MSCI FM (FRONTIER MARKETS)	2.2	(12.0)	(14.9)	(11.7)	(2.4)	N/A	N/A
Barclays Capital U.S. Aggregate	0.1	3.8	6.8	5.0	8.9	6.4	5.5
Barclays Capital U.S. Government/Credit	0.1	4.7	7.6	5.3	9.4	6.4	5.5
Barclays Capital Intermediate U.S. Government/Credit	0.3	2.4	5.2	3.2	7.6	5.9	5.0
Barclays Capital Municipal Bond	(0.4)	3.8	8.0	3.8	8.3	4.8	4.9
BofA Merrill Lynch Convertible Securities	5.9	(11.8)	(1.9)	2.0	18.4	3.7	6.0
BofA Merrill Lynch High Yield Master	5.9	(6.2)	4.2	4.8	22.8	7.8	8.8
Citigroup World Government Bond Index	0.5	2.4	7.1	3.7	8.6	7.5	7.4
JPM EMBI Global Diversified	4.4	(2.1)	7.1	3.3	20.0	8.2	10.8
Citigroup 3-month T-bill	0.0	0.0	0.1	0.1	0.2	1.5	1.9
Wilshire REIT	14.7	(14.6)	8.6	11.9	16.8	(1.6)	11.0
Dow UBS Commodity Index	6.6	(11.3)	(7.9)	1.6	4.4	(0.8)	7.1
HFRI Fund of Funds Composite Index	1.4	(4.9)	(3.9)	(1.9)	2.8	0.4	3.6
CS Tremont Managed Futures Index	(5.1)	3.5	(5.1)	(4.1)	1.7	5.8	6.1

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Data Sources: Zephyr StyleAdvisor & Barclay's Capital

The College of William & Mary BOV Endowment
Periods Ending September 30, 2011



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I. Executive Summary

Observations & Recommendations

Economic and Capital Market Highlights: The global economy was flooded with negative news this summer which led to depressed levels of consumer, business, and investor confidence. Slow economic growth, possible default on U.S. Government debt, a downgrade in the credit rating of the U.S., the sovereign debt crisis in Europe, unemployment above 9%, and the continued budgetary battles in Washington were at the top of the laundry list of negatives that overshadowed generally strong corporate earnings. GDP in the U.S. grew at 0.4% in the 1st quarter, 1.0% in the 2nd quarter, and is projected to come in around 2.5% in the 3rd quarter.

In response to the poor economic conditions, global stock markets suffered losses in the 3rd quarter from 15-20%. Most all sectors, styles, and capitalizations were tightly correlated which was eerily reminiscent of 2008. Year-to-date in 2011 through September 30th, all stocks indices are down double-digits with the exception of large-cap growth stocks (-7.2% as represented by the Russell 1000 Growth Index).

The upside has been the performance of bonds which have benefited from the flight to quality and the Federal Reserve's actions to drive interest rates down across the curve. There were some dramatic moves in interest rates over the latest quarter with the 10-year U.S. Treasury Note declining from 3.2% to 1.9% and the 30-year Treasury Note going from 4.4% to 2.9%. The Fed will continue to try to be accommodative as indicated by introducing Operation Twist that is expected to flatten the Treasury yield curve. Municipal bonds had a relatively good quarter despite pressure from the economy. Municipal supply has not been strong but demand appears to be improving as tax-equivalent yields are more attractive than comparable treasuries.

Total Portfolio: *The William & Mary Board of Visitors (BOV) Endowment* lost 12.7% for the quarter, trailing the target benchmark's loss of 8.8%. Longer term results are favorable with relative outperformance for the 5-year and major structural changes in 2003 (net of fees). Overall portfolio asset allocation was in line with policy targets at quarter-end. October rebounded with a gain of 7.8% for the Total Portfolio. This brings the fiscal year ending October 31, 2011 to a loss of 5.9%.

Domestic Equity: *Aletheia's Growth Equity* portfolio recorded a loss of 18.0% versus a 13.1% loss by the Russell 1000 Growth Index. All sectors were negative for the quarter though holdings in Newmont Mining, McDonald's and a Gold ETF were modestly profitable.

Blackrock's Large Cap Value strategy lagged the Russell 1000 Value Index for the quarter (-21.7% vs. -16.2%). Information technology was the worst performing sector, followed by materials and telecommunications. An underweight to financials was a relative bright spot for the strategy though performance was still negative as were all sectors for the strategy.

Artisan Mid Cap Value provided relative outperformance but still posted a loss of 14.8% for the quarter compared to the Russell Midcap Value's loss of 18.5%. The portfolio's high quality bias has been advantageous. Insurance-based financial stocks held up better than other financial areas and stock selection within the sector was additive. While cyclically-sensitive holdings were under pressure this quarter, the team used it as a buying opportunity to pick up a few cyclical names that were disproportionately impacted but still met their investment criteria.

The **Royce Opportunity** fund posted a loss of 27.9% for the quarter, 6% lower than the Russell 2000 Index. Consumer discretionary, industrials, and information technology were the worst sectors for the quarter. Calendar year-to-date, the fund has struggled with selection in nearly all sectors.



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Executive Summary

Observations & Recommendations

International Equity: *Delaware International Value* added relative performance in the quarter with a loss of 14.8% compared to the MSCI EAFE's loss of 19.0%. The fund trimmed positions in Intesa Sanpaolo (Italian bank), Kao (Japanese consumer goods), and Seven & I Holdings (Japanese food retailer). They sold out of Wesfarmers (Australian conglomerate), KDDI (Japanese telecommunications), and Telecom Corp of New Zealand.

Artio International Fund underperformed the MSCI EAFE for the quarter in 2011 (-24.3% vs. -19.0%). The fund continues to have significant exposure to emerging markets with a 12% allocation in China and a 5% allocation in India as an infrastructure play. The exposure to Russia has decreased a small amount as they are capped at 30% overall exposure to lesser developed countries. The firm has also announced that president Glen Wisher is leaving the company in their effort to "right-size" the company. Wisher's focus was on business expansion and was not directly involved in the investment management.

Domestic Fixed Income: The *PIMCO Total Return Fund* suffered a loss of 1.1% for the quarter versus a gain of 3.8% in the Barclays Capital US Aggregate. An overweight to financials, which lagged the broader corporate market amid fears and uncertainty surrounding contagion related to European sovereign risk. Also detracting from performance was an underweight to longer maturities as yields fell on the long end of the yield curve. To a lesser extent, exposure to a basket of European currencies acted as a drag on performance.

The *Pioneer Strategic Income* fund posted a quarterly loss of 2.3% compared to the Barclays Aggregate gain of 3.8%. The primary factor in the Fund's underperformance was asset allocation, which reduced performance by approximately 3.7%. In addition, short duration/yield-curve positioning cost the portfolio approximately 1%. Non-USD currency exposure also underperformed. Securities contributing to Fund performance included Irish government debt, Montell Finance (Lyondell), Viterria, Intel convertibles, and Sovereign Bancorp. Underperforming issues included convertibles of James River Coal, Forest City, and General Cable, and bonds of Credit Agricole and the Brazilian government.

International Fixed Income: The *GMO Global Bond Strategy* returned 2.4% during the quarter, matching the Citigroup World Government Bond index. Developed markets interest-rate positioning contributed positively and yield curve trades were largely responsible for gains, thanks to the flattening in the Japanese yield curve. Cross-market strategy gains followed, as overweight duration positions, in the U.S., eurozone, Canada, Switzerland, and Australia, performed well.

The *GMO Emerging Country Debt Strategy* fell 4.4% in the quarter, lagging the J.P. Morgan Emerging Market Bond Index Global Diversified's loss of 2.1%. The worst performers of the quarter were Argentina (-20.1%), Belarus (-17.5%), Ukraine (-11.1%), and Iraq (-10.7%). These are weak credits that suffered disproportionately in the market downturn.

Alternatives: The alternative portfolio includes managed futures, hedge funds, and private equity. The overall alternative portfolio did not fall nearly as much as the equity portfolio (and markets) falling 2.3% for the quarter.

Executive Summary

Total Fund Performance Through September 30, 2011

	3Q11	One Year	Three Years ¹	Five Years ¹	Changes (1/1/03)	Incept (Mgr) ²	Incept Bench ²
Total BOV Account	(12.7)	(2.4)	3.6	1.6	7.1	6.4	6.3
Target Benchmark²	(8.8)	0.8	3.9	1.6	7.0		
Blackrock: Large Cap Value	(21.7)	(3.6)	(3.2)	(3.9)	--	(3.1)	(2.0)
Russell 1000 Value	(16.2)	(1.9)	(1.5)	(3.5)	--		
Aletheia: Large Cap Growth	(18.0)	(6.6)	(3.9)	--	--	(9.0)	(2.3)
Russell 1000 Growth	(13.1)	3.8	4.7	--	--		
Wells Fargo: Mid Cap Growth	(19.5)	2.6	5.5	4.3	--	3.0	0.8
Russell MidCap Growth	(19.3)	0.8	5.9	1.6	--		
Artisan Mid Cap Value	(14.8)	2.5	--	--	--	21.4	23.9
Russell MidCap Value	(18.5)	(2.4)	--	--	--		
Royce: Small-Cap	(27.9)	(11.8)	0.8	(1.5)	9.3	9.3	7.5
Russell 2000	(21.9)	(3.5)	(0.4)	(1.0)	7.5		
Delaware: Int'l Value	(14.8)	(4.3)	(1.4)	(2.8)	8.0	6.0	3.6
Artio Int'l Growth	(24.3)	(17.8)	--	--	--	9.0	15.1
MSCI EAFE	(19.0)	(8.9)	(0.7)	(3.0)	7.6		
State Street: Emerging Markets	(23.4)	(17.1)	3.4	2.8	15.2	15.2	16.6
MSCI EM (Emerging Markets)	(22.5)	(15.9)	6.6	5.2	16.6		
PIMCO Total Return Fund	(1.1)	1.0	--	--	--	6.1	7.6
Pioneer Strategic Income	(2.3)	2.4	--	--	--	7.4	7.6
Barclays Capital U.S. Aggregate	3.8	5.3	8.0	6.5	--		
GMO: Global Fixed Inc	2.4	6.5	8.9	5.8	6.9	6.9	6.8
Citigroup World Govt Bond Index	2.4	4.6	7.7	7.5	6.8		
GMO: Emerging Mkt Fixed Inc	(4.4)	2.4	13.5	8.0	13.4	13.4	10.0
JPM EMBI Global Diversified	(2.1)	0.8	11.6	7.7	10.0		
Combined Alternatives	(2.3)	3.9	--	--	--	2.4	0.1
HFRI Fund-of-Funds Index	(3.5)	3.3	--	--	--	--	--

1 Annualized

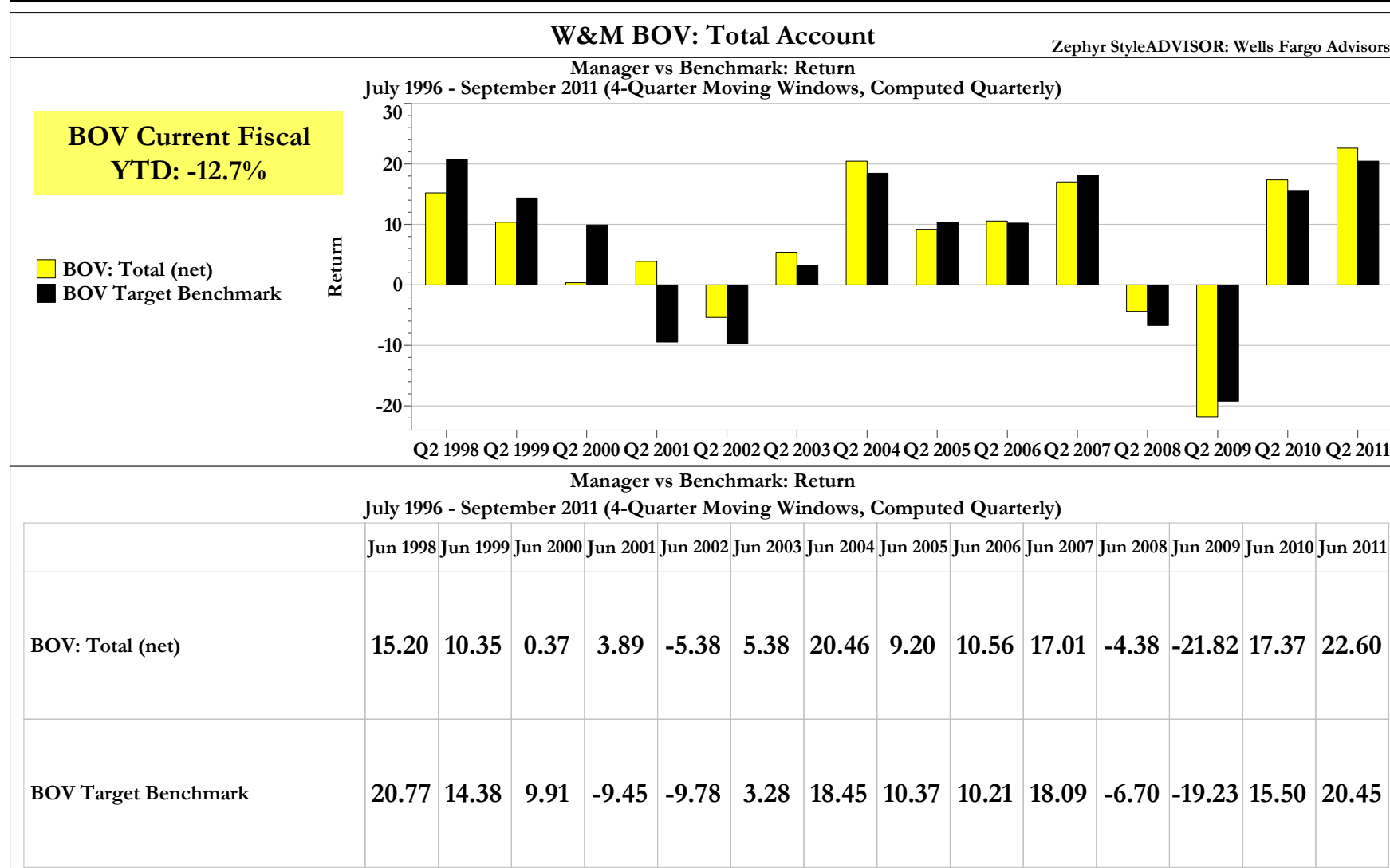
2 Total BOV Account (7/1/96) = Target Benchmark; Blackrock Large Cap Value (5/1/06) = Russell 1000 Value; Aletheia Large Cap Growth (11/26/07) = Russell 1000 Growth; Wells Fargo MidCap (4/1/06) = Russell MidCap Growth; Artisan Mid Cap 5/26/09 = Russell MidCap Value; Royce (1/8/03) = Russell 2000; Delaware Int'l (7/1/96) = MSCI EAFE; Artio Int'l (6/4/09) = MSCI EAFE; State Street Emerging Mkts (1/24/03) = MSCI Emerging Markets Free; PIMCO Total Return Fund and Pioneer Strategic Income Fund (11/3/09) = Barclays Capital US Aggregate; GMO Global Fixed (2/11/03) = Citi World Govt Bond Index; GMO Emerging Mkt Fixed (2/11/03) = JPM EMBI Global Diversified.

3 From 11/1/09, 25% S&P 500, 12% Russ Midcap, 7% Russ 2000, 9% MSCI EAFE, 2% MSCI Emerging Mkts Free, 30% Barclays Capital U.S. Aggregate, 5% Citi World Government Bond Index, 5% JPM EMBI Global Diversified, 5% HFRI Index; From 1/1/03, 40% S&P 500, 12.5% Russ Midcap, 7.5% Russ 2000, 10% MSCI EAFE, 4% MSCI Emerging Mkts Free, 20% Barclays Capital U.S. Aggregate, 2.5% Citi World Government Bond Index, 2.5% JPM EMBI+; Prior to 1/1/03, 60% Russell 3000, 15% MSCI World Ex-US, 25% Barclays Capital Aggregate Bond Index.

+ Quarterly performance results prior to the third quarter of 2002, were provided by Delaware Investments Advisors and Lazard Asset Management. There were no calculations by Wells Fargo Advisors to ensure the accuracy of the results. Based on information provided by SunTrust, Wells Fargo Advisors began calculating quarterly results starting in the 4th quarter of 2002. There is no guarantee as to the accuracy of our calculations for the managers or the Total BOV Account.

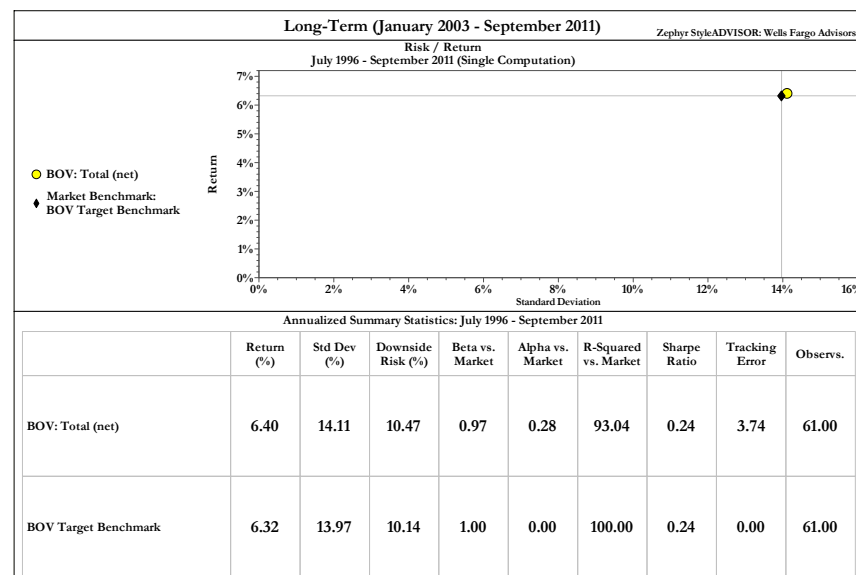
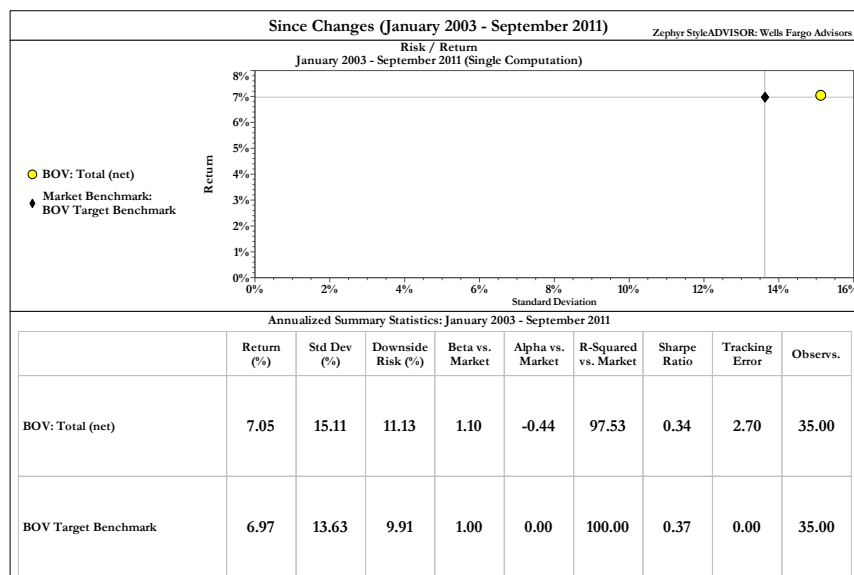
Executive Summary

Total Fund: Fiscal Year Results+



Executive Summary

Total Fund Risk/Return*



* BOV Target Benchmark = From 1/1/03, 40% S&P 500, 12.5% Russell Midcap, 7.5% Russell 2000, 10% MSCI EAFE, 4% MSCI Emerging Mkts Free, 20% Barclays Capital U.S. Aggregate, 6% Citi World Government Bond Index. Prior to 1/1/03, 60% Russell 3000, 15% MSCI World Ex-US, 25% Barclays Capital U.S. Aggregate Bond Index. From 11/1/09, 25% S&P 500, 12% Russell Midcap, 7% Russell 2000, 9% MSCI EAFE, 2% MSCI Emerging Mkts Free, 30% Barclays Capital U.S. Aggregate, 5% Citi World Government Bond Index, 5% JPM EMBI Global Diversified, 5% HFRI FoF Index.

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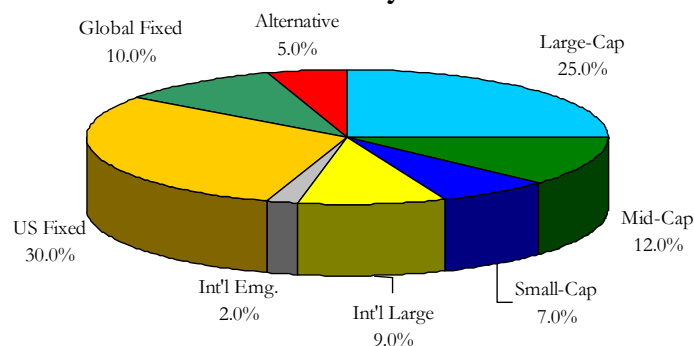
Executive Summary

Total Fund Asset Allocation*

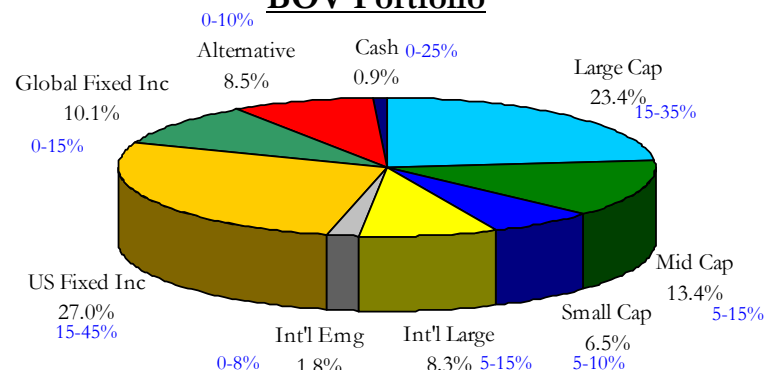
As of September 30, 2011

Policy Limits

Policy



BOV Portfolio



Manager	Domestic Fixed Income	Global Fixed Income	Domestic Equity	Non-US Equity	Alternative	Cash Equiv.	Total
Aletheia	0	0	6,180,790	0	0	0	6,180,790
Blackrock	0	0	5,934,642	0	0	0	5,934,642
Delaware Investment Advisers	0	0	0	2,304,601	0	0	2,304,601
Grantham, Mayo	0	5,222,082	0	0	0	0	5,222,082
Artisan MC	0	0	3,262,053	0	0	0	3,262,053
Artio Int'l	0	0	0	2,005,621	0	0	2,005,621
Royce & Associates	0	0	3,382,459	0	0	0	3,382,459
State Street Global Advisors	0	0	0	947,250	0	0	947,250
Pimco Total Return Fund	7,027,465	0	0	0	0	0	7,027,465
Pioneer Strategic Income	6,923,108	0	0	0	0	0	6,923,108
Wells Capital	0	0	3,655,515	0	0	0	3,655,515
Cash & Equivalents	0	0	0	0	0	471,921	471,921
Private Equity Partners II	0	0	0	0	6,534	0	6,534
Combined Alternatives	0	0	0	0	4,370,007	0	4,370,007
Total BOV Account	13,950,573	5,222,082	22,415,459	5,257,472	4,376,541	471,921	51,694,048
% of Total Fund	27.0%	10.1%	43.4%	10.2%	8.5%	0.9%	

* Values (except "Alternatives") are reflected at market as reported by SunTrust; Alternatives are reported by Wells Fargo Advisors; beginning and ending market values include accrued income on fixed income assets only. Private Equity Partners II values were reported by W&M.

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The College of William & Mary BOV Endowment
Periods Ending September 30, 2011

Executive Summary
Financial Reconciliation – 2012 Fiscal YTD*

July 1, 2011 – September 30, 2011

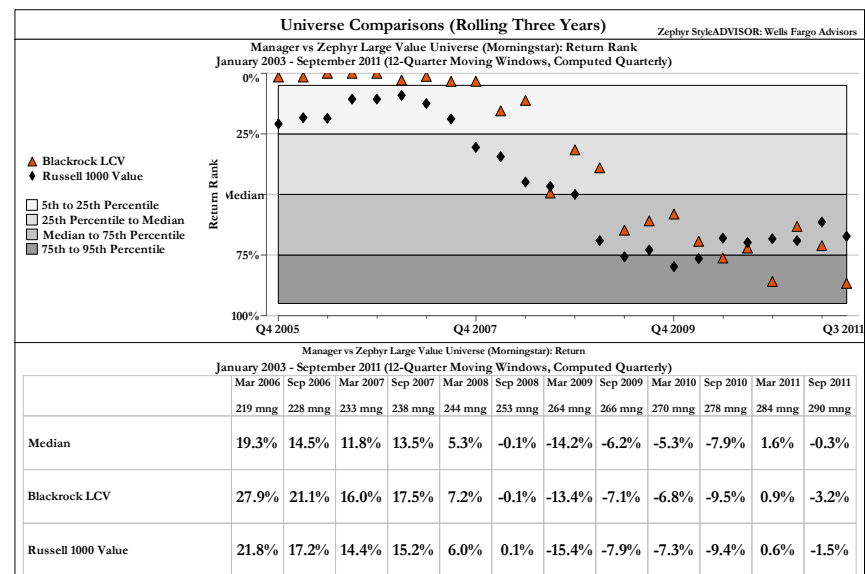
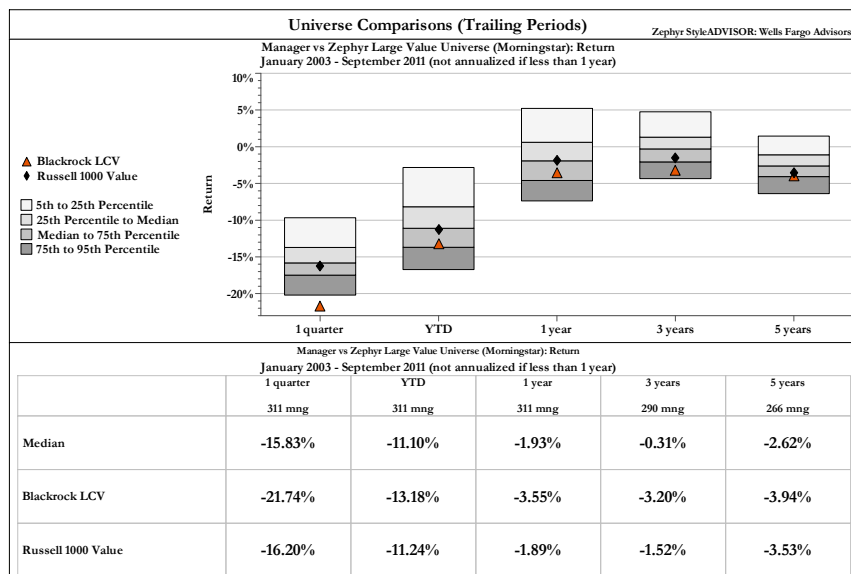
	William & Mary BOV Endowment
6/30/11 Market Value	59,271,427
Net Additions/Withdrawals	(47,856)
Expenses	<u>(23,399)</u>
<i>Net Cash Flow</i>	<i>(71,254)</i>
Net Income	245,169
Net Realized Gain/(Loss)	(101,637)
Change Unrealized Gain/(Loss)	<u>(7,656,192)</u>
<i>Total Investment Gain/(Loss)</i>	<i>(7,512,660)</i>
9/30/11 Market Value	51,687,513

•All account values (excluding “Alternatives”) are reported by SunTrust; “Alternative values are reported by Wells Fargo Advisors; to comply with GIPS Performance reporting standards, beginning and ending market values include fixed income accruals.

•Ending value excludes PEP II.

II. Equity Sector (Large-Cap Value*)

Periods Ending September 30, 2011 - Performance

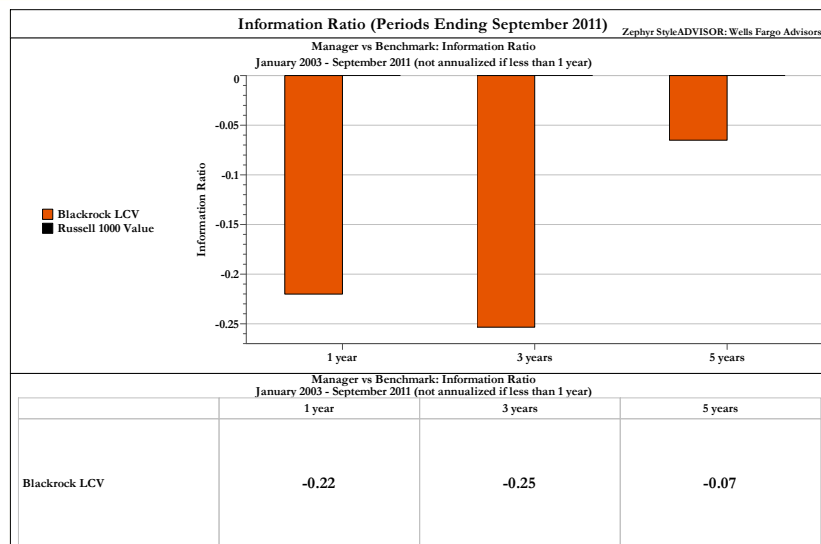
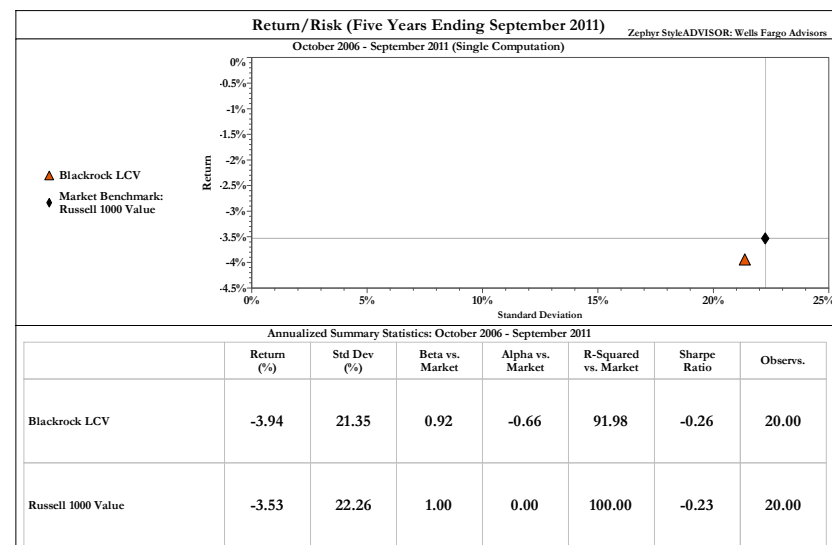
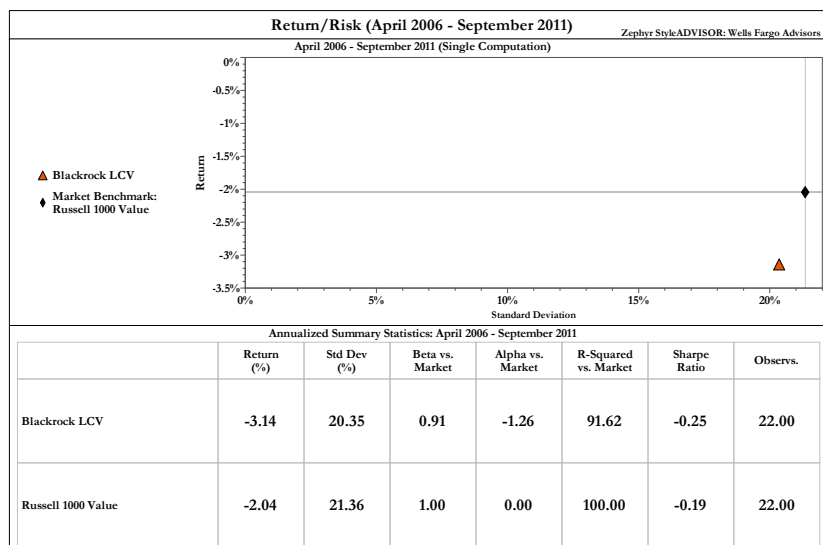


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* Please note that we have linked Blackrock's composite historical returns for periods prior to 5/1/06 with BOV actual results starting on May 1, 2006.

Equity Sector (Large-Cap Value*)

Period Ending September 30, 2011– Risk Measures



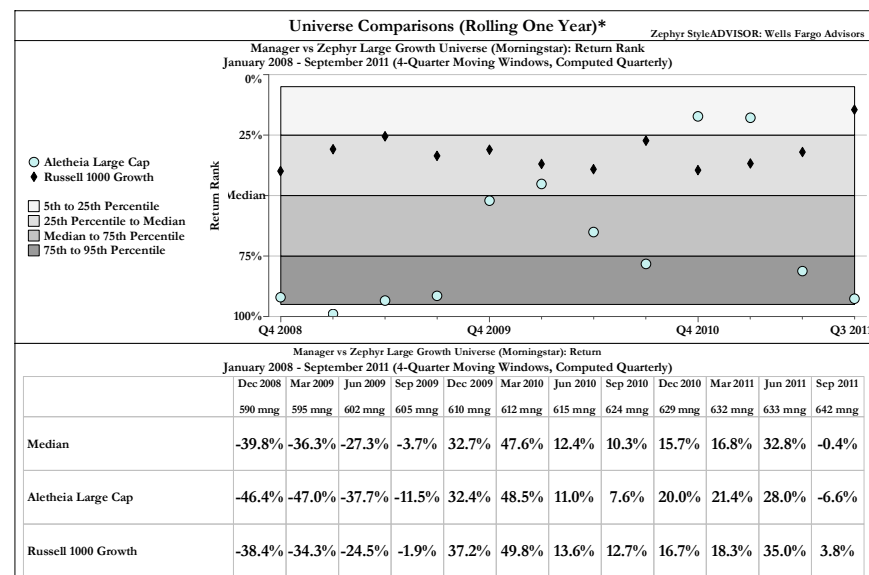
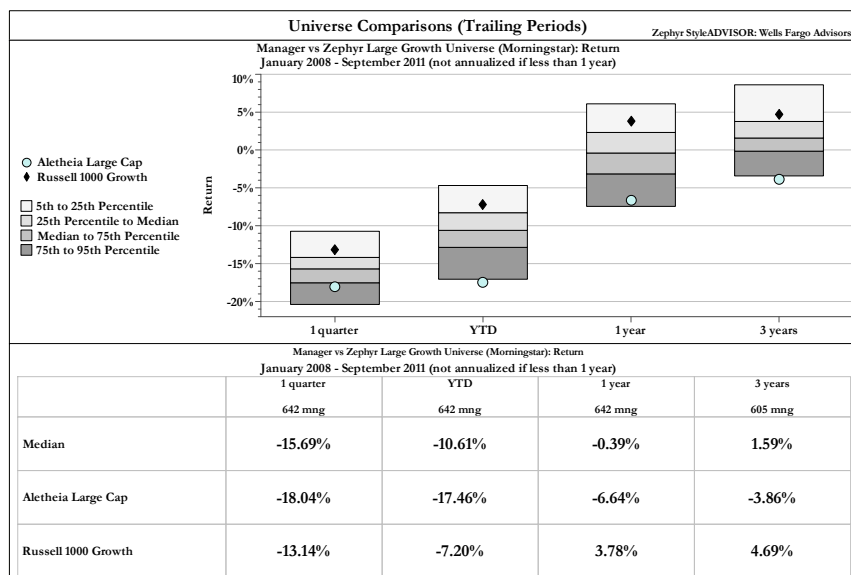
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Equity Sector (Large-Cap Growth)

Periods Ending September 30, 2011 - Performance

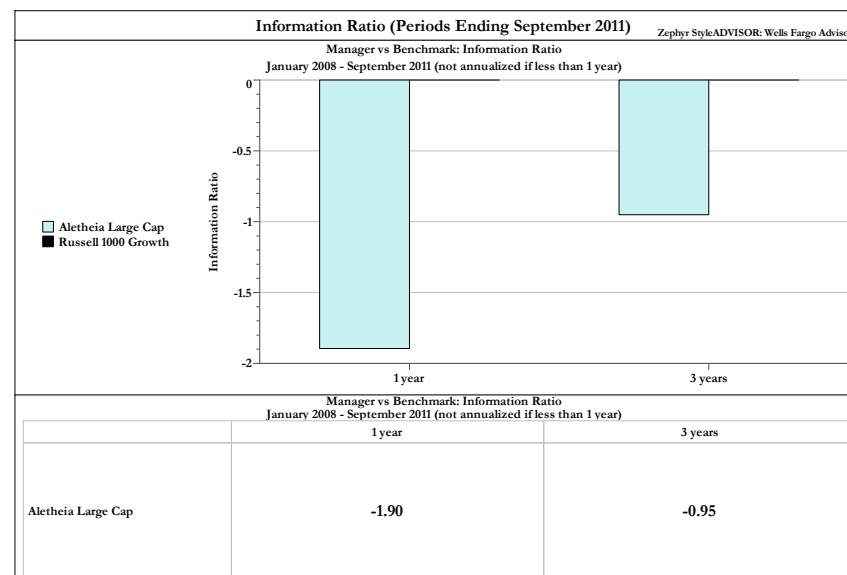
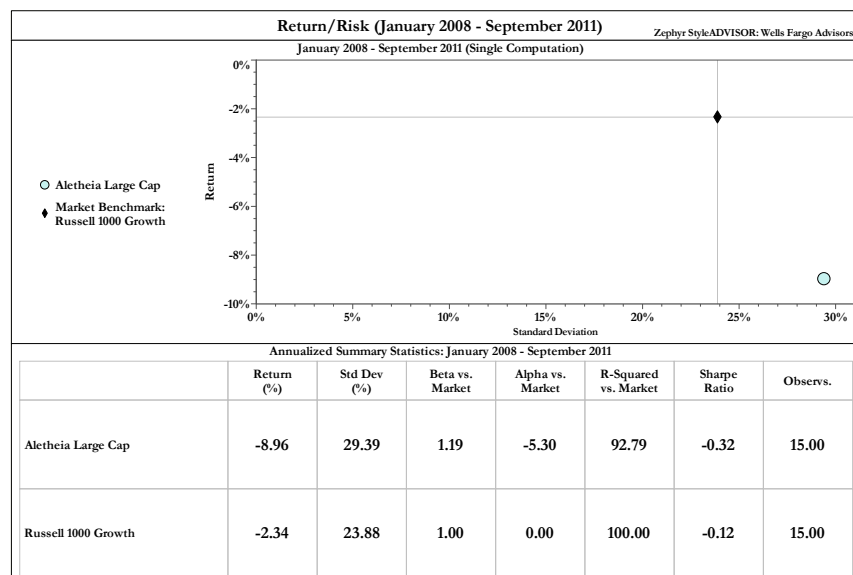


*Longer time periods are shown for illustrative purposes.
Aletheia's actual performance began on 12/1/07

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Equity Sector (Large-Cap Growth)

Periods Ending September 30, 2011 - Performance



*Longer time periods are shown for illustrative purposes.
Aletheia's actual performance began on 12/1/07

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Equity Sector (Large-Cap Combined)

Characteristics - As of September 30, 2011

Characteristic	Blackrock	Aletheia	Combined BOV Large-Cap	S&P 500	Over/(Under) Weight
Median Cap (\$MM)	4,915	25,821	15,757	11,170	4,587
Avg Cap (\$MM)	27,097	64,951	46,728	48,152	(1,424)
Yield (%)	1.70	1.20	1.44	1.84	(0.40)
P/E Ratio	12.90	23.79	18.55	19.58	(1.03)
Price / Book	1.40	3.45	2.46	3.68	(1.22)
5 yr EPS Growth (%)	9.26	12.99	11.19	11.55	(0.36)
Beta	0.86	0.96	0.91	1.00	(0.09)
R ²	0.93	0.87	0.90	1.00	(0.10)
# of Stocks	102	55	157	500	(343)

Blackrock

Top Ten Equity Holdings	% of Portfolio	% of Index	3Q11 ROR
PFIZER INC.	3.5	2.4	(13.2)
CONOCOPHILLIPS	2.1	1.5	(15.1)
CHEVRON CORP.	2.1	3.0	(9.3)
BRISTOL-MYERS SQUIBB CO.	2.0	0.9	8.4
UNITEDHEALTH GROUP INC.	1.9	0.9	(10.3)
ELI LILLY & CO.	1.6	0.4	(0.1)
ACE LTD.	1.4	0.4	(5.2)
WELLPOINT INC.	1.4	0.4	(16.8)
GENERAL DYNAMICS CORP.	1.4	0.3	(17.6)
CAPITAL ONE FINANCIAL CORP.	1.4	0.3	(23.2)

Aletheia

Top Ten Equity Holdings	% of Portfolio	% of Index	3Q11 ROR
COCA-COLA CO	4.3	2.3	1.1
MCDONALDS CORP	3.6	1.6	4.9
INTERNATIONAL BUSINESS MACHINES	3.4	3.6	2.4
NEWMONT MINING CORP	3.4	0.0	17.2
BARRICK GOLD CORP COM	3.3	0.0	4.1
EXXON MOBIL CORPORATION COMMO	3.3	4.5	(10.1)
BOEING COMPANY COMMON	2.7	0.7	(17.6)
EBAY INC COM	2.7	0.3	(8.6)
ISHARES SILVER TRUST FD	2.7	0.0	(14.6)
CANADIAN NATURAL RES LTD	2.6	0.0	(29.3)

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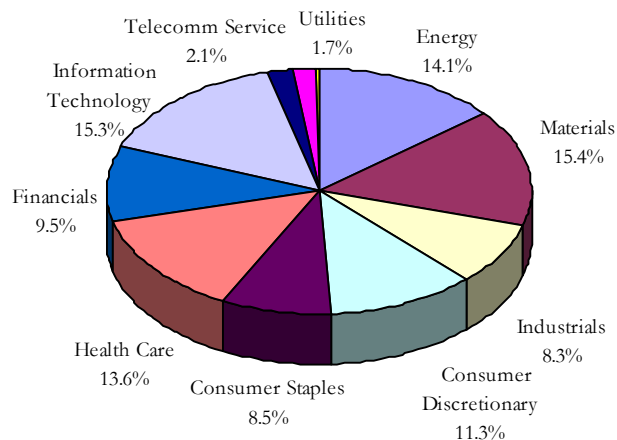
Data Source: Blackrock, Aletheia, VESTEK

The College of William & Mary BOV Endowment
Periods Ending September 30, 2011

Equity Sector (Large-Cap Combined)

Characteristics - As of September 30, 2011

Combined BOV Large-Cap Sector Distribution



	Blackrock Weight	Aletheia Weight	Combined BOV Large-Cap	S&P 500 Weight	Over / (Under) Weight
Energy	9.0	19.1	14.1	11.6	2.5
Materials	8.6	21.9	15.4	3.4	12.0
Industrials	6.8	9.8	8.3	10.3	(2.0)
Consumer Discretionary	9.6	12.9	11.3	10.7	0.6
Consumer Staples	8.0	9.0	8.5	11.7	(3.2)
Health Care	20.9	6.7	13.6	12.1	1.5
Financials	14.8	4.4	9.5	13.6	(4.1)
Information Technology	15.2	15.4	15.3	19.4	(4.1)
Telecomm Service	3.3	1.0	2.1	3.3	(1.2)
Utilities	3.4	0.0	1.7	3.3	(1.6)
Cash & Equiv	0.4	0.0	0.2	0.7	(0.5)

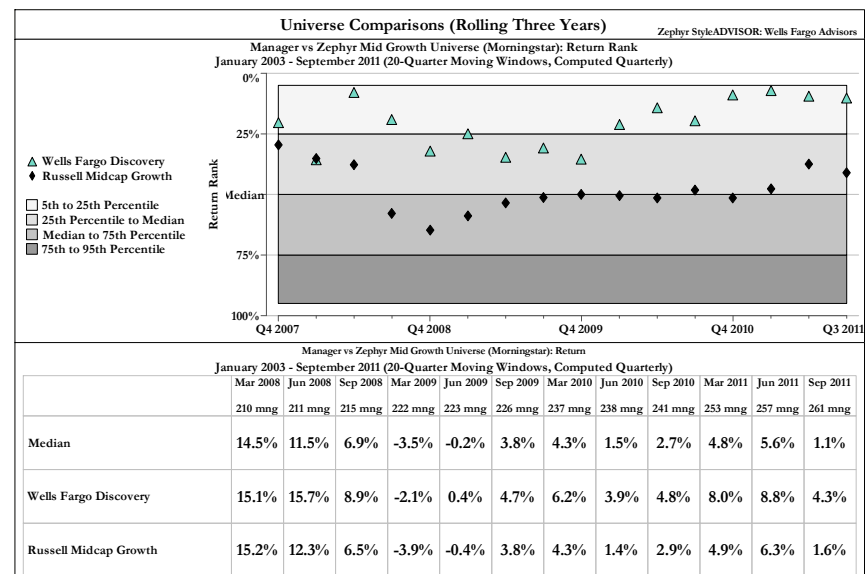
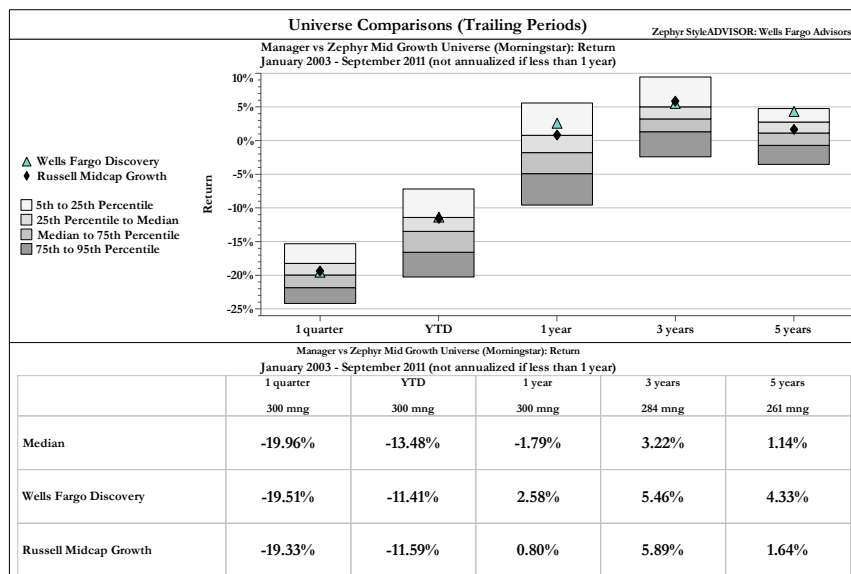
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Data Source: Blackrock, Aletheia, VESTEK

The College of William & Mary BOV Endowment
Periods Ending September 30, 2011
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Equity Sector (Mid-Cap Growth*)

Periods Ending September 30, 2011 - Performance

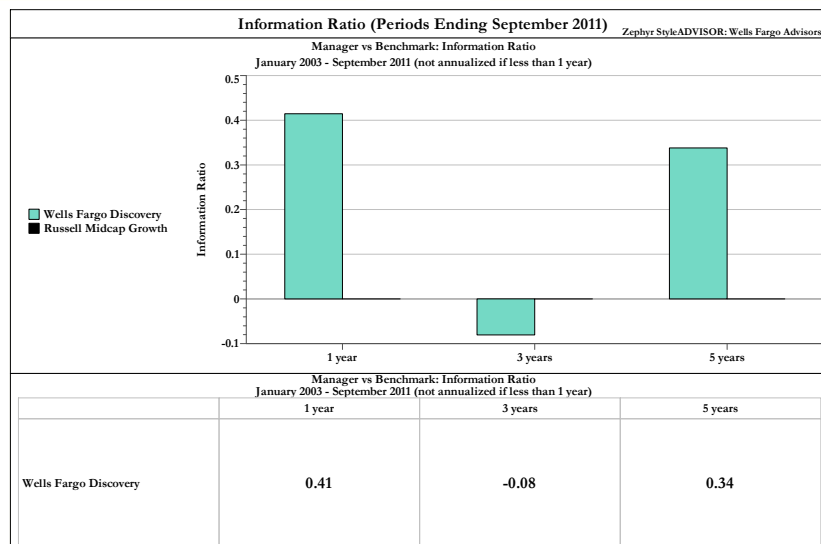
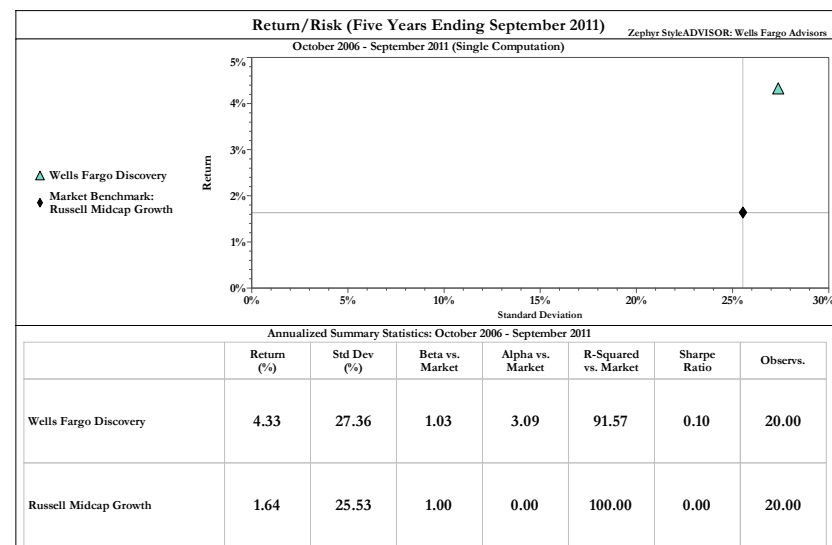
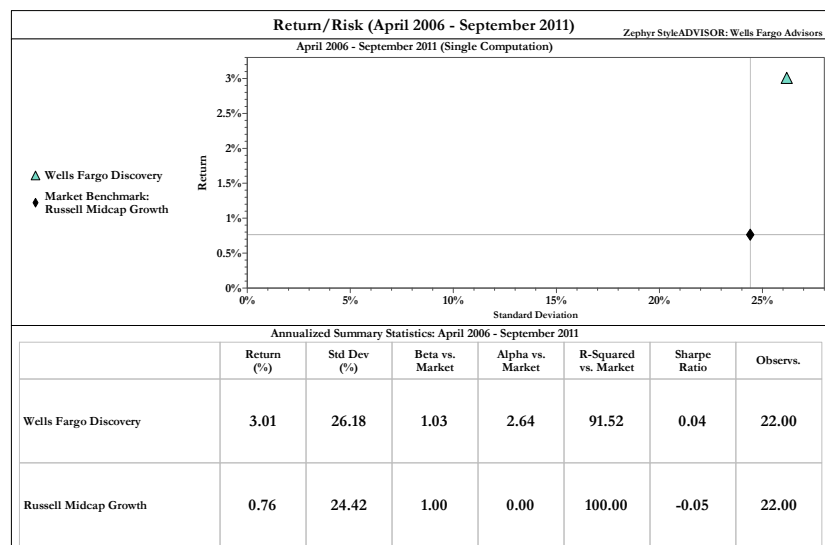


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* Please note that we have linked Wells' composite historical returns for periods prior to 4/1/06 with BOV actual results starting with the 2nd quarter of 2006.

Equity Sector (Mid-Cap Growth*)

Periods Ending September 30, 2011– Risk Measures



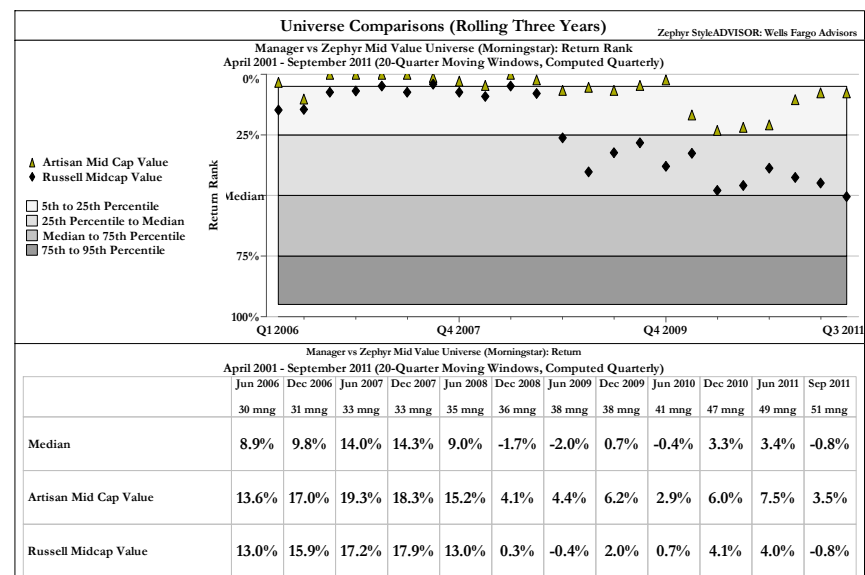
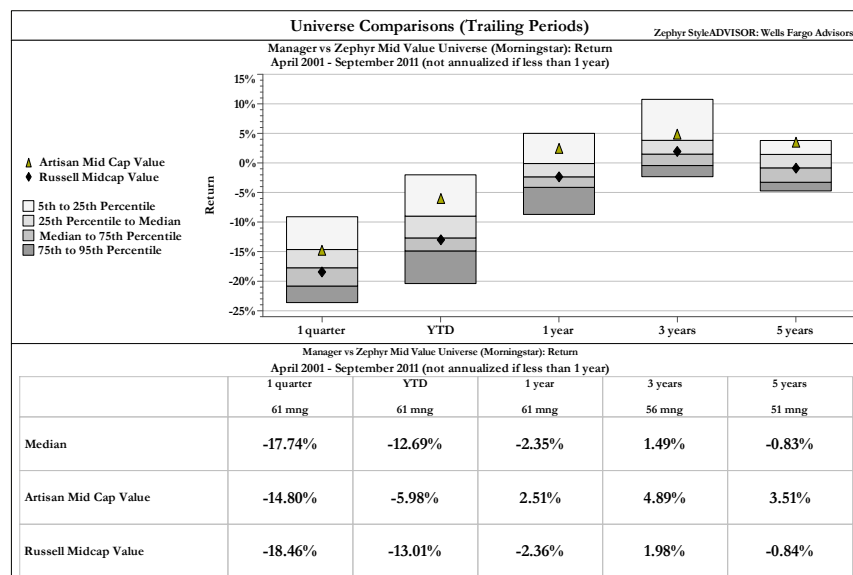
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The College of William & Mary BOV Endowment
Periods Ending September 30, 2011
Page 24

Equity Sector (Mid-Cap Value*)

Periods Ending September 30, 2011 - Performance



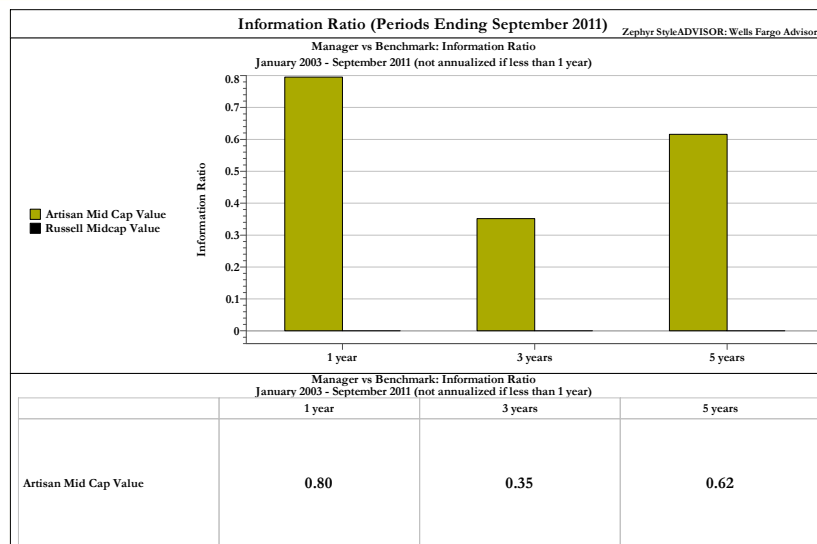
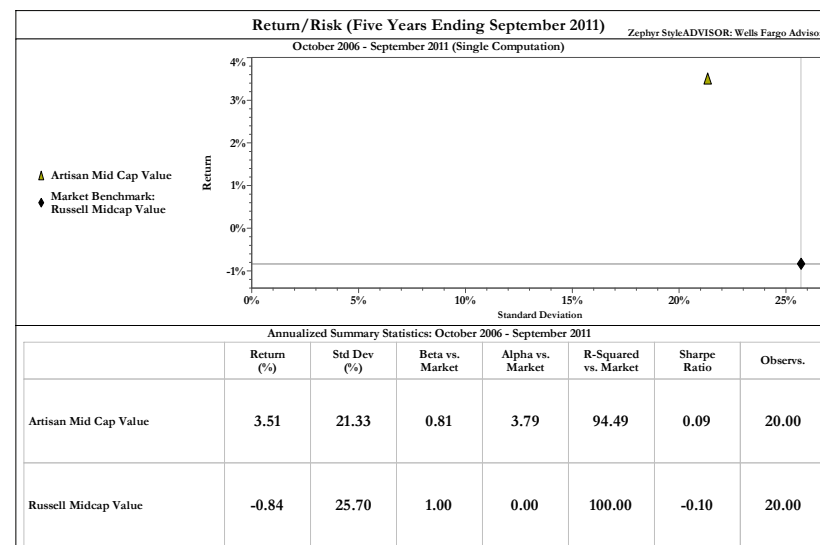
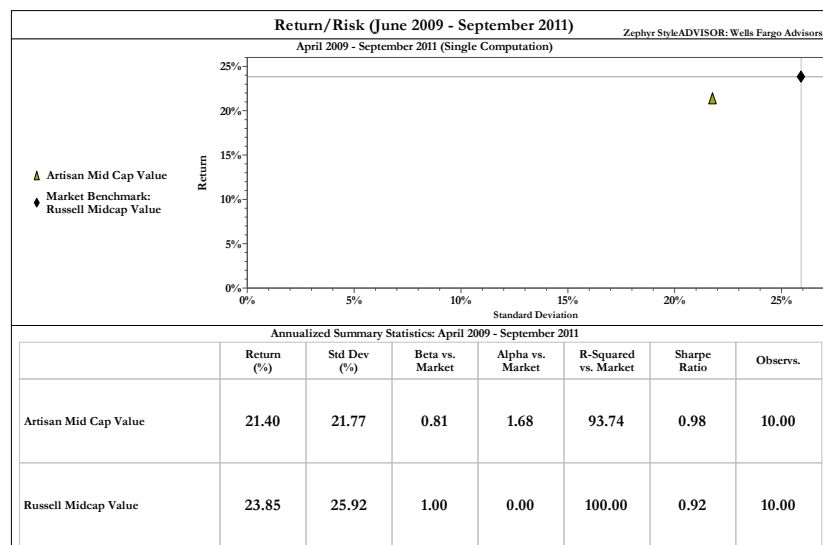
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* Please note that we have linked Artisan's composite historical returns for periods prior to 6/1/09 with BOV actual results starting with June 2009.

The College of William & Mary BOV Endowment
Periods Ending September 30, 2011
Page 25

Equity Sector (Mid-Cap Value*)

Periods Ending September 30, 2011– Risk Measures



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The College of William & Mary BOV Endowment
Periods Ending September 30, 2011
Page 26

Equity Sector (Mid-Cap Combined)

Characteristics - As of September 30, 2011

Characteristic	Wells	Artisan	Combined BOV Mid-Cap	Russell Mid- Cap	Over/(Under) Weight
Avg Cap (\$MM)	3,720	6,700	5,125	6,970	(1845)
Yield (%)	0.00	0.74	0.35	1.74	(1.39)
P/E Ratio	20.02	10.80	15.67	16.75	(1.08)
Price / Book	3.11	1.60	2.40	2.64	(0.24)
5 yr EPS Growth (%)	18.25	11.70	15.16	18.38	(3.22)
# of Stocks	68	57	125	782	

Wells Fargo

TEN LARGEST HOLDINGS	% of Portfolio
Kansas City Southern	3.2
TransDigm Group Incorporated	2.9
Airgas Incorporated	2.8
NetLogic Microsystems Incorporated	2.7
Catalyst Health Solutions	2.5
Pharmasset Inc	2.4
Gartner Incorporated	2.3
Equinix Inc	2.1
Deckers Outdoor Corp	2.0
Alexion Pharmaceuticals Inc	2.0

Artisan Partners

Top Ten Equity Holdings	% of Portfolio
Alleghany Corp	2.8
Avnet Inc	2.7
CIGNA Corp	2.6
Ingram Micro Inc	2.5
The Kroger Co	2.5
The Progressive Corp	2.4
Rockwell Collins Inc	2.4
AON Corp	2.4
Towers Watson & Co	2.3
Mattel Inc	2.3

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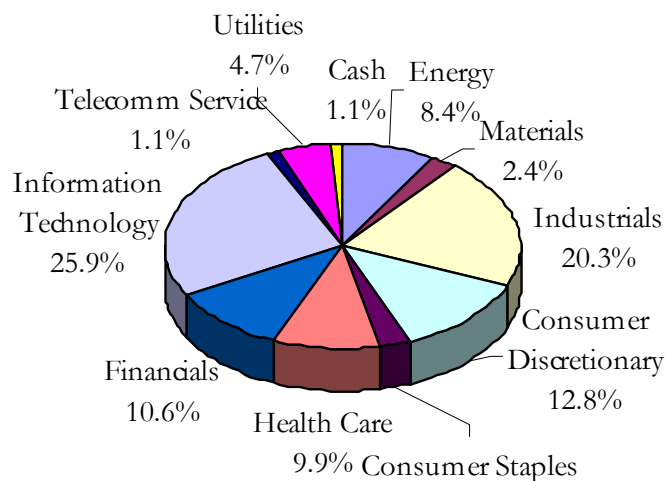
Data Source: Wells Fargo, Artisan, VESTEK

The College of William & Mary BOV Endowment
Periods Ending September 30, 2011

Equity Sector (Mid-Cap Combined)

Characteristics - As of September 30, 2011

BOV Mid-Cap Sector Distribution



	Wells Fargo Weight	Artisan Weight	Combined BOV Mid-Cap	Russ Mid-Cap Weight	Over / (Under) Weight
Energy	9.0	7.8	8.4	7.5	0.9
Materials	4.5	0.0	2.4	6.3	(3.9)
Industrials	20.4	20.2	20.3	12.1	8.2
Consumer Discretionary	18.1	6.8	12.8	15.9	(3.1)
Consumer Staples	0.0	5.8	2.7	6.8	(4.1)
Health Care	15.8	3.4	9.9	10.5	(0.6)
Financials	3.5	18.6	10.6	18.7	(8.1)
Information Technology	24.6	27.5	26.0	13.4	12.6
Telecomm Service	2.2	0.0	1.1	1.3	(0.1)
Utilities	0.0	10.0	4.7	7.7	(3.0)
Cash	2.1	0.0	1.1	0.0	1.1

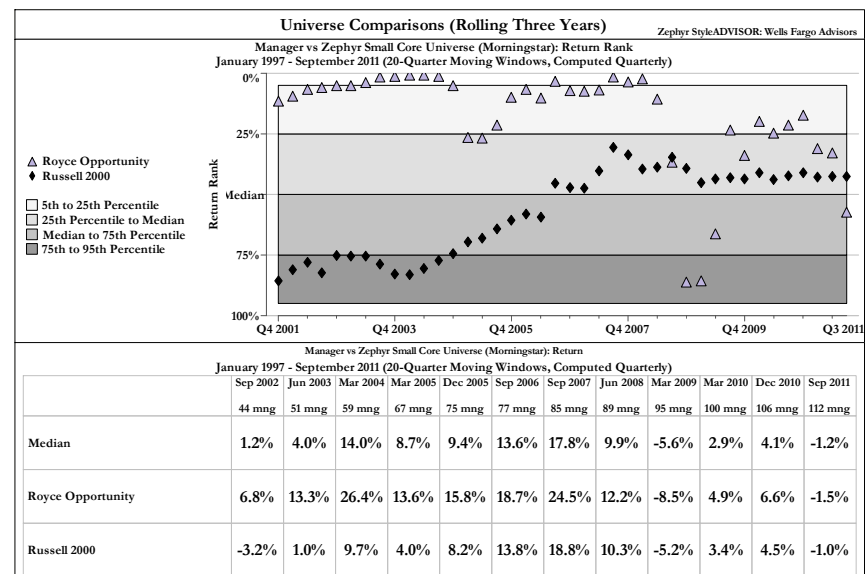
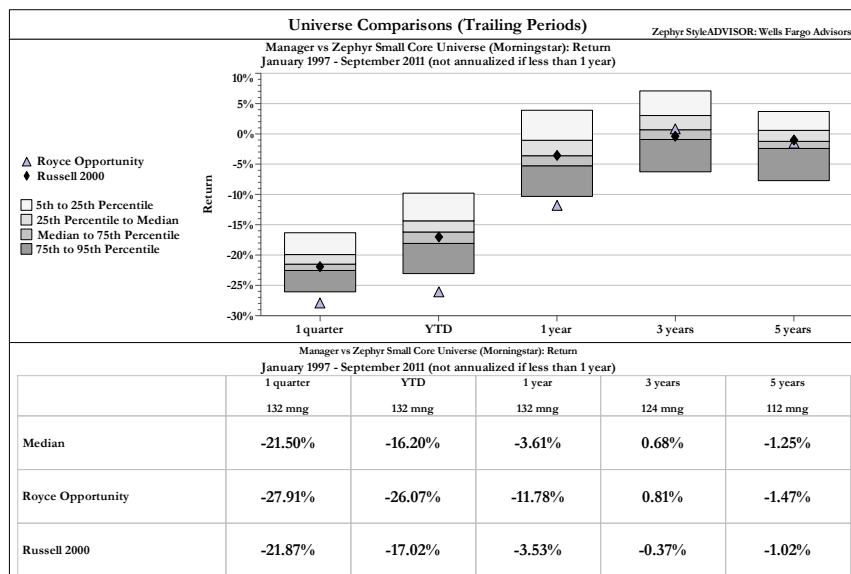
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Data Source: Wells Fargo, Artisan, VESTEK

The College of William & Mary BOV Endowment
Periods Ending September 30, 2011
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Equity Sector (Small-Cap)

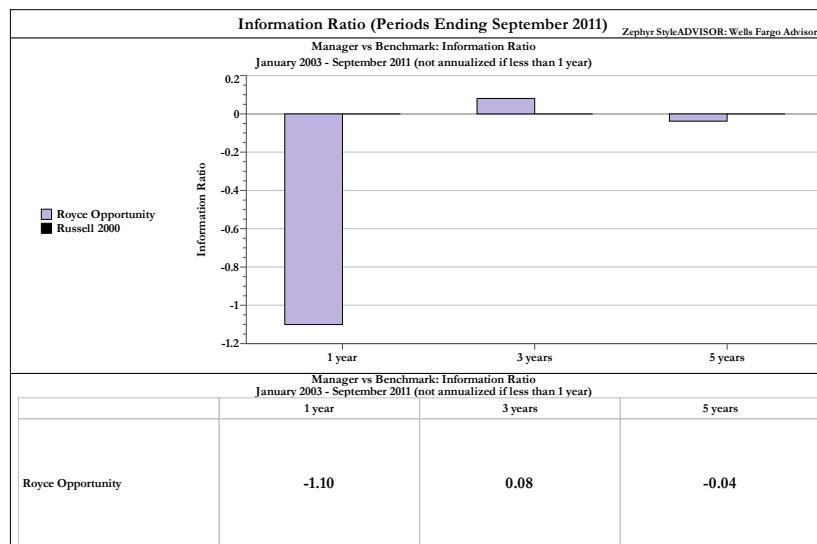
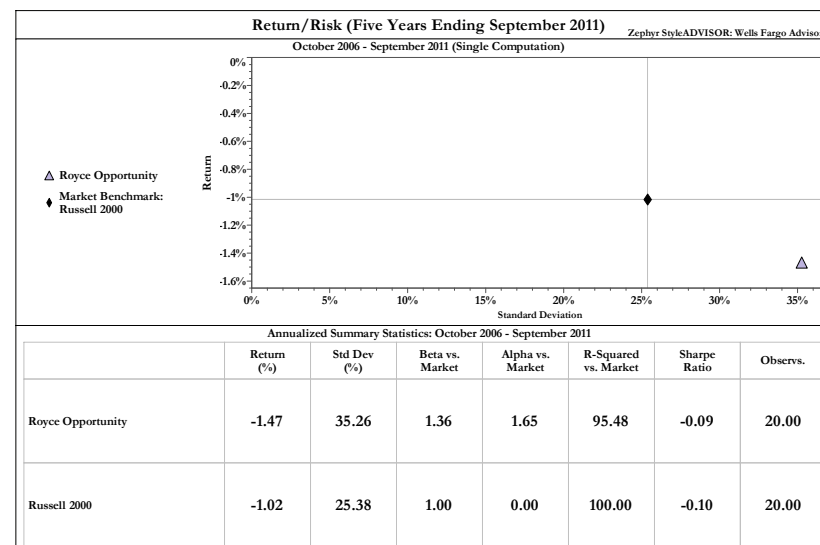
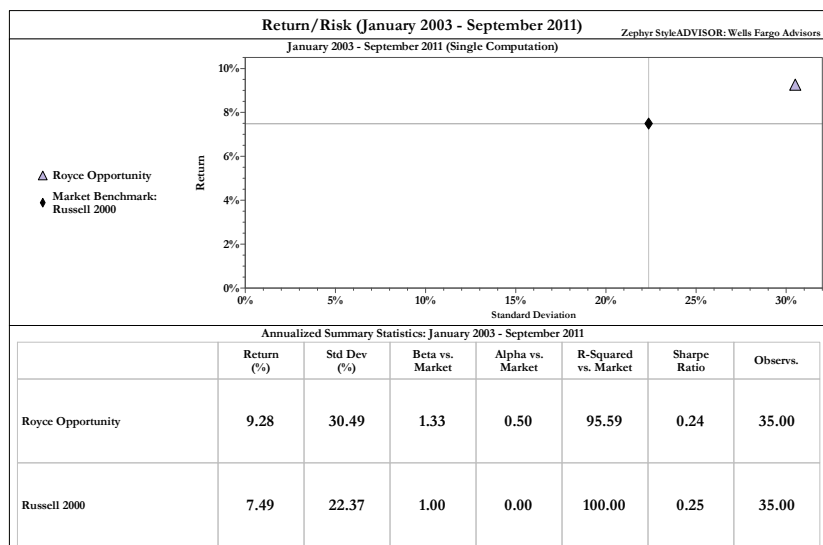
Periods Ending September 30, 2011 - Performance



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Equity Sector (Small-Cap)

Periods Ending September 30, 2011– Risk Measures



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Equity Sector (Small-Cap)

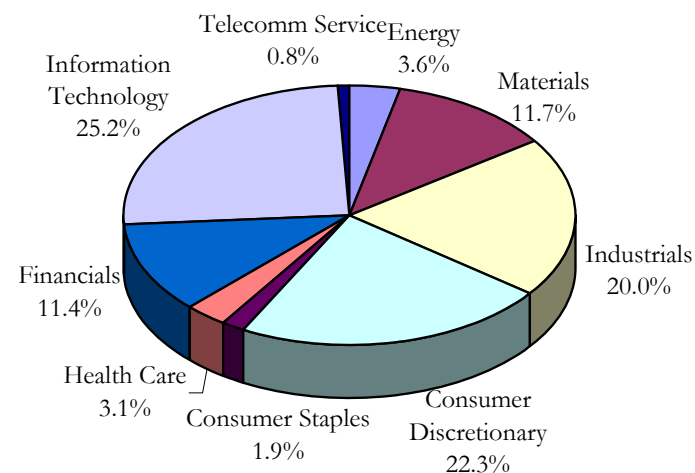
Characteristics - As of September 30, 2011

Top Ten Equity Holdings	% of Portfolio
Kaiser Aluminum	0.8
OM Group	0.8
Hexcel Corporation	0.8
Albany International Cl. A	0.7
The Jones Group	0.7
Century Aluminum	0.7
Liz Claiborne	0.7
Toll Brothers	0.7
Texas Industries	0.7
Carpenter Technology	0.7

Characteristic	Royce	Russell 2000
Average Capitalization (\$MM)	474	1,050
Yield	0.0	1.4
P/E Ratio	10.6	13.5
Price/Book	0.9	2.5
# Holdings	304	1959

Sector Allocation	% of Portfolio	Russell 2000	Difference
Energy	3.6	6.3	(2.7)
Materials	11.7	4.4	7.3
Industrials	20.0	15.1	4.9
Consumer Discretionary	22.3	13.2	9.1
Consumer Staples	1.9	3.9	(2.0)
Health Care	3.1	13.0	(9.9)
Financials	11.4	22.1	(10.7)
Information Technology	25.2	17.1	8.1
Telecomm Service	0.8	0.9	(0.1)
Utilities	0.0	4.0	(4.0)

Sector Distribution

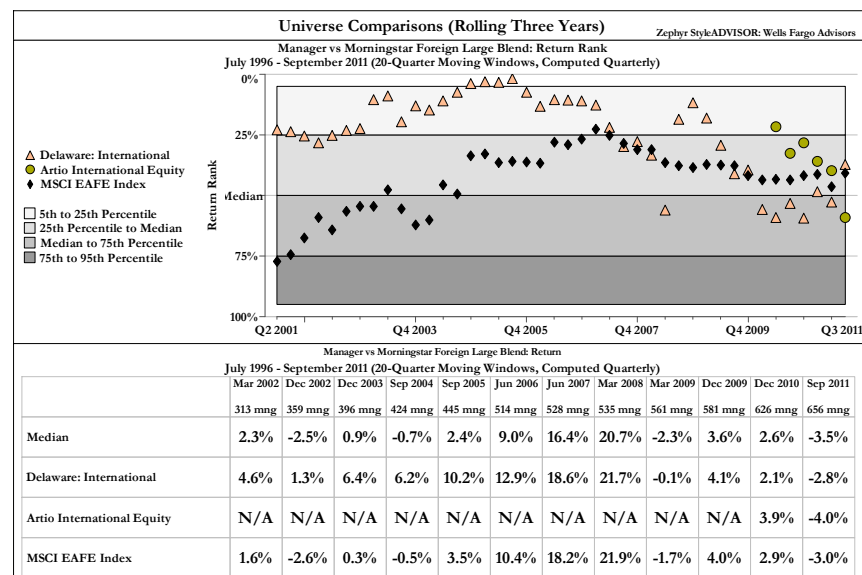
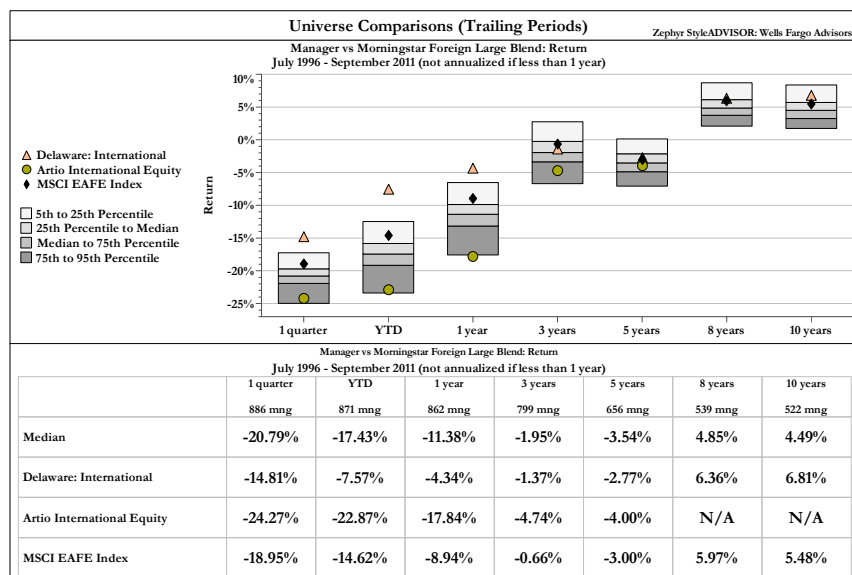


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* Source: Royce, VESTEK

Equity Sector (International Developed)

Periods Ending September 30, 2011– Performance*

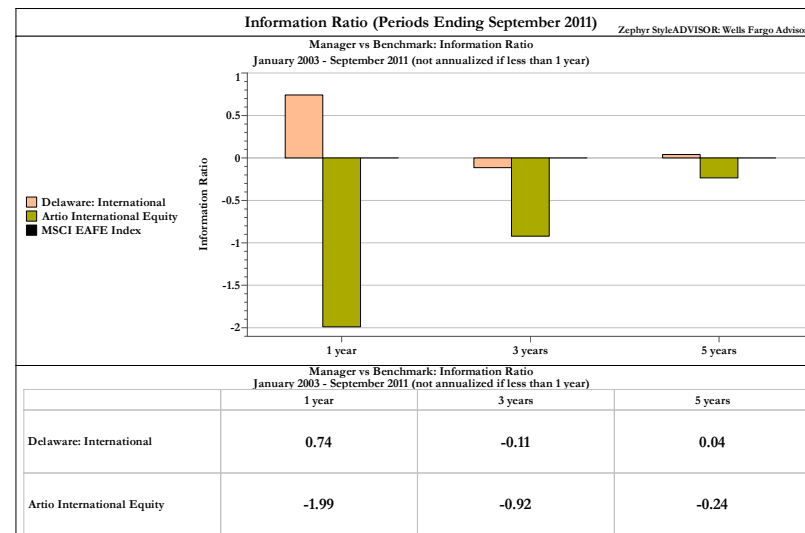
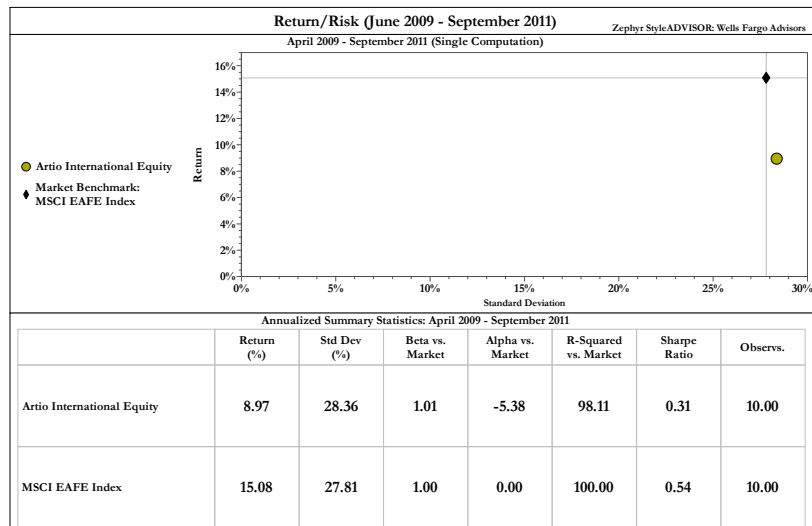
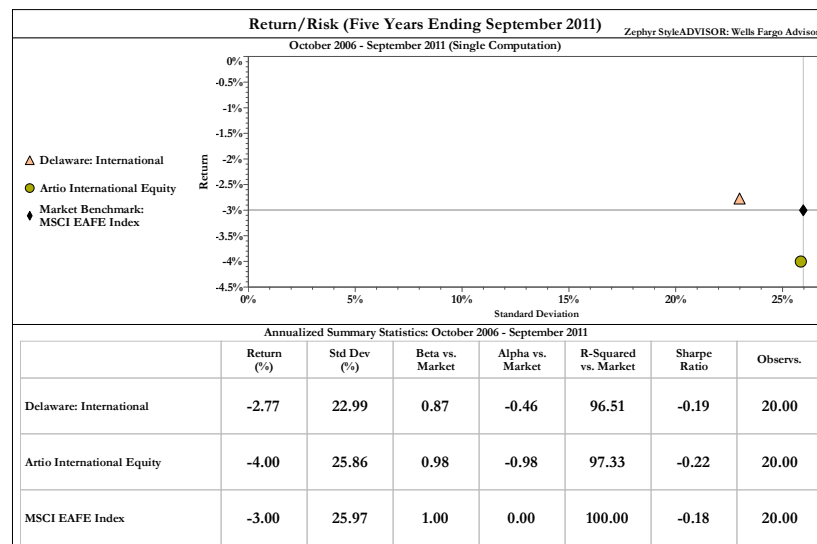
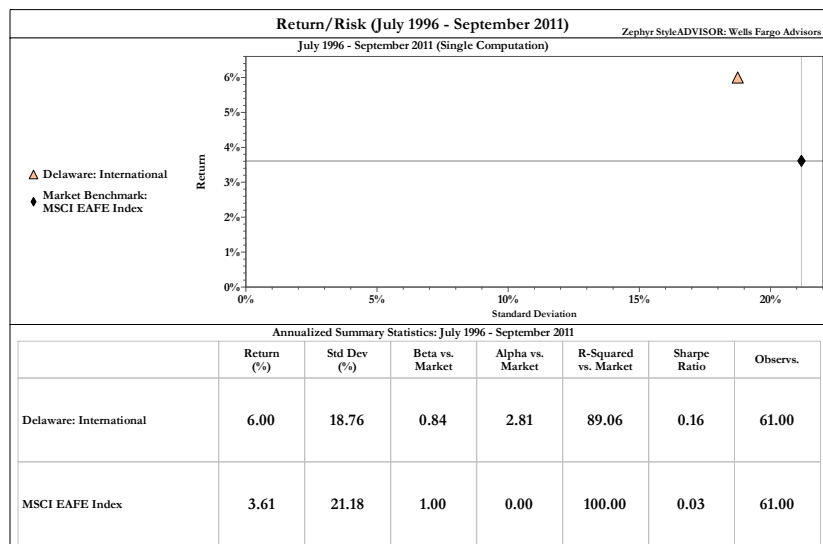


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Equity Sector (International Developed)

Periods Ending September 30, 2011– Risk Measures



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Equity Sector (International Developed)

Characteristics - As of September 30, 2011

Characteristics

Characteristic	Delaware	Artio	Combined BOV Intl	MSCI EAFE	Over/Under Weight
Avg. Capitalization (\$MM)	42,874	34,360	38,912	44,000	(5088)
Price/Book Ratio (x)	1.3	1.9	1.6	1.2	0.4
P/E Ratio (x)	11.8	13.5	12.6	11.4	1.2
Dividend Yield (%)	5.0	2.5	3.8	3.9	(0.1)
# of Holdings	51	150	201	943	(742)

Sector Distribution

Country	Delaware Weight	Artio Weight	Combined BOV Weight	EAFE Weight	Over / (Under)
Consumer Discret.	5.3	18.9	11.6	10.2	1.4
Consumer Staples	16.1	7.9	12.3	11.4	0.9
Energy	12.1	9.3	10.8	8.2	2.6
Financials	14.7	13.8	14.3	22.1	(7.8)
Health Care	16.0	10.8	13.6	9.7	3.9
Industrials	5.4	14.1	9.4	12.3	(2.8)
Info. Technology	5.2	3.2	4.3	5.0	(0.7)
Materials	2.1	10.3	5.9	10.0	(4.1)
Telecomm	15.0	2.7	9.3	6.2	3.1
Utilities	5.2	0.6	3.0	4.9	(1.9)
Cash	2.9	8.4	5.5		

Delaware Top Ten

Top Ten Equity Holdings	% of Portfolio
Canon	3.3
Unilever	3.3
Astellas Pharmaceutical	3.2
Seven & I Holdings	3.2
GlaxoSmithKline	3.1
Tesco	3.1
Novartis	3.1
Takeda Pharmaceutical	3.0
Telefonica	2.9
Kao	2.9

Artio Top Ten

Top Ten Equity Holdings	% of Portfolio
Fraport AG	2.5
Hang Lung Properties	2.2
Royal Dutch Shell	2.0
BG Group	1.9
Baidu Inc	1.9
Sberbank of Russian Federation	1.8
BHP Billiton	1.7
Novo Nordisk	1.7
Fresenius SE	1.6
Potash Corp of Saskatchewan	1.6

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Data Source: Delaware, Artio, MSCI EAFE

The College of William & Mary BOV Endowment
Periods Ending September 30, 2011

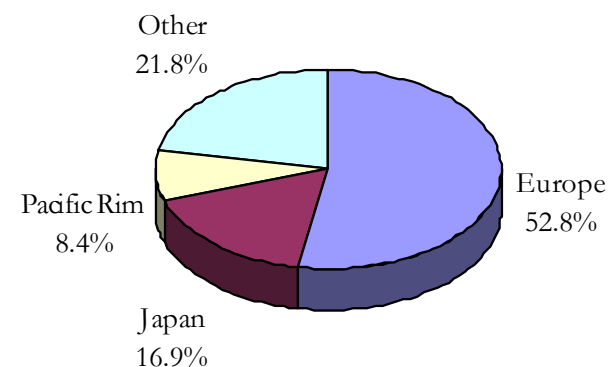
Equity Sector (International Developed)

Characteristics - As of September 30, 2011

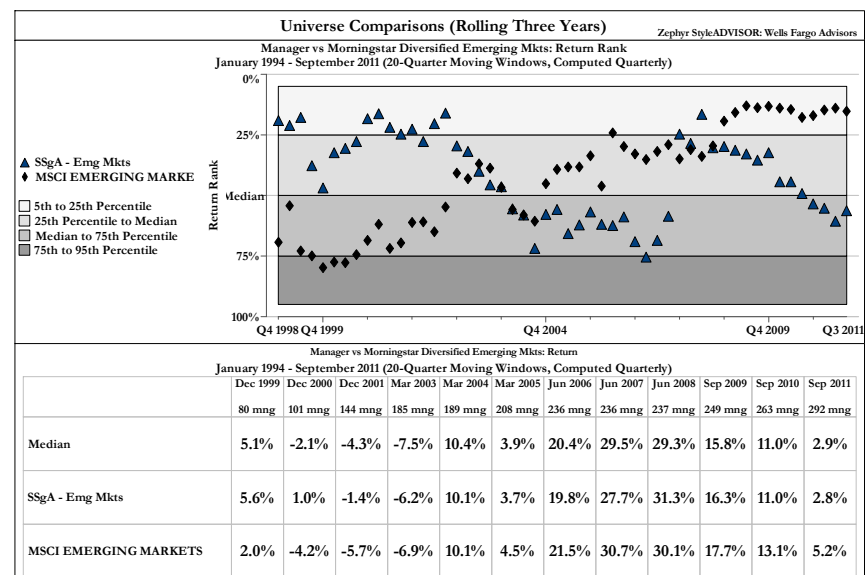
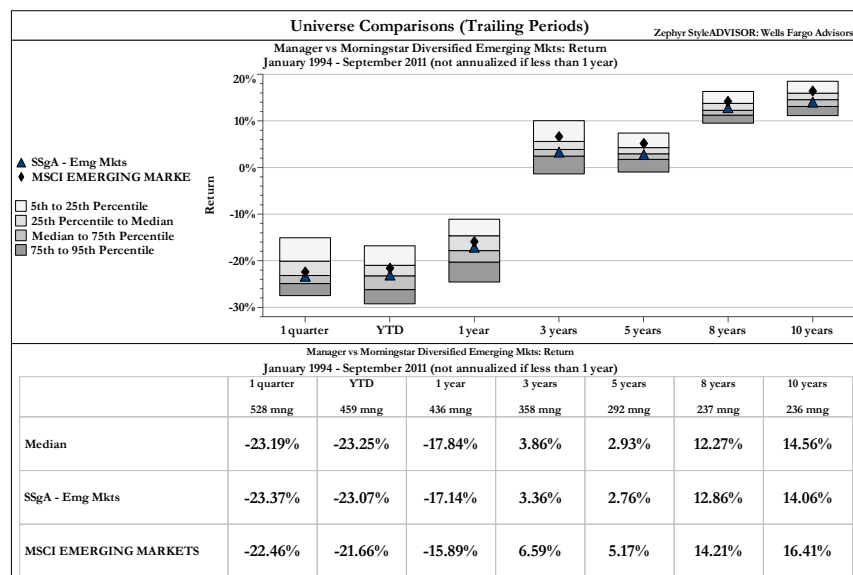
Country Distribution

Country	Delaware Weight	Artio Weight	Combined BOV Weight	EAFE Weight	Over / (Under)
Australia	6.7	1.6	4.3	8.6	(4.3)
Austria	0.0	0.7	0.3	0.3	(0.0)
Belgium	0.0	0.0	0.0	1.0	(1.0)
Denmark	0.0	1.9	0.9	1.1	(0.2)
Finland	0.0	0.3	0.2	1.0	(0.8)
France	13.5	7.3	10.6	10.5	0.1
Germany	4.6	6.9	5.7	9.0	(3.3)
Greece	0.0	0.2	0.1	0.2	(0.1)
Hong Kong	0.0	4.1	1.9	2.7	(0.8)
Ireland	0.0	2.0	0.9	0.3	0.6
Italy	3.5	1.6	2.6	2.8	(0.2)
Japan	21.8	11.4	16.9	20.0	(3.1)
Netherlands	5.0	1.3	3.3	2.5	0.8
New Zealand	0.0	0.0	0.0	0.1	(0.1)
Norway	0.0	0.2	0.1	0.9	(0.8)
Portugal	0.0	0.0	0.0	0.3	(0.3)
Singapore/Malaysia	4.1	0.0	2.2	1.7	0.5
Spain	6.6	0.0	3.5	3.6	(0.1)
Sweden	0.0	0.9	0.4	3.1	(2.7)
Switzerland	6.3	4.2	5.3	8.3	(3.0)
United Kingdom	21.9	15.5	18.9	21.3	(2.4)
Other	6.1	39.9	21.8	0.7	21.1

Regional Distribution BOV Developed International

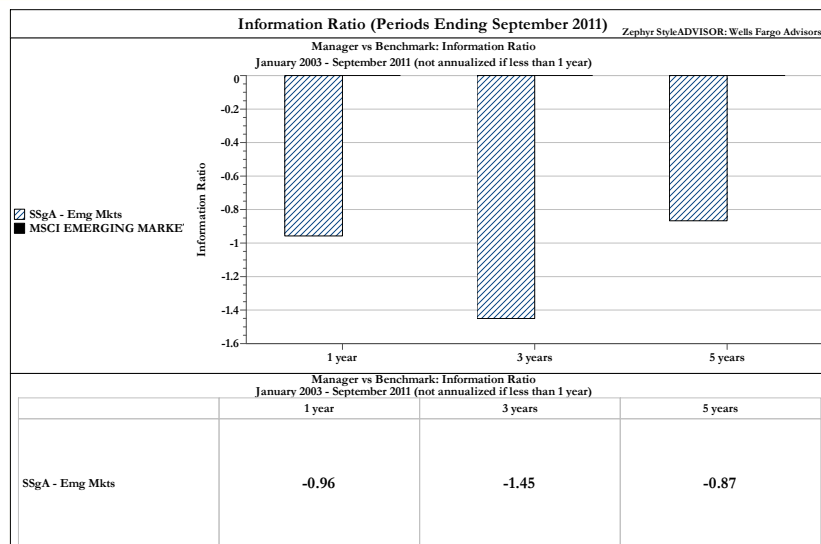
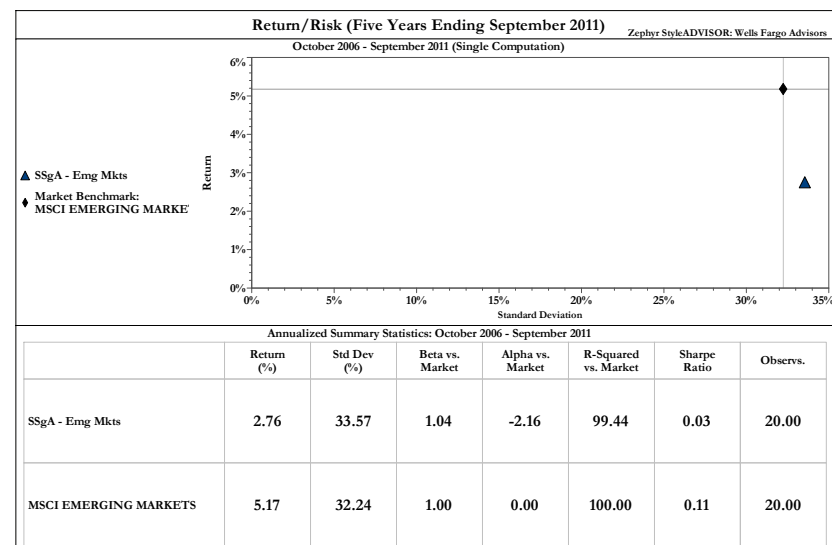
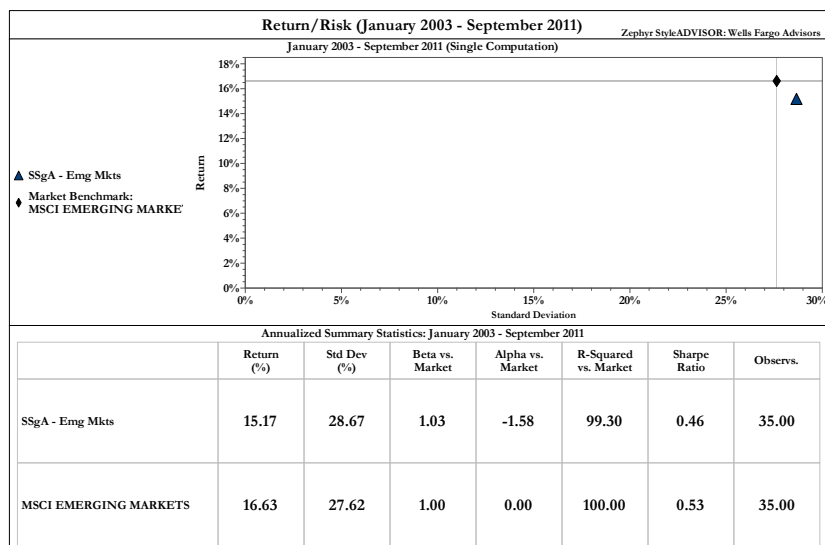


Equity Sector (Emerging Markets) Periods Ending September 30, 2011 - Performance



Equity Sector (Emerging Markets)

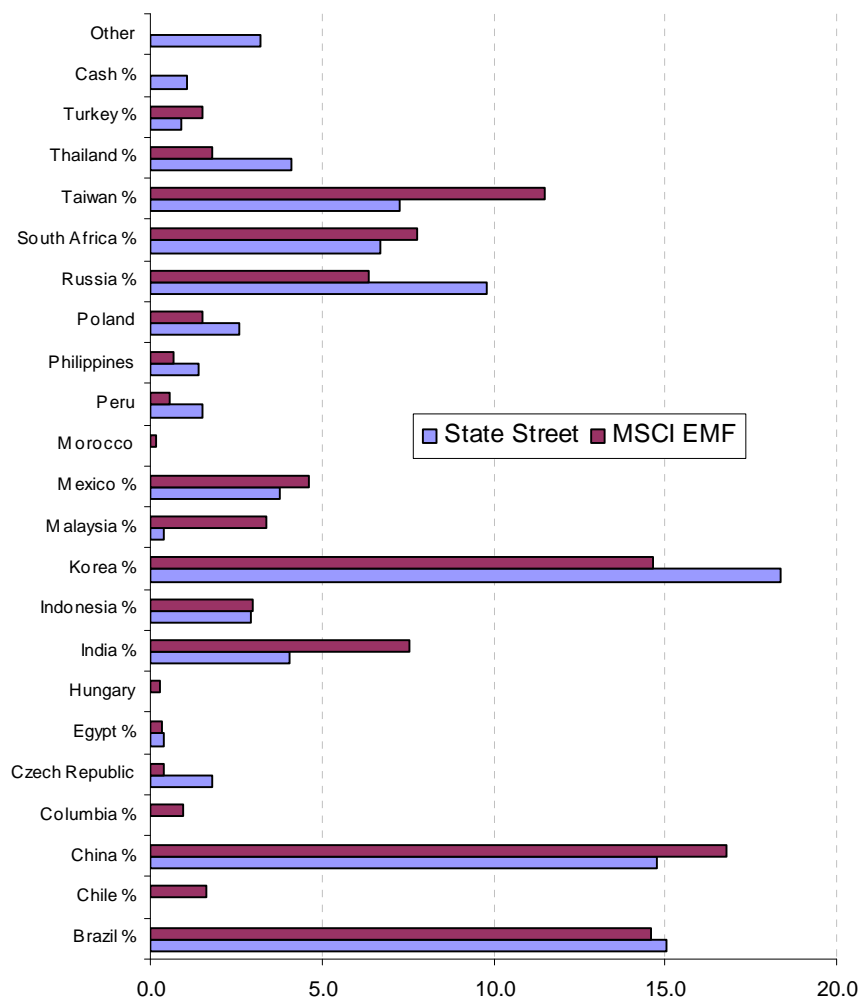
Periods Ending September 30, 2011– Risk Measures



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Equity Sector (Emerging Markets) Characteristics - As of September 30, 2011

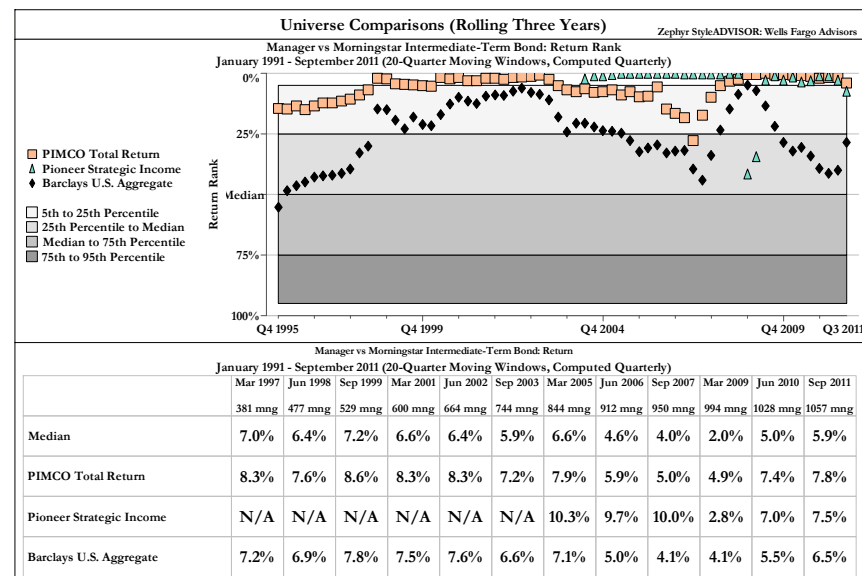
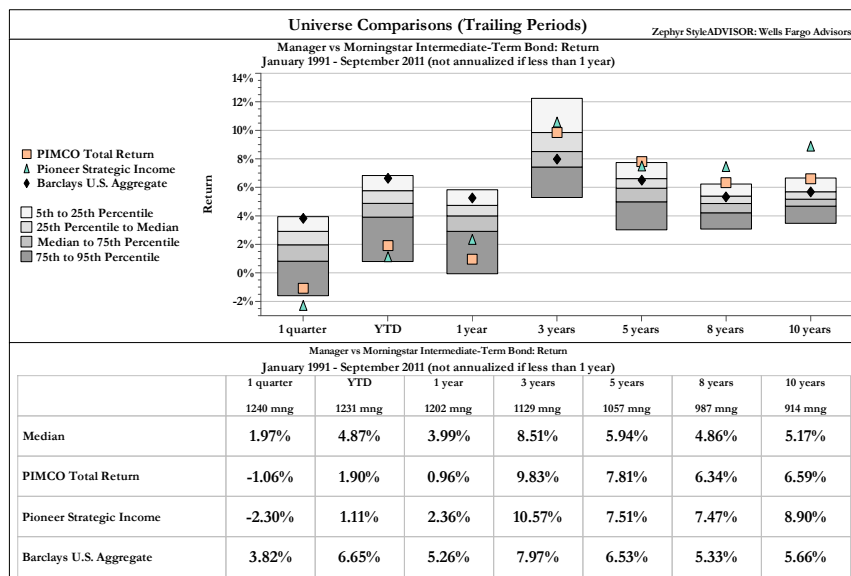
Country Distribution



Top Ten

Top Ten Equity Holdings	% of Portfolio
SAMSUNG ELECTRONICS CO LTD	4.0
VANGUARD MSCI EMERGING MARKE	3.2
VALE SA-SP ADR	3.2
GAZPROM OAO-SPON ADR	1.8
CHINA MOBILE LTD	1.7
HYUNDAI MOTOR CO	1.6
TAIWAN SEMICONDUCTOR MANUFAC	1.5
AMERICA MOVIL-ADR SERIES L	1.5
HYUNDAI MOBIS	1.4
PETROLEO BRASILEIRO-SPON ADR	1.4

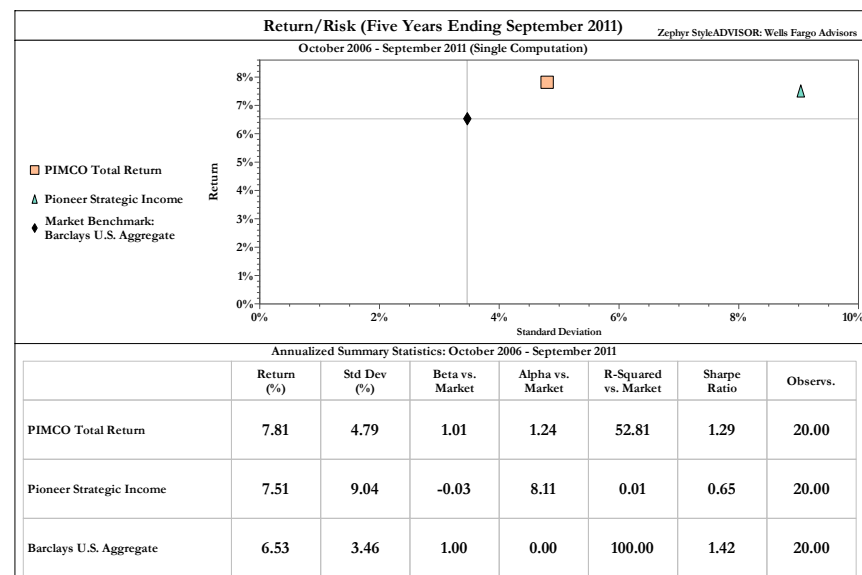
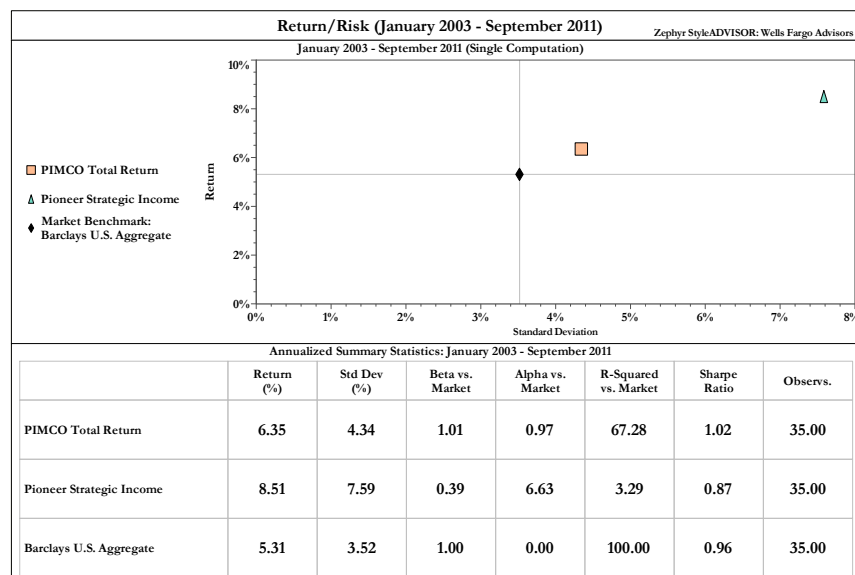
III. Fixed Income Sector (US Bonds) Periods Ending September 30, 2011- Performance



*Longer time periods are shown for illustrative purposes.
 PIMCO Total Return Fund and Pioneer Strategic
 Income Fund actual performance began on 11/3/09.

Fixed Income Sector (US Bonds)

Periods Ending September 30, 2011– Risk Measures



*Longer time periods are shown for illustrative purposes. PIMCO Total Return Fund and Pioneer Strategic Income Fund actual performance began on 11/3/09.

Fixed Income Sector (US Bonds)

Characteristics

As of September 30, 2011

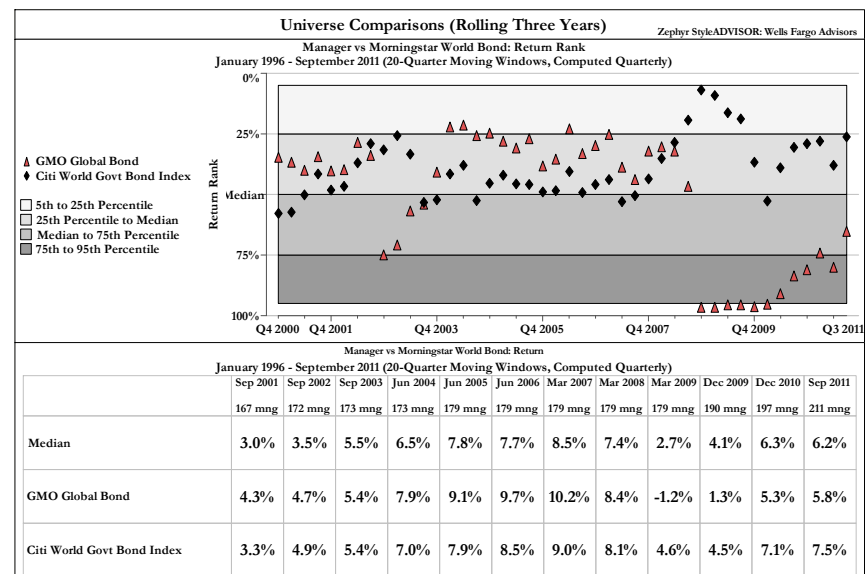
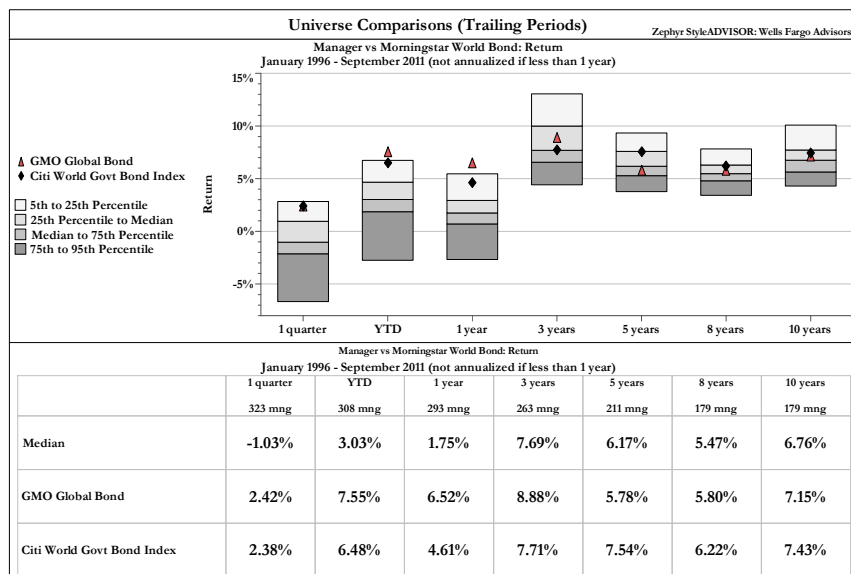
	PIMCO Total Return	Pioneer Strategic Income	Fixed Combined	Barclays Aggregate	Over/(Under) Weight
Modified Adj. Duration	7.10	3.91	5.49	4.96	0.5
Average Maturity	9.00	10.10	9.55	7.16	2.4

Sector Distribution

Sector Allocation	PIMCO Total Return	Pioneer Strategic Income	Fixed Combined	Barclays Aggregate	Over/(Under) Weight
U.S. Treasury/Agency	26.0	3.5	14.7	45.5	(30.9)
Corporate	54.0	73.7	63.9	19.7	44.2
Mortgage	38.0	20.2	29.0	34.7	(5.7)
Asset-Backed	0.0	0.0	0.0	0.0	0.0
Other	1.0	0.0	0.5	0.0	0.5
Cash & Equivalents	(19.0)	2.6	(8.1)	0.0	(8.1)

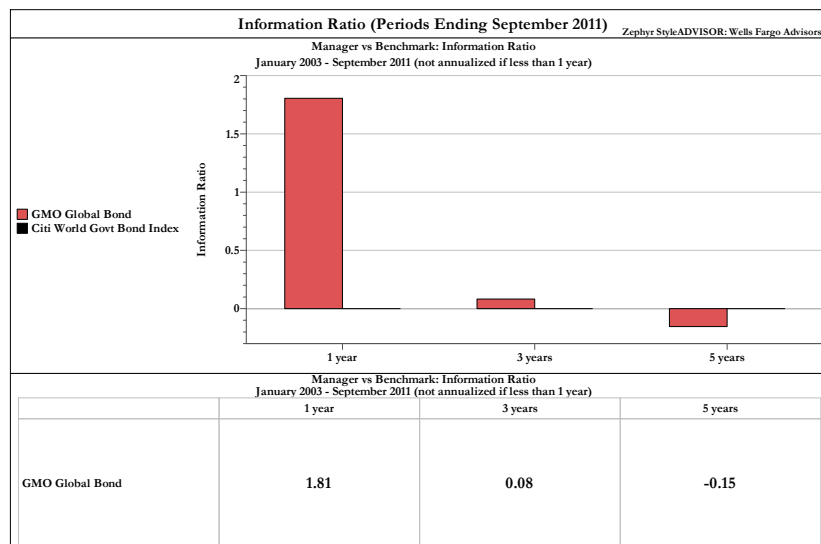
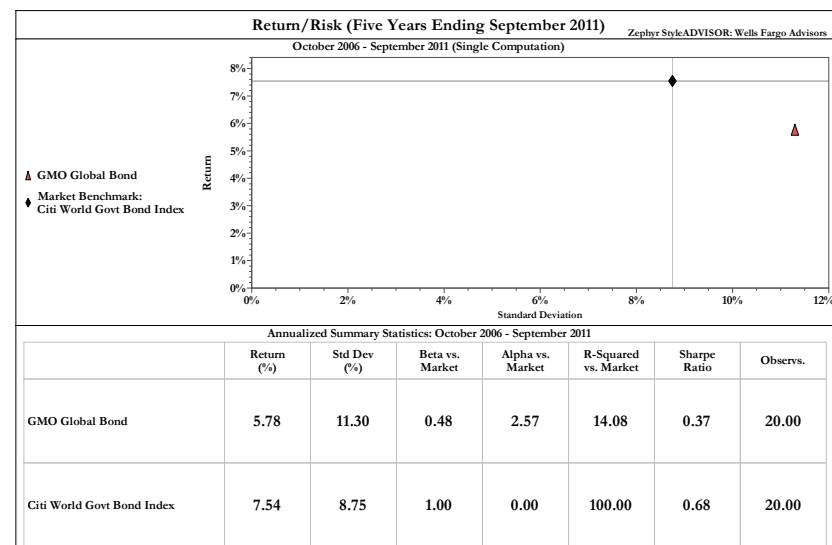
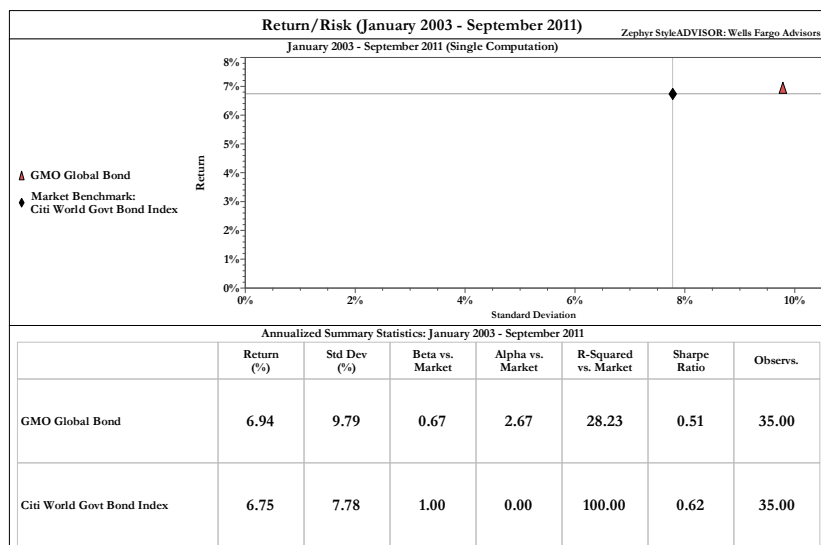
Fixed Income Sector (Global Bonds)

Periods Ending September 30, 2011 - Performance



Fixed Income Sector (Global Bonds)

Periods Ending September 30, 2011– Risk Measures



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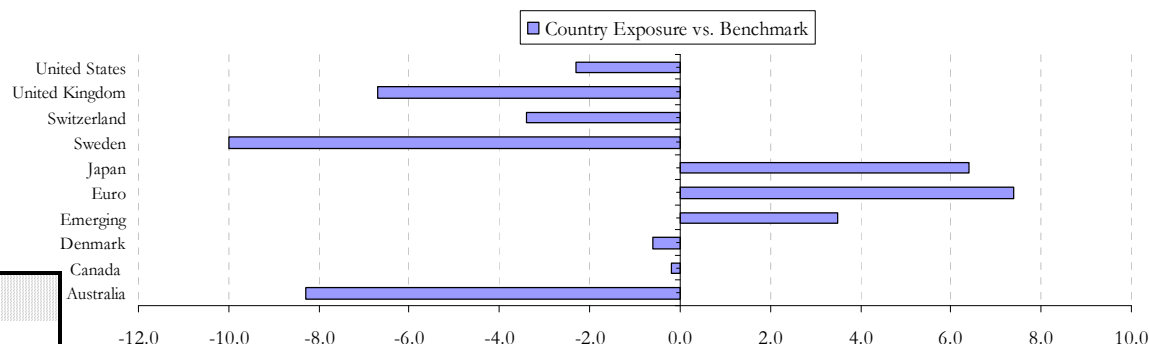
Fixed Income Sector (Global Bonds)

Characteristics - As of September 30, 2011

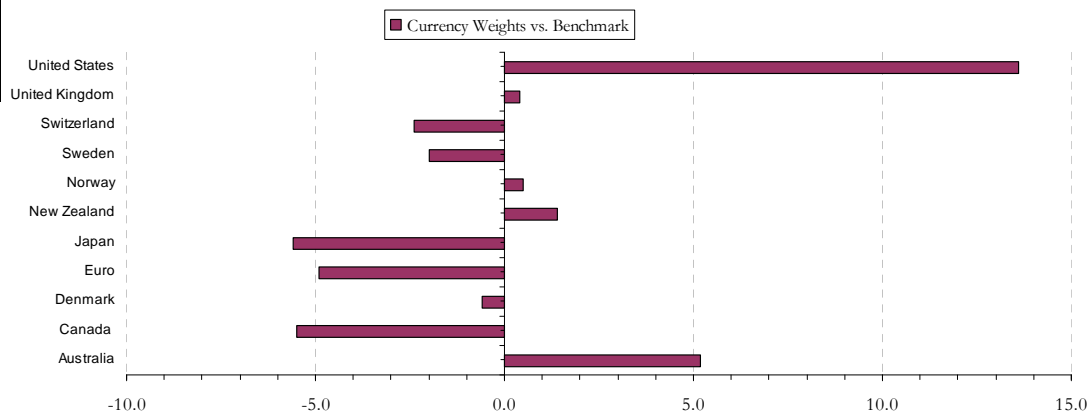
Basic Characteristics

Characteristic	Portfolio
Modified Duration	6.9
Average Coupon	2.6%
Average Maturity	7.3
Average Yield	5.3%
EM Country Exposure	2.9%

Country Exposure

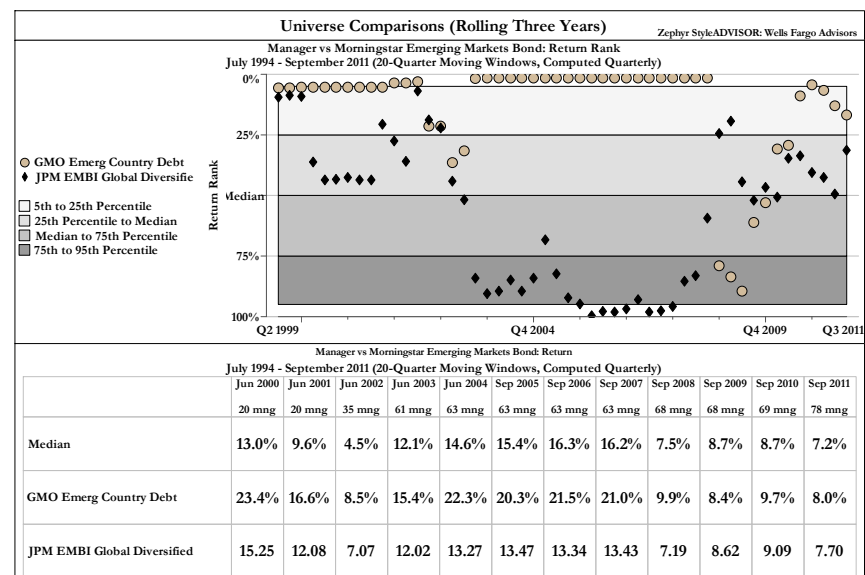
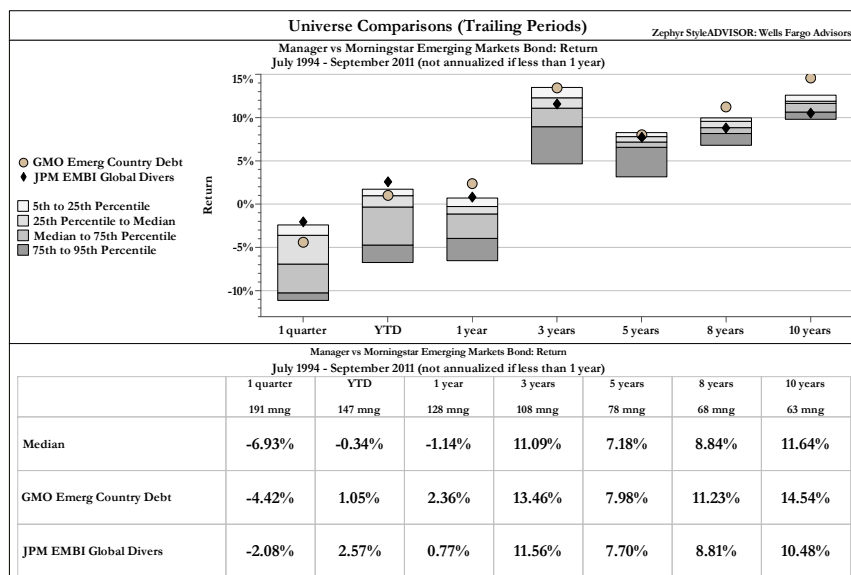


Currency Exposure



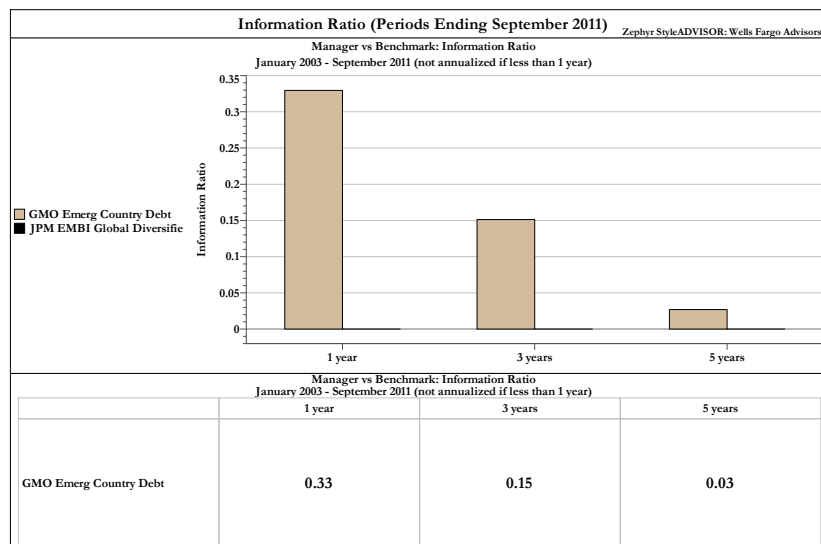
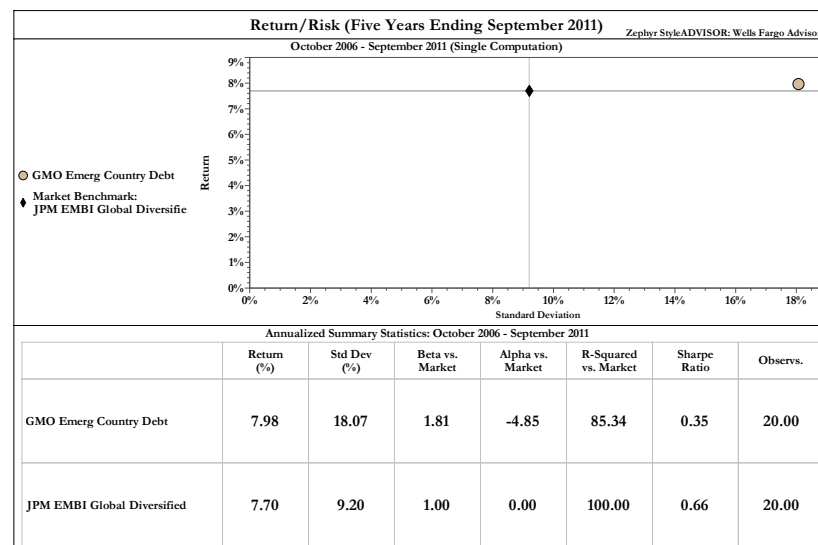
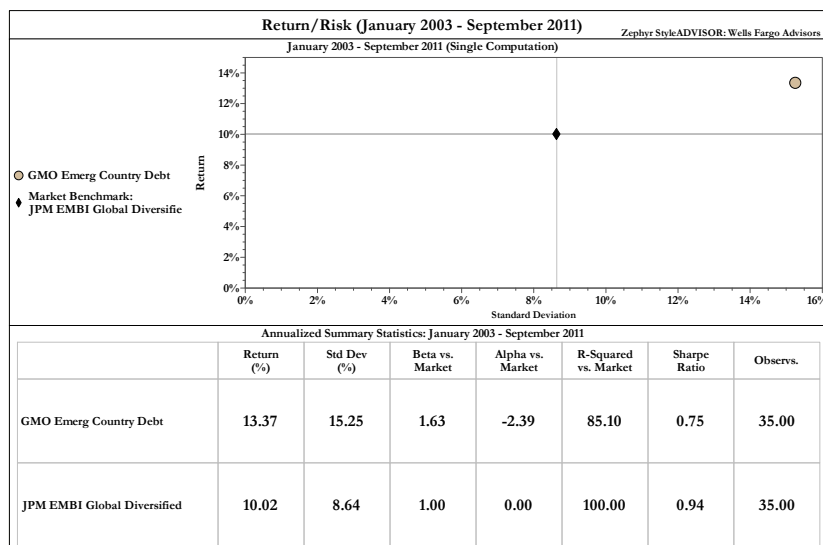
Fixed Income Sector (Emerging Market)

Periods Ending September 30, 2011 - Performance



Fixed Income Sector (Emerging Market)

Periods Ending September 30, 2011– Risk Measures



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Fixed Income Sector (Emerging Market)

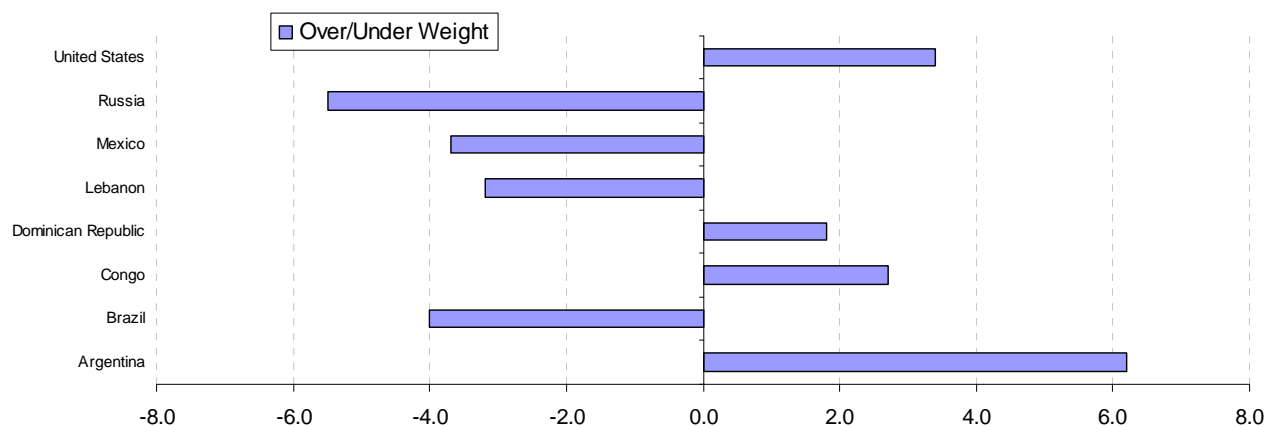
Characteristics - As of September 30, 2011

Currency Exposure	% of Fund
US Dollar	94.8
Euro	0.2
Japanese Yen	0.7
Hong Kong Dollar	0.0
Swiss Francs	0.2
Thailand Baht	0.1
S. African Unitary Rand	0.3
Argentina Peso	2.6
British Pounds Sterling	0.2
Malaysian Ringgits	0.9
Brazilian Reals	0.0

Characteristic	Portfolio
YTM	5.8%
Maturity	18.7
Modified Duration	7.6
Avg. Credit Rating	BB

Quality Distribution	% of Fund	% of Index
Investment Grade	37.1	57.8
BB	27.2	24.4
B	25.0	17.0
<B	3.3	0.0
Not Rated	7.4	0.8

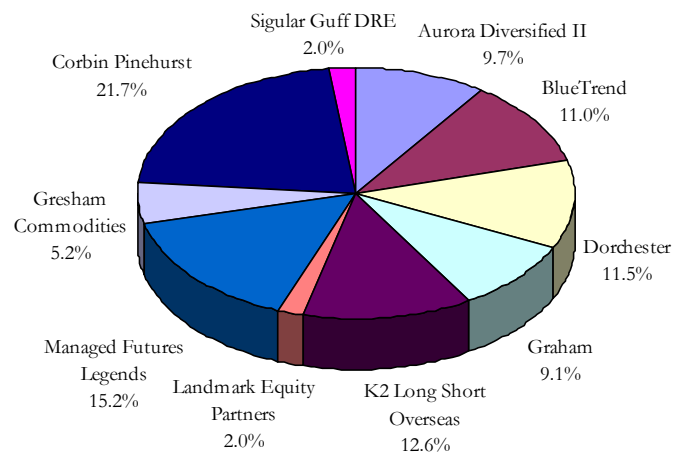
Country Overweights/Underweights



Alternatives

Asset Allocation- As of September 30, 2011

Alternative Breakdown (%)



<u>Manager</u>	<u>% of Account</u>	<u>9/30/2011 Market Value</u>
Aurora Diversified II	9.7%	\$422,864
BlueTrend	11.0%	\$481,875
Dorchester	11.5%	\$503,043
Graham	9.1%	\$395,679
K2 Long Short Overseas	12.6%	\$552,243
Landmark Equity Partners	2.0%	\$86,073
Managed Futures Legends	15.2%	\$663,684
Gresham Commodities	5.2%	\$228,411
Corbin Pinchurst	21.7%	\$950,476
Sigular Guff DRE	<u>2.0%</u>	<u>\$85,659</u>
Total	100.0%	\$4,370,007

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Data Source: Wells Fargo Advisors

The College of William & Mary BOV Endowment
Periods Ending September 30, 2011
Page 48

IV. Capital Markets Review

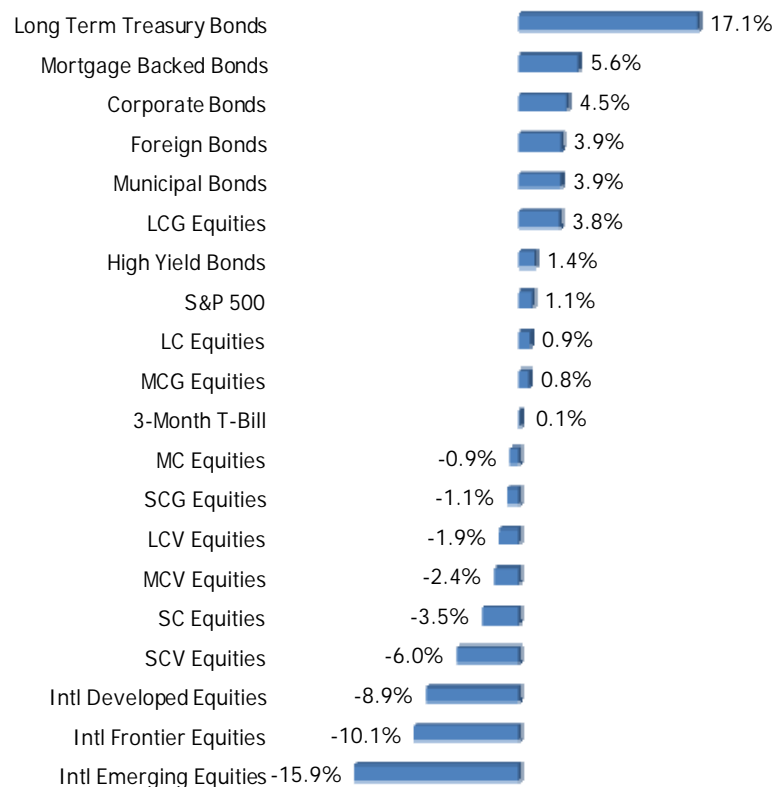
Third Quarter 2011

Concerns over the fate of the global economy increased this quarter. Weighing heavily on the markets was a steady supply of mixed economic reports from the U.S., continuing debt problems in Europe, and indications of a softening economy in China.

Investors gained little confidence from the possibility of another round of easing in the U.S. or the announcement of a \$400 billion bond buy/sell program. "Operation Twist" received mixed reviews from economists and market watchers on its ability to change the current economic landscape. Market stability was further hampered by the Fed's assessment of "significant" downside economic risk that raised the fear of a double-dip recession. While the U.S. economy continued to plod along, European leaders met to discuss Greece's potential default. This was in addition to a previous announcement that the established EuroZone bailout fund may not be enough to resolve the European debt dilemma. China provided no relief this quarter as key manufacturing data from the pacific rim leader showed a decline for the third straight month. Korea also missed factory production estimates and Japan, of course, is still suffering from infrastructure damage caused by the tsunami earlier this year.

In domestic markets, the major averages all finished decidedly lower this quarter and are now in negative territory for the year. The Dow Jones Industrial Average (DJIA) is down 3.9% YTD. The S&P 500 lost for the fifth straight month. The total return for the index is down 8.7% for the year. The NASDAQ Composite (NASDAQ) is down 8.2% YTD.

One Year Performance of Asset Classes As Of September 30, 2011



Capital Markets Review

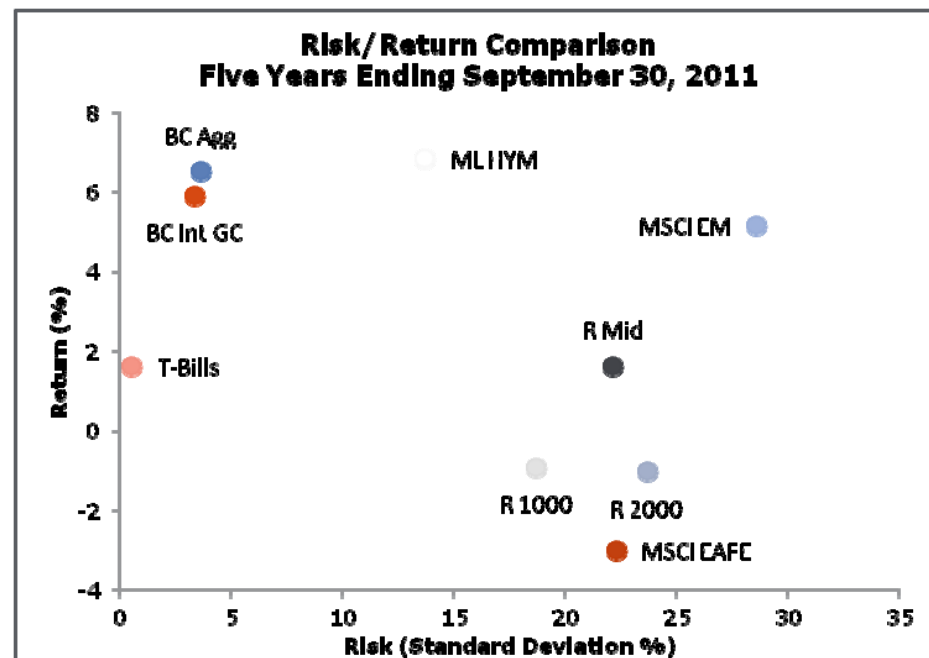
Third Quarter 2011

Small and mid-cap stocks each suffered double digit losses in September. The S&P Mid-Cap 400 lost 10.58%, and is down 13.02% YTD. The S&P 600 lost 10.28%, and is down 13.8% YTD. Jobless claims, unemployment, S&P's lowered credit rating, political posturing – debt ceiling and jobs package, and the renewed threat of a recession all weighed heavily on consumer confidence this quarter.

European leaders continue to work on solutions to a debt problem that threatens not only the European, but the global economy. Greece is the face of the debt problem, but its extension into other countries is causing economic and political problems for Germany and France. European Union leaders are seeking additional financial stimulus, however, Germany is reluctant to sponsor moves that could threaten its economy.

Emerging markets suffered losses across all indices this quarter. Moving these markets lower were concerns over a global economic slowdown that could hurt commodities and exports. The MSCI EM Index lost just under 22.5% this quarter, and is now down more than 21.6% for the year.

Domestic equity underwritings are at their lowest levels since the failure of Lehman Brothers Holdings in 2008. Offerings are down 32% from a year ago, and 31% from the second quarter. Globally, IPOs are down 16% from a year ago, and at their lowest levels since 2009. Fixed income offerings are at a yearly low. Corporations issued \$157.9 billion of investment grade bonds during the quarter, the slowest pace since the second quarter of 2010.



Capital Markets Review

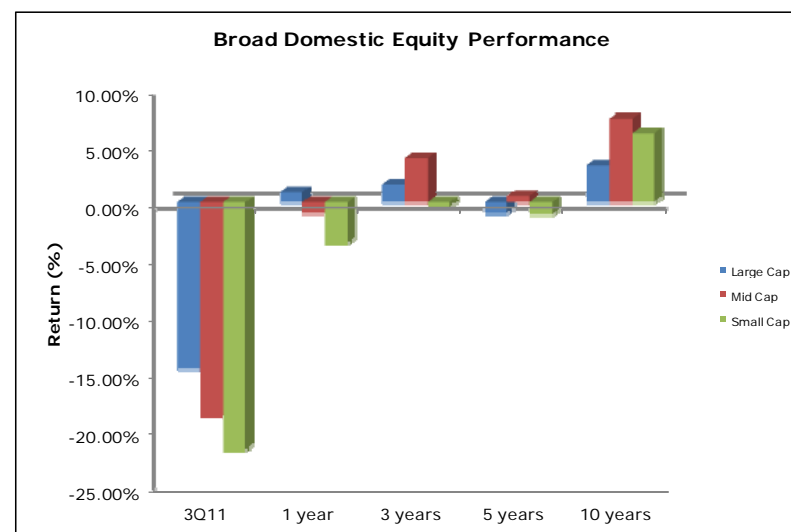
Third Quarter 2011 – Domestic Equity

For the quarter, rates on the 10-year Treasury bond fell 122 basis points from 3.16%, the biggest decline since the fourth quarter of 2008. Thirty-year bond yields are down 146 basis points since the beginning of the quarter and yields are near the lowest levels since 2009.

Domestic Equity

The month of September is historically the worst performing month of the year for equity markets. This September repeated history as all the major averages were down at least 5% for the month, extending the streak of consecutive negative monthly returns to five. After falling 2% in July, the DJIA fell 4% in August, and then ended the quarter with a 6% loss in September. This story repeated throughout the other domestic indices. While all the indices entered the third quarter with positive year-to-date returns, by the end of the quarter each was in negative territory with small caps especially hard hit.

Looking at the major indices, the DJIA was down 11.5% for the quarter and is now down 3.9% for the year. Likewise, the S&P 500 Index extended its own losing streak to 5 months as it fell 13.87% in the quarter (7% in September alone) and is now down 8.68% for the year. The Russell 3000 was down 15.28% for the quarter and is down 9.90% for the year. The NASDAQ Composite fared just as poorly as it fell 6.3% in September on its way to an 12.69% loss for the quarter and -8.24% the year.



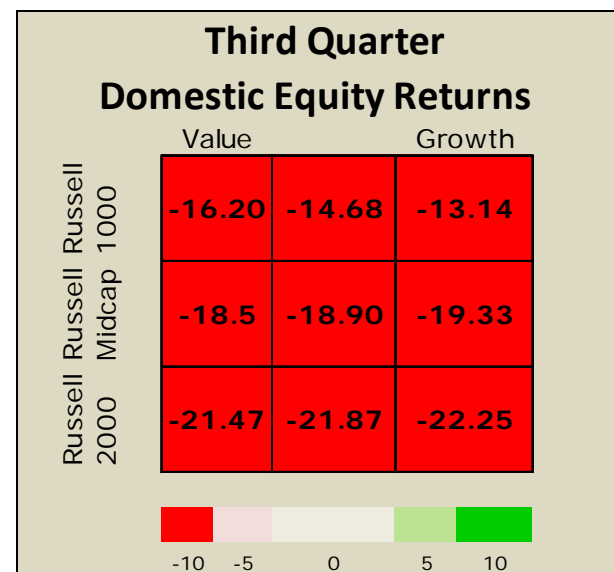
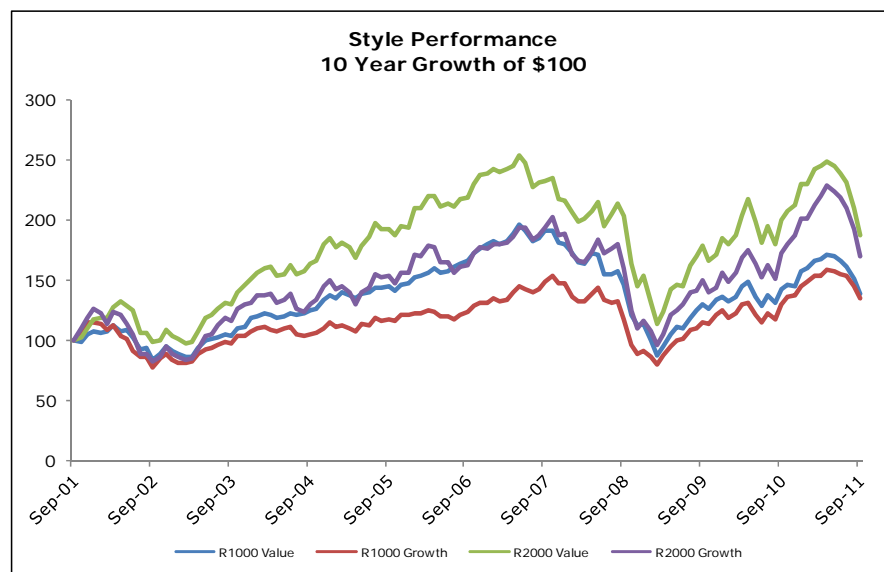
Capital Markets Review

Third Quarter 2011 – Domestic Equity

Domestic Equity Cont'd

For market caps, small caps were particularly hard hit this quarter as the Russell 2000 was down 11.2% in September and 21.87% for the quarter, pushing its year-to-date return into negative territory with a 17.02% decline. As market caps increased, returns improved. The Russell Midcap lost 18.90% in the quarter, the Russell 1000 lost 14.68% and the Russell Top 200 Megacap lost 12.8%.

In comparing styles, returns were mixed as large cap growth stocks outperformed large cap value stocks. The Russell 1000 Growth fell 13.14% for the quarter compared to a decline of 16.20% for the Russell 1000 Value. Although the Russell 1000 Growth outperformed its value counterpart in all three months of the quarter, this differential narrowed from a 2.3% gap in July, to a 1.0% gap in August, to a 0.3% gap in September. In smaller caps, The Russell 2000 Value slightly outperformed with a 21.47% loss versus a 22.25% loss for the Russell 2000 Growth in the quarter. Year-to-date, growth has outperformed value by 3% in small caps and 4% in large caps.

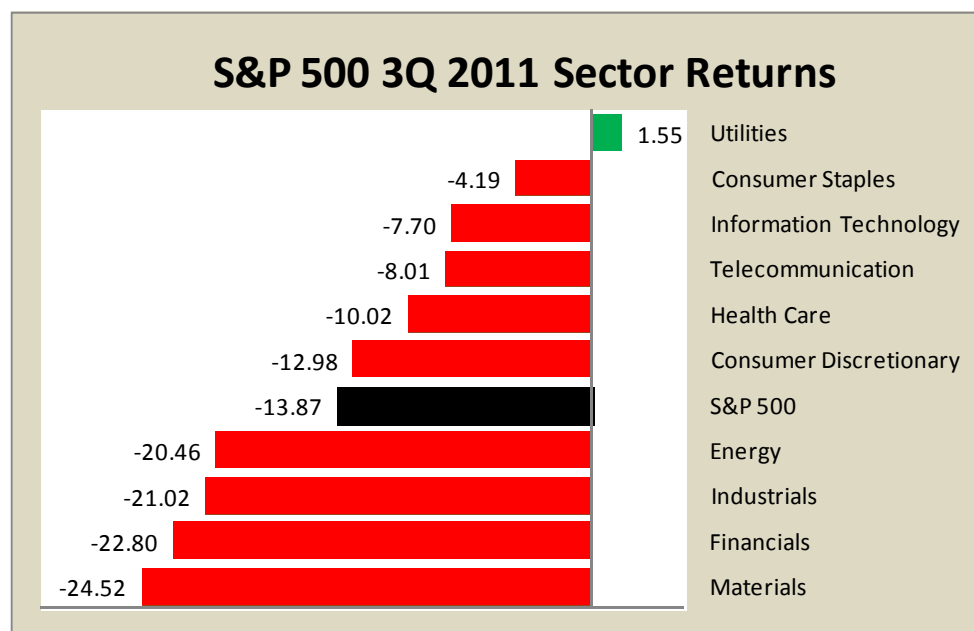


Capital Markets Review

Third Quarter 2011 – Domestic Equity

Domestic Equity Cont'd

Sector returns in the S&P 500 were mostly down for the quarter. Utilities were the only bright spot as steady returns from the Multi-Utilities and Electric Utilities industries helped the sector post a 1.6% gain for the quarter. All other sectors of the S&P 500 were down during the quarter. Consumer Staples, Information Technology, Telecommunication, Health Care, and Consumer Discretionary all outperformed the broader index. The remaining four sectors all posted losses of greater than 20% as the Materials sector was hit the hardest with a 24.5% decline. Within Materials, the Metals and Mining subsector was a battle of extremes as it had the best performing industry within the S&P 500 (Gold up 17.1%) but also three of the worst industries in the quarter (Steel down 38.9%, Aluminum down 39.5%, and Diversified Metals & Mining down 41.4%).



Capital Markets Review

Third Quarter 2011 – International

International Markets

Fear of a possible global economic recession and anxiety over Greece hit all equity markets hard and took an especially large toll on international indices. The MSCI Emerging Markets led all major indices lower with a loss of 22.46%. The MSCI Frontier Markets only lost about half of that coming in at -12.04% and the MSCI EAFE Index returned -18.95%.

Germany had so far weathered the recession and recovery better than most of its peers. The European Union's industrial giant did not fare so well this quarter. A slowing economy and forecasts that some believe will suffer further downward revision hit the MSCI Germany Index for a 31% loss this quarter. Leading think-tanks now believe that the German economy will grow .8% in 2012, 1% shy of current government estimates of 1.8%. The MSCI Japan Index has been resilient comparatively in the post tsunami timeframe reporting a 6.37% loss for the quarter while maintaining a slight positive one-year return of .07%.

Greece is old news but still remains in the headlines and continued to have an impact on markets and volatility this quarter. The inability for the individual European countries to come to consensus on backing indebted countries such as Greece with euro issued bonds, or letting them fail, allows Greek debt to continue to overhang the market. Some believe the best scenario is to continue to buy time for banks to continue to raise capital and try to insulate themselves from an eventual Greek default on its bonds.



Capital Markets Review

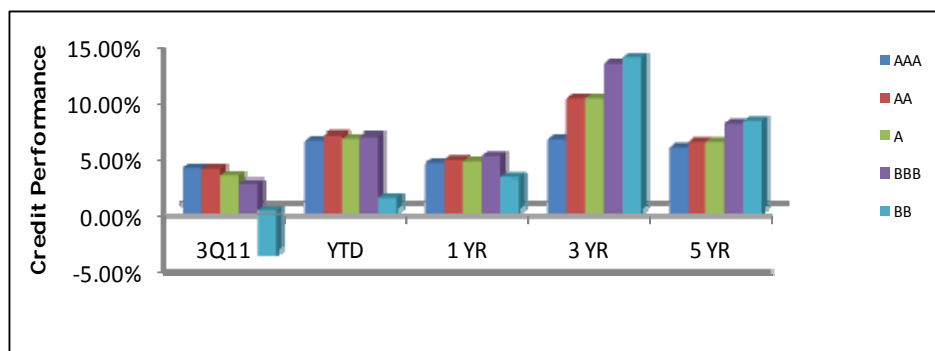
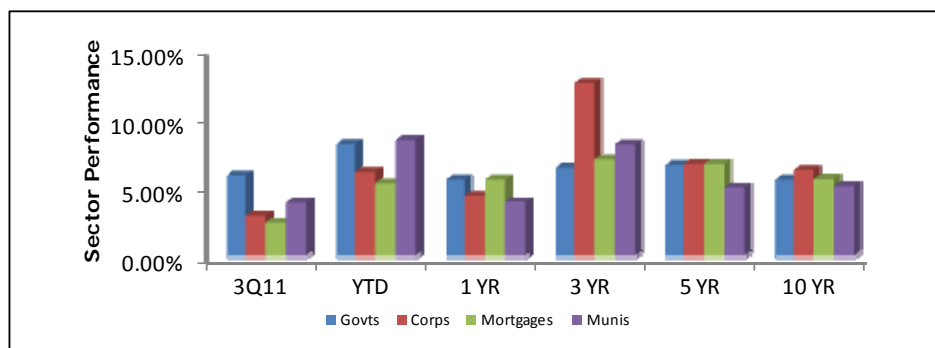
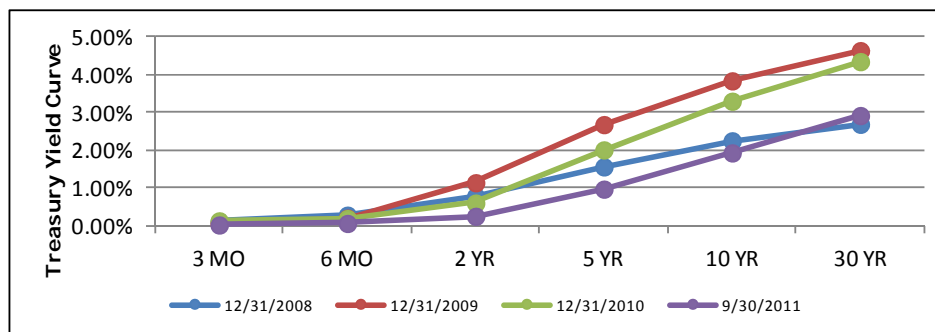
Third Quarter 2011 – Fixed Income

The U.S. fixed income markets saw significant movements in the third quarter of 2011. Fears of a double dip recession and poor economic news set the tone. A highly publicized debt ceiling debate led Standard and Poor's to downgrade U.S. credit from its top triple-A rating to AA+. As the initial shock wore off, Treasuries became the big winner for their perceived safety and liquidity. Economic uncertainty continued through the quarter as European debt concerns filled the headlines. The BofA Merrill Lynch US Treasury Master Index had a total return for the quarter of 6.36%.

In an attempt to further stimulate the economy the Federal Reserve announced its plans for a \$400 billion program labeled "Operation Twist". This program is similar in structure to a 1960's program of selling short-term Treasury securities and purchasing longer-term Treasuries with the proceeds. "This program should put downward pressure on longer-term interest rates and help make broader financial conditions more accommodative," the Fed said in its official statement. Treasury yields fell across the board, amplified in products with a longer maturity. Two-year Treasuries moved 36 basis points lower to yield 0.24% as 10-year Treasuries fell 101 basis points to yield 1.97%.

Corporate bonds performed well in the third quarter, but widening credit spreads brought down lower rated securities. The BofA Merrill Lynch US Corporate Master Bond Index had a total return for the quarter of 2.26%. High yield securities were the worst performing bonds of the quarter, with the BofA Merrill Lynch High Yield Master II Index losing -6.32%.

The international bond markets did not fare as well as the U.S. market as investors remain cautious of the global economy and the Euro nations in particular. The Citigroup Non-USD World Government



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Data Sources: Zephyr StyleAdvisor, Barclay's Capital, MSCI Barra, Standard & Poor's

The College of William & Mary BOV Endowment
Periods Ending September 30, 2011

Capital Markets Review

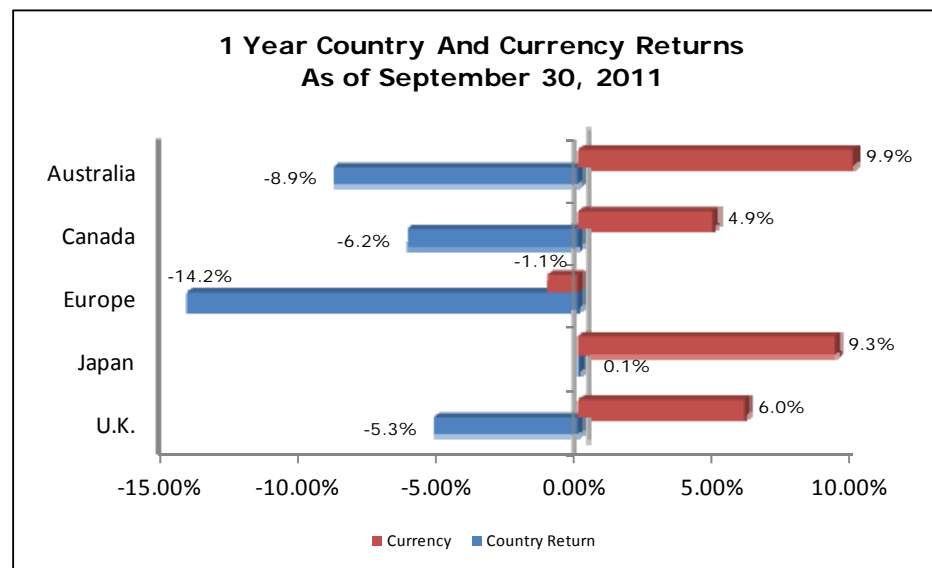
Third Quarter 2011 – Commodities/Currency

Commodities

The global economic slowdown is taking its toll on commodities. Oil finished the quarter below \$79 per barrel, and is down more than 13% YTD. Natural Gas lost more than 14% during the quarter and is now down more than 16% for the year. In metals, copper ended the quarter down after declining more than 24% in September, losing 7% in one trading session, and is now down more than 30% for the year. Silver was also volatile this quarter losing 27.86% in September and is now nearly flat for the year, up .44%. Palladium and platinum are down more than 24% and 14%, respectively, for the year. Gold set a new high over \$1,900 per ounce early in September before pulling back, but is still up more than 16% YTD.

Currency

The Dollar Index is at its highest levels since January and the Dollar continued its gain against the Euro finishing the quarter at an eight month high. The Dollar gained more than 7% against the Euro this quarter and is now up 2.37% for the year. The Yen gained against the Dollar and Euro as a flight to safety trade. The Yen is now trading near a ten year high against the Euro.





Capital Markets Review

General Disclosure Statement

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ASSET CLASS SUITABILITY: Stocks of small companies are typically more volatile than stocks of larger companies. They often involve higher risks because they may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions. High-yield, non-investment grade bonds are only suitable for aggressive investors willing to take greater risks, which could result in loss of principal and interest payments. Global/International investing involves risks not typically associated with US investing, including currency fluctuations, political instability, uncertain economic conditions and different accounting standards.

PAST PERFORMANCE: Past performance is not an indication of future results.

ASSET CLASS PERFORMANCE REPRESENTATIONS: Long Term Treasuries = BC Treasury Long; Municipals = BC Municipal; Foreign Bonds = Salomon World BIG – IB; US Govt/Credit = BC Govt/Credit; Mtge Backed Securities = ML Mortgage Master; Corporate Bonds = Salomon Corporate; 90 Day T-Bills = Salomon; Japanese Stocks = Salomon Japan BMI; High Yield Bonds = ML High Yield Master; Small Cap US Value = RU 2000 Value; MidCap US Stocks = RU Midcap; Large Cap US Value = RU 1000 Value; European Stocks = Salomon Europe BMI; Small Cap US Stocks = RU 2000; Lg Cap US Growth = RU 1000 Growth; Latin American Stocks = Salomon Latin America BMI; Sm Cap US Growth = RU 2000 Growth

BROAD EQUITY MARKET & SECTOR PERFORMANCE REPRESENTATIONS: Large-Cap = S&P 500 or Russell 1000; Mid-Cap = RU Midcap; Small-Cap = RU 2000; International = MSCI EAFE

DATA SOURCES: Information found in this document was derived from the following sources: Zephyr Associates StyleAdvisor, Informa M-Watch, Investor Force, Barclays Capital, MSCI Barra, and Standard & Poor's.

Capital Markets Review

General Disclosure Statement

Dow Jones Industrial Average - This index is comprised of 30 "blue-chip" US stocks selected for their history of successful growth and wide interest among investors. The DJIA represents about 20% of the total market value of all US stocks and about 25% of the NYSE market capitalization. It is a price-weighted arithmetic average, with the divisor adjusted to reflect stock splits and the occasional stock switches in the index.

NASDAQ Composite - A cap-weighted index comprised of all common stocks that are listed on the NASDAQ Stock Market (National Association of Securities Dealers Automated Quotation system).

S&P 500 - A broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. This index does not contain the 500 largest companies nor the most expensive stocks traded in the U.S. While many of the stocks are among the largest, this index also includes many relatively small companies. This index consists of approximately 380 industrial, 40 utility, 10 transportation and 70 financial companies listed on U.S. market exchanges. It is a capitalization-weighted index (stock price times number of shares outstanding), calculated on a total return basis with dividends reinvested.

S&P 500/Citigroup Growth - The S&P/Citigroup Growth tracks the performance of those stocks in the S&P 500 with lower book-to-price ratios. A cap-weighted index, it is rebalanced semi-annually, based on its price-to-book ratios and market capitalizations at the close of trading one month prior. The index is adjusted each month to reflect changes in the S&P 500. This index is more heavily weighted in the consumer non-cyclical, health care, and technology sectors than the S&P 500.

S&P 500/Citigroup Value - The S&P Citigroup/Value tracks the performance of those stocks in the S&P 500 with higher book-to-price ratios. A cap-weighted index, it is rebalanced semi-annually on January 1 and July 1, based on its book-to-price ratios and market capitalizations at the close of trading one month prior. The index is adjusted each month to reflect changes in the S&P 500. This index tends to be more heavily concentrated in the energy and financial sectors than the S&P 500.

Russell 1000 - The 1000 largest companies in the Russell 3000 index, based on market capitalization.

Russell 1000 Growth - A segment of the Russell 1000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 1000 Value index.

Russell 1000 Value - Represents a segment of the Russell 1000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 1000 Growth Index.

Russell Mid Cap - The index consisting of the bottom 800 securities in the Russell 1000 as ranked by total market capitalization, and it represents over 35% of the Russell 1000 total market cap.

Russell 2000 - The 2000 smallest companies in the Russell 3000 index.

Russell 2000 Growth - A segment of the Russell 2000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 2000 Value index.

Russell 2000 Value - A segment of the Russell 2000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 2000 Growth index.

Russell 2500 - The index consisting of the bottom 500 stocks in the Russell 1000(as ranked by market capitalization) and all of the stocks in the Russell 2000. This index is intended to be used as a measure of small to medium/small stock performance, and it represents over 22% of the Russell 3000 total market cap.

Capital Markets Review

General Disclosure Statement

MSCI EAFE - A market capitalization-weighted index representing all of the MSCI developed markets outside North America. It comprises 20 of the 22 countries in the MSCI World. These 20 countries include the 14 European countries in the MSCI Europe and the 6 Pacific countries in the MSCI Pacific. This index is created by aggregating the 20 different country indexes, all of which are created separately.

MSCI World - This market capitalization-weighted index represents all 22 of the MSCI developed markets in the world. It is created by aggregating the 22 different country indexes, all of which are created separately.

MSCI Emerging Markets Free (EMF) - A market capitalization-weighted index representing 26 of the emerging markets in the world. Several factors are used to designate whether a country is considered to be emerging vs. developed, the most common of which is Gross Domestic Product Per Capita. The "Free" aspect indicates that this index includes only securities that are allowed to be purchased by global investors. This index is created by aggregating the 26 different country indexes, all of which are created separately.

Barclays Capital Government/Credit - This index includes all bonds that are in the Barclays Capital Government Bond and the Barclays Capital Credit Bond indices.

Barclays Capital Government Intermediate - All bonds covered by the Barclays Capital Government Bond index with maturities of 1 and 10 years.

Barclays Capital Aggregate Bond - This index is made up of the Barclays Capital Government/Credit, the Mortgage-Backed Securities, and the Asset-Backed Securities indices. All issues in the index are rated investment grade or higher, have at least one year to maturity, and have an outstanding par value of at least \$100 million.

Barclays Capital Government Long Term - All bonds covered by the Barclays Capital Government Bond index with maturities of 10 years or greater.

Barclays Capital Municipal Bond - This market cap weighted index includes investment grade tax-exempt bonds and is classified into four main sectors: General Obligation, Revenue, Insured, and Pre-refunded. To be included in this index, the original transaction size of a bond must have been greater than \$50 million.

Merrill Lynch Convertibles - The convertible securities used in this index span all corporate sectors and must have a par amount outstanding of \$25 million or more. The maturity must be at least one year. The coupon range must be equal to or greater than zero and all quality of bonds are included. Excluded from this index are preferred equity redemption stocks. When the component bonds of this index convert into common stock, the converted securities are dropped from the index.

Merrill Lynch High Yield Master - Market-cap weighted index providing a broad-based measure of bonds in the US domestic bond market rated below investment grade but not in default. Includes only issues with a credit rating of BB1 or below as rated by Moody's and/or S&P, at least \$100 million in face value outstanding and a remaining term to final maturity equal to or greater than one year.

Dow Jones Wilshire REIT Index - A measurement of equity REITs and Real Estate Operating Companies. No special-purpose or health care REITs are included. It is a market capitalization-weighted index for which returns are calculated monthly using buy and hold methodology; it is rebalanced monthly.

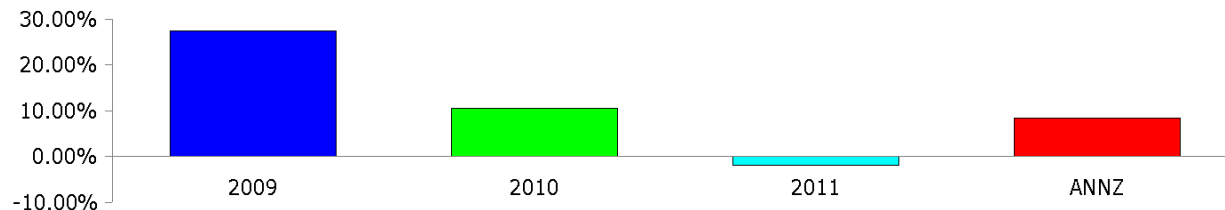
Citigroup 3 Month Treasury Bill - Representing the monthly return equivalents of yield averages that are not marked to market, this index is an average of the last three three-month Treasury bill issues.

50/50 Blend (S&P 500/BCIGC) - A blended benchmark consisting of 50% S&P 500 and 50% Barclays Capital Government/Credit Intermediate indices.

Previous Month End Performance for 11893008

COLLEGE OF WILLIAM AND MARY- GREEN FUND

Net Money-Weighted Rates of Return



Previous Month End Performance Summary

Performance Inception Date: Jan 23, 2009 Since Inception Money-Weighted ROR: 8.41 %
 2011 YTD Money-Weighted ROR: -1.91 %

Beginning Market Value (January 1, 2011): \$122,461

Quarter	Contributions	Withdrawals
Jan 1 - Mar 31	20,000	0
Apr 1 - Jun 30	0	0
Jul 1 - Sep 30	0	0
Oct 1 - Oct 31	20,000	0

Total Net Flows: 40,000

Invested Capital: 162,461

Appreciation/Depreciation: -2,686

Ending Market Value (October 31, 2011): \$159,775

Average Invested Capital: 141,277

Returns are calculated net of transaction costs and net of management fees.

Returns greater than one year are annualized.

Account data is on a trade date basis and accrued income is included in beginning and ending values. Performance is based on current market prices, as available.

Certain assets are excluded from Beginning and Ending Values and are not included in performance calculations. Annuities, certain types of direct investments, mutual funds held outside the firm, precious metals, coins, bullion, or any assets subject to tax-withholding (TEFRA) are among the assets not included in values or performance calculations.

Included within Appreciation/Depreciation is: Income \$1,194

Accrued Income is included within values: Beginning \$0 Ending \$0

One or more year(s) excluded (if applicable).

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FEDERAL GOVERNMENT AGENCY

MAY
LOSE VALUE

NOT A DEPOSIT OF OR GUARANTEED
BY A BANK OR ANY BANK AFFILIATE

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This information is provided to complement but not replace your account-specific advisory performance report.

Board of Visitors

Resolution 18

December 7-9, 2011

COLLEGE OF WILLIAM AND MARY

REVISION: INVESTMENT AND SPENDING POLICY FOR ENDOWMENT

TO BE SENT UNDER SEPARATE COVER

COMMITTEE ON BUILDINGS AND GROUNDS
December 9, 2011
10:00 – 10:45 a.m.
Board Conference Room - Blow Memorial Hall

Janet M. Brashear, Chair
Charles A. Banks III, Vice Chair

- I. Introductory Remarks – Ms. Brashear
- II. Approval of Minutes – September 22, 2011
- III. Report from Building Official.
- IV. Report from Virginia Institute of Marine Science – Dean/Director John T. Wells
 - A. Capital Outlay Project Progress Report. Enclosure J.
- V. Report from Vice President for Administration - Anna B. Martin
 - A. Capital Outlay Project Progress Report. Enclosure K.
 - B. Eco Village Update
- VI. Closed Session (if necessary)
- VII. Open Session - Certification of Closed Session **Resolution**

Chair should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Chair or designee will conduct roll call vote of the Committee members for adoption. Upon passage, Chair should sign the resolution and direct that it be appended to the official minutes of this meeting.

- VIII. Discussion
- IX. Adjourn

COMMITTEE ON BUILDINGS AND GROUNDS

MINUTES – SEPTEMBER 22, 2011

MINUTES
Committee on Buildings and Grounds
September 22, 2011
Board Conference Room – Blow Memorial Hall

Attendees: Janet M. Brashear, Chair; Leigh A. Pence, Vice Chair; Thomas R. Frantz, L. Clifford Schroeder, Sr., Peter A. Snyder, Michael Tang. Others present: Virginia M. Ambler, Anna B. Martin, John T. Wells, and other administrative staff.

Chair Janet M. Brashear called the Committee to order at 10:11 a.m. and welcomed the new members. Recognizing that a quorum was present, Ms. Brashear requested a motion to adopt the minutes of the April 14, 2011 meeting. Motion was made by Mr. Tang, seconded by Mr. Snyder, and was approved by voice vote of the Committee.

The Committee had no comments on the written report by the College's Building Official, Robert P. Dillman, as detailed in Enclosure E.

Mr. John Wells, Dean and Director of the Virginia Institute of Marine Science, reviewed the capital construction progress report for VIMS' campuses, as detailed in Enclosure F. He particularly emphasized the transformative effect created by extensive demolition of dilapidated structures on the main campus. This work, in concert with the newly completed Comprehensive Master Plan, ensured that VIMS' capital plan for 2012-2018 had a distinct, well informed vision.

Vice President for Administration Anna Martin reviewed the Committee's mission for the benefit of the new members. Ms. Martin also reported on discussions in the Development Committee as they pertained to the College's capital program. Survey results have revealed that many alumni believe the College is now built out and there is little need for funding for facilities. She discussed with the Committee the significant need that remains for dollars supporting the replacement or renovation of existing facilities, particularly those housing the Arts, including Music and Theater.

Ms. Martin reviewed the construction progress report for the College, including two important projects supported by the Commonwealth's new pooled funding model (legislated in 2008): Renovate Tucker Hall and Construct Integrated Science Center 3 (ISC 3), as detailed in Enclosure G. The Committee also viewed a computer modeling fly-over of the new Fraternity Housing project.

Three resolutions were presented to the Committee for approval and recommendation to the full Board: **Resolution 17**, Resolution to Approve Utility Easement for Barrett Hall Transformer for Dominion Virginia Power; **Resolution 18**, Fiscal Year 2012 9(D) Debt Resolution of the Rector and Board of Visitors of the College of William and Mary in Virginia - Improve: Athletics Facilities; and **Resolution 19**, Fiscal Year 2012 9(C) Debt Resolution of the Rector and Board of Visitors of the College of William and Mary in Virginia: Construct New Dormitory. Following brief discussion, Ms. Brashear requested a motion to approve all three. Motion was made by Mr. Schroeder, seconded by Mr. Tang and approved by voice vote of the Committee.

There being no further business, the Committee adjourned at 10:40 a.m.

VIRGINIA INSTITUTE OF MARINE SCIENCE CAPITAL OUTLAY PROJECT PROGRESS REPORT

268-90001 Seaside Hall Replacement

Anticipated Project Budget: \$1,231,000
Design Team: VIA Design Architects, Inc.
Fund Sources: Insurance Recovery

Biennium: 2010-2012
Obligated to Date: \$448,069
Contractor: TBD

This project supports the construction of a new 3,100 square foot library, classroom, and laboratory building which was completely destroyed by fire on November 18, 2010. The project was advertised in October with bids due on December 6, 2011. The project is scheduled to be completed by November 2012.

268-17724 Eastern Shore Seawater Laboratory

Appropriation Amount: \$3,674,892
Design Team: VIA Design Architects, Inc.
Fund Source: VCBA Bonds

Biennium: 2008-2010
Obligated to Date: \$3,507,821
Contractor: Nason Construction, Inc.

This project supports construction of a new 8,000 square-foot laboratory building with running seawater for research on coastal marine ecology and aquaculture in a high salinity environment. The building is 98% complete. Substantial completion is scheduled for December 2011.

268-17447 Electrical Upgrades, Chesapeake Bay Hall

Appropriation Amount: \$267,500
Design Team: McKinney & Company
Fund Source: General Funds
VCBA Bonds

Biennium: 2006-2008
Obligated to Date: \$235,973
Contractor: E.G. Middleton, Inc.

This project involves upgrading the electrical distribution system at Chesapeake Bay Hall. The building's electrical system did not provide the type of clean power needed by some of the sensitive electronic lab equipment and instrumentation used in modern research. The project installed transient voltage surge suppression and other improvements to the grounding system and a second emergency generator. The project is substantially complete, and the contractor has one punch list item to complete before the construction portion of the project can be inspected for final completion. VIMS is currently installing the new UPS units in various laboratories and telecom equipment rooms.

December 7-9, 2011

Page 2 of 4 **268-17400 Property Acquisition: CBNERRVA**

Appropriation Amount: \$1,490,500

Biennium: 2006-2008

Fund Source: Federal Funds

Obligated to Date: \$12,436

This appropriation involves the purchase of master plan properties to support the CBNERRVA program. VIMS received a federal grant to purchase an additional 455 acres of the Catlett Islands. The Institute currently owns 65 acres of the Islands. Two appraisals of the property were obtained and an offer has been made to the property owners. The Purchase Agreement is being finalized, and a draft has been given to our representative from the Attorney General's Office for review. The anticipated property purchase and closing date is March 1, 2012.

268-16615 Maury Hall Renovation

Appropriation Amount: \$2,000,000

Biennium: 2004-2006

Design Team: TBD

Obligated to Date: \$0

Fund Source: Private Funds

Contractor: TBD

This project will be withdrawn from the next report as the new VIMS Comprehensive Master Plan calls for the demolition of Maury Hall and construction of an addition to Watermen's Hall on that site.

268-16863 Research Storage Facility

Appropriation Amount: \$641,000

Biennium: 2002-2004

Design Team: DJG, Inc.

Obligated to Date: \$640,058

Fund Source: General Obligation Bonds

Contractor: Norman Company

This project involves the construction of a 4,900 square-foot storage building to secure research equipment and instruments that are currently stored outdoors. The project is substantially complete and was inspected by the William & Mary Code Review Team and the state fire marshal in June 2011. The project is ready for final inspection.

268-16522 Marine Research Building Complex

Appropriation Amount: \$31,214,371

Biennium: 2000-2002

Design Team: Clark Nexsen Architects and Engineers

Obligated to Date: \$31,136,677

Fund Sources: General Funds

Contractor: W.M. Jordan and Company

GOB & VCBA Bonds

Higher Education Operating

This appropriation funds the planning and construction of a project to demolish and replace outdated laboratory buildings with Andrews Hall, a new 71,000 square-foot scientific research building and a separate 46,000 square foot seawater laboratory. The construction portion of the project is 100% complete. Installation of a second seawater line is underway. Once completed, the project will be closed.

December 7-9, 2011

Page 3 of 4 **268-16634 Property Acquisition: VA-NERRS**

Appropriation Amount: \$350,000

Biennium: 2000-2002

Fund Source: Federal Funds

Obligated to Date: \$193,000

This project acquires property by the Virginia Estuarine & Coastal Research Reserve System using federal grants. To date, VIMS has purchased a parcel on the Dragon Run (the upper Piankatank River) in November 2002 and a portion of the Catlett Islands in June 2003 for the Reserve System. The appropriation remains open for future acquisitions.

268-16299 Property Acquisition: Master Plan Properties

Appropriation Amount: \$1,100,000

Biennium: 2000-2002

Fund Sources: VCBA Bonds

Obligated to Date: \$602,754

Higher Education Operating

This appropriation involves the purchase of properties contiguous to the Gloucester Point campus. No purchases have been made since May 2004; however, the appropriation remains open for future acquisitions.

268-16149 Property Acquisition: Wachapreague

Appropriation Amount: \$743,926

Biennium: 1998-2000

Fund Sources: Private Funds

Obligated to Date: \$733,028

Higher Education Operating

This appropriation involves the purchase of properties at the Eastern Shore Laboratory campus at Wachapreague, Virginia. No purchases have been made since June 2011; however the appropriation remains open for future acquisitions.

268-12331 Maintenance Reserve

Appropriation Amounts:

Fund Source: VCBA Bonds	\$636,610	June 30, 2010 Balance
	\$275,067	2011
	\$193,060	2012

The following maintenance reserve projects are included in an Energy Savings Performance Contract:

- Replace the North Mechanical Penthouse on Chesapeake Bay Hall
- Replace the South Mechanical Penthouse on Chesapeake Bay Hall
- Replace Air Handling Units at Watermen's Hall
- Replace Chiller Rack, Electric Boiler, and Cooling Tower at Watermen's Hall

December 7-9, 2011

Page 4 of 4

VIMS worked with the Division of Mines, Minerals, and Energy to obtain an energy audit on three of its buildings (Watermen's Hall, Chesapeake Bay Hall, and Nunnally Hall/Fisheries Science Laboratory). VIMS signed an energy performance contract with Siemens Industry, Inc. to complete the projects listed above. \$650,000 of the maintenance reserve funds are being used to support this project. Substantial completion is scheduled for Winter 2012.

The following Maintenance Reserve projects are scheduled for repairs this fiscal year:

- Replace the Roof on the Customer Service Building and Laboratory
- Replace Compressors/Condensers CBH
- Repair Various Roofs
- Replace Control Panels at Sewage Pump Station #1
- Point Up Exterior of Three Buildings

**COLLEGE OF WILLIAM AND MARY
CAPITAL OUTLAY PROJECT PROGRESS REPORT**

204-17278 Renovate: Power Plant & Utilities Improvements (Umbrella)

Appropriation Amount: \$13,636,000

Biennium: 2006 - 2008

Fund Source: VCBA, 9d Bond

Obligated to Date: \$13,211,718

204-17278-01 – Renovate: Power Plant: COMPLETE

Budget: \$10,243,331

Obligated to Date: \$10,243,331

204-17278-02 – Construct: No. Boundary St. Utility Improvements: COMPLETE

Budget : \$2,579,439

Obligated to date: \$2,475,106

204 – 17278-03 – Utility Piping Interconnect

Design Team: RMF Engineering

Biennium: 2008 - 2010

Budget: \$630,540

Obligated to Date: \$491,880

Fund Source: VCBA, 9d Bond

Contractor: TBD

Description: New steam and chilled water lines will be extended to Jamestown North and South Dormitories from the North Campus District Plant.

Progress: Design is complete. Construction is scheduled for summer, 2012.

204-17651 Construct/Replace: Cooling Plant & Utilities Improvements (Umbrella)

Appropriation Amount: \$31,540,332

Biennium: 2008 - 2010

Fund Source: VCBA, 9d Bond

Obligated to Date: \$28,468,643

204-17651-01 – Construct: Cooling Plant Addition COMPLETE

Budget: \$6,020,401

Obligated to Date: \$5,223,317

204-17651-03 – Replace: Historic Campus Utility Improvements COMPLETE

Budget: \$802,000

Obligated to date: \$640,238

204-17651-02 & 04 – Replace: Historic Campus Utility Improvements

Design Team: RMF Engineering

Biennium: 2008 - 2010

Budget : \$24,717,931

Obligated to date: \$22,605,088

Funding Source: VCBA, 9(d) bond

Contractor: Mid-Atlantic
Infrastructure Systems (MIS)

Description: Design and installation of distribution piping to support steam and chilled water from the central district utility plant to the Historic Campus, including the Campus

Center area south of Jamestown Road.

Progress: Chilled water and steam lines are being extended to all facilities north of the Sunken Garden. Final connections to Old Dominion Hall and the Bryan complex are near completion. Steam support will be transferred to the new piping over the Christmas Break. Following the holidays, work will focus on the south side of the Sunken Garden and south of Jamestown Road as distribution systems are extended west to the the Jamestown Dormitories and south to Reves Hall and Hunt Hall. At completion in Fall 2012, 27 buildings east of Landrum Drive and the Sadler Center will be connected to the central district utility plant.

204-17093 Construct: Emergency Generators

Design Team: McKinney
Appropriation Amount: \$1,600,000
Fund Source: VCBA

Biennium: 2004 - 2006
Obligated to Date: \$1,531,457
Contractor: Multiple firms

Description: Installation of emergency generators in numerous critical campus facilities, including Facilities Management Building (site of the Crisis Action Center) and Jones Hall (computer center machine room).

Progress: Residual funds are being used to design an emergency unit for the Muscarelle Museum.

204-17652 Renovate: Tucker Hall

Design Team: Cunningham-Quill
Budget: \$10,992,000
Funding Source: VCBA

Biennium: 2008 – 2010
Contractor: Donley's
Obligated to date: \$1,186,934

Description: The project will reconfigure and improve the 1909 era Tucker Hall, last upgraded in 1980. Instructional space and technology will be modernized for the department of English. The current appropriation supports only preliminary design development.

Progress: The College's original funding request of \$12,684,500 was reduced to \$10,992,717 by DGS during their Dec 29th, 2010 review. An appropriation for \$10,992,717 was authorized for July 1, 2011. DPB: has released \$2.1M to complete working drawings and select demolition. Final construction documents and the CM GMP are due March 15 to enable an April 2012 construction start. Construction will take approximately 14 to 16 months.

204-17650 Construct: Integrated Science Center Ph 3

Design Team: TBD	Biennium: 2008 – 2010
Budget: \$250,000; \$4.8 M (SD/PD)	Contractor: TBD
Funding Source: VCBA; HEO	Obligated to date: \$0

Description: The proposed project is a 113,000 GSF facility, designed for scientific research in existing applications (applied science), future programs (inter-disciplinary), and computer modeling.

Progress: A 2007 Pre-Planning Study by Moseley Architects was updated in August, 2008, and again in March, 2009. The \$85M project was included in the Commonwealth's \$1.0 billion pool (from 2008). At the invitation of Department of Planning and Budget (DPB), the College requested \$5.7M to support Detailed Planning (SD/PD). DPB subsequently approved \$4.8 million.

The College advertised, interviewed and selected Einhorn Yaffee and Prescott (EYP) of Washington, D.C. as the project architect. Programming activities started November 15, 2011. Completion of preliminary drawings is expected by October 1, 2012, at which time the College will request the next increment of funding necessary to complete construction documents (WD/CD).

204-16340 Improve: Dormitory Renovations (Umbrella)

Design Team: Multiple	Biennia: 2002 - 2008
Budget: \$17,129,000	Contractor: Multiple
Funding Source: 9c bonds	Obligated to Date: \$17,112,985

Description: Sub-projects '01- '29 were completed under a \$17.13M NGF appropriation. Last active projects: design of Yates Hall fire sprinkler installation.

Progress: The design for Yates Hall is complete and will be ready for construction in summer 2012.

204-17281 Improve: Dormitory Renovations (Umbrella)

Design Team: Multiple	Biennium: 2008 - 2010
Budget: \$5,000,000	Contractor: Multiple
Funding Source: 9c bonds	Obligated to Date: \$4,106,908

Description: Completed 2011 project: Old Dominion Hall roof replacement. Final summer 2012 projects are Monroe fire alarm and Taliaferro roof replacements.

Progress: The design for Taliaferro Roof is in preliminary design, and the Monroe project is in working drawings. Construction for both is expected in summer 2012.

204-17555 Improve: Dormitory Renovations (Umbrella including Grad Housing)

Design Team: Multiple	Biennium: 2008 - 2010
Budget: \$2.5M + \$2.8M	Contractor: Multiple
Funding Source: 9c bonds, NGF Settlement	Obligated to Date: \$2,412,103

Description: Following completion of the Grad Housing brick façade project, the last project is: design of Barrett Hall windows/chilled water piping (to accept air-conditioning) (2013).

Progress: Designs for Barrett Hall window replacement and HVAC modifications are complete and have been submitted for code review. Project construction is scheduled for a summer 2013 start, utilizing the next appropriation of revenue bond funding, due July 1, 2012.

204-17811 Improve: Dormitory Renovations (Umbrella)

Design Team: Multiple	Biennium: 2010 - 2012
Budget: \$4.5M	Contractor: Multiple
Funding Source: 9c bonds	Obligated to Date: \$3,802,496

Description: Final 2012 project: Yates Hall sprinkler installation.

Progress: Design of Yates Hall sprinkler installation is complete and will be ready for summer 2012 construction.

204 – 17808 Construct New Fraternity Housing

Design Team: Moseley-Treanor Associates	Biennium: 2010 - 2012
Budget: \$25.8M	Contractor: WM Jordan
Funding Source: 9c Bonds	Obligated to date: \$2,937,948

Description: Design of a new 187 bed Fraternity Complex consisting of eleven 17 bed fraternity houses and a community building.

Progress: Design began in April, 2011. The Design Review Board (DRB) and the state Art and Architectural Review Board (AARB) gave final approval to elevations/ exterior designs on Sept 9th. In January, 2012, the first element will start, which is a new parking lot adjacent to W&M Hall. Building construction will begin April 2012. Substantial completion is projected for June 2013.

0016-002-11 Renovate Campus Center -- Feasibility Study (204-17554)

Design Team: Moseley – WTW Architects
Budget: \$199,250 (\$35M appropriated)
Funding Source: 9c funds

Biennium: 2010 - 2012
Contractor: TBD
Obligated to date: \$96,709

Description: A feasibility study to renew the Campus Center will address programming, phasing, temporary space requirements and conceptual cost estimating. The proposed project will maintain the traditional campus Georgian order on the exterior while rebuilding the interior to improve delivery of student-focused services.

Progress: Space programming is near completion. Floor plan layout options have been reviewed by all stakeholders and a preferred floor plan selected. The designer is refining the floor plans, exterior architectural intent, and associated cost estimate. The project is on schedule to deliver a February 2012, final report.

0135-001-11 Construct Law School Addition – Feasibility Study

Design Team: VMDO Architects
Budget: \$150,000
Funding Source: E&G Operating Funds (Law)

Biennium: 2010 - 2012
Contractor: TBD
Obligated to date: \$8,616.00

Description: A feasibility study to create additional square footage to the north, east and west sides of the original facility. The study will address programming, phasing, temporary space requirements, and conceptual cost estimates

Progress: VMDO Architects of Charlottesville, VA, was selected as the project A/E in May. Stakeholder interviews and building committee meetings have created an approved space program. Guidance is being incorporated to finalize functional adjacencies and corresponding floor plans. The cost estimate was reviewed and updated during November 2011. The final study is due January 2012.

Major Repair and Maintenance Reserve

2010 - 2012: \$3,033,380 (Funding Source: VCBA bonds)

Completed projects:

• 204 – 00013 Classroom Renovations	\$ 41,913
• 204 – 00049 Cooling Tower Repairs	\$ 10,867
• 204 – 00008 – 3 Millington Hall E&S	\$ 58,277
• 204 – 00006 – 1 Davis House Ramp	<u>\$ 27,497</u>
	\$138,554

Projects under construction:

• 204 – 00051 T-12 Lighting Retrofit	<u>\$300,000</u>
	\$300,000

Projects ready for bid/award:

• 204 – 00006 ADA Accessibility (Jones Hall Elevator)	\$150,000
• 204 – 00027 Ewell Hall Attic Fire Alarm Replacement	\$155,000
• 204 - XXXXX Building Envelope Waterproofing	<u>\$250,000</u>
	\$555,000

Projects in design:

• 204 – 00006 – 2 ADA Accessibility (Walkways)	\$ 22,503
• 204 – 00008 – 1 Health Center BMP Maintenance	\$ 40,000
• 204 – 00008 – 3 Crim Dell BMP Maintenance	\$ 46,803
• 204 – 00009 Jones Hall – Adair Hall Sewer Repair	\$200,000
• 204 – 00010 PBK Structural Repairs	\$591,765
• 204 – 00050 Replace: Halon Systems	\$203,755
• 204 – 00073 Multiple Roof Repairs	
▪ Hoke House Roof	\$200,000
▪ College Apartments Roof	\$400,000
• 204 - 00077 ISC Energy Conservation	<u>\$ 85,000</u>
	\$1,789,826

Projects awaiting DPB approval:

• 204 – XXXXX Reves Hall Fire Alarm	\$ 50,000
• 204 – XXXXX Washington Hall DDC Controls	\$ 50,000
• 204 – XXXXX Morton Hall DDC Controls	\$100,000
• 204 – XXXXX Jones Hall DCC Controls (Design)	<u>\$ 50,000</u>
	\$250,000

THE COLLEGE OF WILLIAM AND MARY
BOARD OF VISITORS
OFFICERS AND COMMITTEES

2011-2012

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Charles A. Banks III, Vice Rector of the College
Dennis H. Liberson, Secretary of the Board

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Virginia M. Ambler

2011-2012 Student & Faculty Representatives:

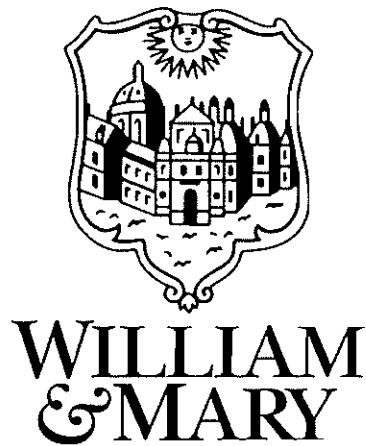
<i>W&M</i>	<i>RBC</i>
Kaveh Sadeghian, student	Emily R. Michalek, student
Alan J. Meese, faculty	Steven E. Martin, faculty

2011-2012 Staff Liaison:

Mary S. Molineux, Professionals and Professional
Faculty Assembly President

**Investments subcommittee*

BOARD OF VISITORS
OF THE COLLEGE
OF WILLIAM AND MARY
IN VIRGINIA



BOARD MEETING

Board Room - Blow Memorial Hall

December 9, 2011

MEETING AGENDA
Board of Visitors
The College of William and Mary

December 7-9, 2011 - 11:00 a.m.
Board Room - Blow Memorial Hall

- I. Welcome and call to order Rector Jeffrey B. Trammell
- II. Approval of Minutes – September 21-23, 2011 Mr. Trammell
- III. Opening Remarks Mr. Trammell
- IV. Closed Session (if necessary) Mr. Trammell
- V. Open Session - Certification of Closed Session **Resolution** Mr. Trammell

Rector should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Rector or designee will conduct roll call vote of the Board members for adoption. Upon passage, Rector should sign the resolution and direct that it be appended to the official minutes of this meeting.

VI. Reports of Standing Committee chairs

- A. Committee on Financial Affairs Timothy P. Dunn

- 1. **Resolution 1:** Receipt of the Consolidated Financial Report of the College of William and Mary in Virginia and Richard Bland College for the Fiscal Year Ended June 30, 2011
(joint with Richard Bland) tab #1
- 2. **Resolution 6:** Receipt of the Financial Report of the Intercollegiate Athletic Department for the Fiscal Year Ended June 30, 2011 tab #6
- 3. **Resolution 18:** Revision: Investment and Spending Policy for Endowment tab #18

- B. Committee on Audit John C. Thomas

- 1. **Resolution 7:** Approval of 2012 Internal Audit Work Plan tab #7

- C. Committee on Administration Dennis L. Liberson

- 1. **Resolution 8:** Resolution to Approve Final Regulation Regarding Weapons on Campus tab #8

Board of Visitors
MEETING AGENDA
December 9, 2011

D. Richard Bland College Committee

Dennis H. Liberson

1. **Resolution 1:** Receipt of the Consolidated Financial Report of the College of William and Mary in Virginia and Richard Bland College for the Fiscal Year Ended June 30, 2011
(joint with William and Mary) *tab #1*
2. **Resolution 2:** Resolution to Approve Policy and Propose Regulation Regarding Weapons on Campus *tab #2*
3. **Resolution 3:** Changes to the College's Faculty Handbook *tab #3*
4. **Resolution 4:** 2012-2018 Six Year Plan (Revised) *tab #4*
5. **Resolution 5:** Master Plan Revision *tab #5*

E. Committee on Buildings and Grounds

Janet M. Brashear

F. Committee on Development and Alumni Affairs

R. Philip Herget III

1. **Resolution 16:** Establishment of the Kae Brown Memorial Symphony Orchestra Endowment *tab #16*
2. **Resolution 17:** Establishment of the Katherine E. Towers and Lewis C. Towers Scholarship Quasi-Endowment *tab #17*

G. Committee on Academic Affairs

Colin G. Campbell

1. **Resolution 9:** Appointments to Fill Vacancies in the Professionals and Professional Faculty *tab #9*
2. **Resolution 10:** Faculty Promotion *tab #10*
3. **Resolution 11:** Award of Academic Tenure *tab #11*
4. **Resolution 12:** Designated Professorship *tab #12*
5. **Resolution 13:** Term Distinguished Professorship *tab #13*
6. **Resolution 14:** Faculty Leave of Absence *tab #14*
7. **Resolution 15:** Resolution to Approve Policy on Credit for Advanced Placement, International Baccalaureate, Cambridge and Other Pre-Matriculation Examinations *tab #15*

H. Executive Committee

Mr. Trammell

VII. Old Business

Mr. Trammell

VIII. New Business

Mr. Trammell

IX. Executive Session (if necessary)

Mr. Trammell

Board of Visitors
MEETING AGENDA
December 9, 2011

- X. Open Session - Certification of Closed Session **Resolution** Mr. Trammell

Rector should review topics discussed during closed session for benefit of observers, then move adoption of **Resolution** certifying closed session was held in compliance with Freedom of Information Act. Motion will be seconded and Rector or designee will conduct roll call vote of the Board members for adoption. Upon passage, Rector should sign the resolution and direct that it be appended to the official minutes of this meeting.

- XI. Closing remarks

- XII. Adjournment Mr. Trammell

BOARD DINING ROOM:

12:15 p.m. Lunch

FULL BOARD OF VISITORS MEETING
MINUTES – SEPTEMBER 21-23, 2011

MINUTES
Meeting of the Board of Visitors
The College of William and Mary in Virginia

September 21-23, 2011

The Board of Visitors of The College of William and Mary in Virginia met on the campus in Williamsburg on Wednesday, Thursday and Friday, September 21-23, 2011.

On Wednesday September 21, the Executive Committee met from 3:00 to 4:00 p.m. in the Rector's Office while the Committee on Audit met in the Board Conference Room. From 4:10 to 5:30 p.m. the Committee on Development met in the Board Room. That evening, the full Board convened for dinner in Plumeri House at 119 Chandler Court.

Those present were:

Charles A. Banks III
Colin G. Campbell
Timothy P. Dunn
Edward L. Flippen
Laura L. Flippin
Thomas R. Frantz
R. Philip Herget III
Dennis H. Liberson

Leigh A. Pence
L. Clifford Schroeder, Sr.
Robert E. Scott
Peter A. Snyder
Todd A. Stottlemeyer
Michael Tang
John C. Thomas
Jeffrey B. Trammell, Rector

Absent: Janet M. Brashear

Also present was William and Mary President W. Taylor Reveley III

At 7:15 p.m. the Rector convened the full Board at Plumeri House, and moved that, pursuant to Section 2.2-3711.A.1., of the Code of Virginia, the meeting be closed in order to discuss personnel matters involving specific college employees. Motion was seconded by Mr. Liberson and approved by voice vote. The observers were asked to leave the room and the Board went into closed session at 7:15 p.m.

The Board reconvened in open session at 9:15 p.m. Mr. Trammell reviewed the topic discussed during closed session for the benefit of the observers, then moved adoption of the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Liberson and approved by roll call vote of the Committee members conducted by Secretary of the Board Dennis Liberson.(Certification **Resolution** is appended.)

There being no further business, the Board adjourned at 9:15 p.m.

On Thursday, September 22, the Committee on Administration, the Richard Bland College Committee, the Committee on Financial Affairs, the Committee on Student Affairs and the Committee on Development met in the Board Room, while the Committee on Academic Affairs and the Committee on Buildings and Grounds met in the Board Conference Room.

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Those present on Thursday were:

Charles A. Banks III
Janet M. Brashear
Colin G. Campbell
Timothy P. Dunn
Edward L. Flippen
Laura L. Flippin
Thomas R. Frantz
R. Philip Herget III
Dennis H. Liberson
Leigh A. Pence

L. Clifford Schroeder, Sr.
Robert E. Scott
Peter A. Snyder
Todd A. Stottlemeyer
Michael Tang
John C. Thomas
Jeffrey B. Trammell, Rector
Faculty representative: Alan J. Meese
Student representatives: Kaveh Sadeghian

Others present were:

W. Taylor Reveley III
Michael R. Halleran
Virginia M. Ambler
James R. Golden
Samuel E. Jones
Anna B. Martin
Sean Pieri
Kathleen F. Slevin

Kiersten L. Boyce
Karen R. Cottrell
Michael J. Fox
W. Fanchon Glover
Michael L. Stump
Brian W. Whitson
Sandra J. Wilms

Also in attendance were Assistant Attorney General Deborah Love, Staff Liaison Mary Molineux, Dean of University Libraries Carrie Cooper, Acting Dean Eugene Tracy, Dean John T. Wells, and members of the William and Mary Faculty Liaison Committee.

At 2:10 p.m. the Rector reconvened the Board for the Provost Report and Faculty Presentation, and called on Academic Affairs Committee Chair Colin Campbell, who introduced Provost Michael Halleran. The Provost introduced the new Dean of University Libraries Carrie Cooper, then called on Dean of Admission Henry Broaddus, who provided an update on undergraduate admissions. A brief discussion ensued.

Faculty Liaison Committee Chair Professor Rick Gressard delivered a presentation on "What Makes William and Mary a Public Ivy?", noting the faculty's desire to initiate a conversation with the Board. Following the brief PowerPoint presentation, Professor Gressard opened the floor and a general discussion ensued.

Following a short break, at 3:30 p.m. the Board convened as a committee of the whole for the **Committee on Student Affairs**. Mr. Tang presided as chair and introduced Vice President for Student Affairs Virginia Ambler. Ms. Ambler reviewed highlights from the start of the academic year and reported on several initiatives underway, including the fraternity housing feasibility study, the honor system review and student handbook revisions.

Ms. Ambler introduced Director of the Cohen Career Center Mary Schilling and Assistant Director David Lapinski, who reflected back on the first year of the Career Center, highlighting the various programs administered by the office as well as initiatives planned and underway. A brief discussion ensued.

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MINUTES
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Student representative and Student Assembly President Kaveh Sadeghian introduced Student Liaisons Anna Mahalek and Courtne Gore, noting that their presentations were a collaborative effort from freshmen to graduate students. Ms. Mahalek and Ms. Gore reported efforts to connect students with career mentors and encourage the use of the Career Center. They also discussed campus policy and traditions, the Honor System Review Committee and the student efforts to instill the message that "One Tribe One Family" starts at the beginning of a student's life at the College. Mr. Sadeghian reported on efforts to improve and expand town and gown relations, and a fundraising effort with the Office of Community Engagement to replant trees in the community. Upcoming events relating to Charter Day in February and Coronation Day in April were also discussed. There being no further business, the Committee adjourned at 4:20 p.m.

Following the meeting of the Committee on Development, the Board recessed at 4:25 p.m.

On Friday, September 23, the Committee on Strategic Initiatives and the Committee on Alumni Relations met in the Board Room, prior to the full Board meeting.

Those present on Friday were:

Charles A. Banks III
Janet M. Brashear
Timothy P. Dunn
Edward L. Flippen
Thomas R. Frantz
R. Philip Herget III
Dennis H. Liberson
Leigh A. Pence
L. Clifford Schroeder, Sr.

Robert E. Scott
Peter A. Snyder
Todd A. Stottlemeyer
Michael Tang
John C. Thomas
Jeffrey B. Trammell, Rector
Faculty representatives: Alan J. Meese
Steven E. Martin
Student representatives: Kaveh Sadeghian
Emily Michalek

Absent: Colin G. Campbell
Laura L. Flippin

Others present were:

W. Taylor Reveley III
Michael R. Halleran
Virginia M. Ambler
James R. Golden
Samuel E. Jones
Anna B. Martin
Sean Pieri

Kiersten L. Boyce
Karen R. Cottrell
Michael J. Fox
W. Fanchon Glover
Michael L. Stump
Brian W. Whitson
Sandra J. Wilms

Also in attendance were Assistant Attorney General Deborah Love, Staff Liaison Mary Molineux, Dean of University Libraries Carrie L. Cooper, Acting Dean Eugene Tracy, Dean John T. Wells, Richard Bland College President James B. McNeer, Provost LeAnn Binger, Vice President for Administration and Finance Russell E. Whitaker, Jr., and members of the William and Mary Faculty and Student Liaison Committees.

At 8:15 a.m. Rector Jeffrey Trammell reconvened the Board as a committee of the whole for the **Committee on Strategic Initiatives**. Mr. Scott presided as chair and briefly reviewed the agenda

for the year, noting the central focus of the discussions would be innovation and the role of the Board in the process. Mr. Scott noted that these discussions would be coordinated with the Committee on Academic Affairs and would begin at the December meeting.

Vice Chair Janet Brashear, Provost Michael Halleran and Vice President for Strategic Initiatives James Golden provided a brief overview of the strategic planning process and discussed the dashboard update, as detailed in Enclosure M.

Mr. Scott asked the Board members to think about the Board's aspirations for William and Mary, the Commonwealth's role and the importance of William and Mary to the state and led a general discussion.

There being no further business, the Committee adjourned at 9:45 a.m.

Following a short break, the **Committee on Alumni Relations** convened at 10:00 a.m. Vice Chair Peter Snyder presided, noting this was the inaugural meeting of the committee. Mr. Snyder introduced Alumni Association Executive Vice President Karen Cottrell, who advised the presentation would be a continuation on career services, focusing on services for alumni. Director of Alumni Programs Brooke Harrison was joined by Cohen Center Director Mary Schilling and other staff for the presentation. A general discussion ensued focusing on the integration between alumni relations, student affairs and career services.

There being no further business, the Committee adjourned at 11:02 a.m.

Following a short break, the Rector convened the full Board meeting at 11:15 a.m. and welcomed the new members to the full meeting.

Recognizing that a quorum was present, the Rector asked for a motion to approve the minutes of the meeting of April 14-15, 2011. Motion was made by Mr. Schroeder, seconded by Mr. Scott and approved by voice vote.

In brief opening remarks, the Rector commented on the productive committee meetings, thanked everyone for their intellectual engagement, noting that the College has financial and structural challenges ahead.

President Reveley commented on his shared sense that the conversations have been rich, productive, concrete and important and expressed his hope for more to come in the future meetings.

The Rector moved that the Board of Visitors of the College of William and Mary convene in Closed Session for the purpose of discussing and/or approving personnel actions pertaining to the appointment, promotion and tenure of specific instructional and professional faculty and discussing personnel matters pertaining to performance evaluations of specific employees; for consultation with legal counsel pertaining to actual litigation for an update on pending litigation and legal matters requiring legal advice; to discuss specific recommendations related to future fundraising strategies as well as current development activities; and discussing matters pertaining to the consideration of honorary degrees, as provided for in Section 2.2-3711.A.1., 7., 8. and 10. of the Code of Virginia. Motion was seconded by Mr. Banks and approved by voice vote. The Board went into closed session at 11:17 a.m.

The Board reconvened in open session at 12:00 noon. The Rector reviewed the topics discussed during closed session, then moved adoption of the **Resolution** certifying the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Banks and approved by roll call vote of the Board members conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended.)

In the absence of Mr. Thomas, Mr. Tang reported for the **Committee on Audit**, noting that the Committee had discussed the external audit review and the next audit plan would be brought to the December 2011 meeting for approval. There were no action items.

Mr. Liberson reported for the **Committee on Administration**, and moved adoption of **Resolution 8(R)**, Resolution to Approve Policy and Proposed Regulation Regarding Weapons on Campus. Motion was seconded by Mr. Herget and approved by voice vote. (Page 1 of **Resolution 5(R)** is appended.)

Mr. Liberson moved adoption of **Resolution 7**, Resolution to Approve Employee Background Check Policy. Motion was seconded by Mr. Dunn and approved by voice vote.

Mr. Liberson reported for the **Richard Bland College Committee**, noting that the Committee had heard reports from the administration as well as the faculty and student representatives.

Mr. Liberson moved adoption of **Resolution 1**, Appointment of Assistant Professor of History. Motion was seconded by Ms. Pence and approved by voice vote.

Mr. Liberson moved adoption of **Resolution 2**, Appointment of Assistant Professor of English. Motion was seconded by Mr. Herget and approved by voice vote.

Mr. Liberson moved adoption of **Resolution 3**, Retirement of John L. Blair, Division of Humanities and Social Sciences. Motion was seconded by Ms. Pence and approved by voice vote.

Mr. Liberson moved adoption of **Resolution 4**, Approval of Criteria for Course Credit: International Baccalaureate and Advanced Placement Courses. Motion was seconded by Mr. Scott and approved by voice vote.

Mr. Liberson moved adoption of **Resolution 5 (R)**, 2012-2014 Operating Budget Proposal. Motion was seconded by Mr. Flippen and approved by voice vote.

Mr. Liberson moved adoption of **Resolution 6**, Residence of the Dean of Administration and Finance. Motion was seconded by Mr. Scott and approved by voice vote.

Ms. Brashear reported for the **Committee on Buildings and Grounds**, and asked for a motion to adopt as a block **Resolution 17**, Resolution to Approve Utility Easement for Barrett Hall Transformer for Dominion Virginia Power, **Resolution 18**, Fiscal Year 2012 9(D) Debt Resolution of the Rector and Board of Visitors of the College of William and Mary in Virginia – Improve: Athletics Facilities and **Resolution 19**, Fiscal Year 2012 9(C) Debt Resolution of the Rector and Board of Visitors of the College of William and Mary in Virginia: Construct New Dormitory. Motion was made by Mr. Scott, seconded by Ms. Pence and approved by voice vote.

Mr. Dunn reported for the **Committee on Financial Affairs**, noting that the Committee had heard a report from the Wells Fargo advisors. The current investment policy was under review and would be brought to the Committee in December, noting that **Resolution 21** had been withdrawn.

Mr. Dunn moved adoption of **Resolution 20**, College of William and Mary 2012-2014 Operating Budget Requests. Motion was seconded by Mr. Flippen and approved by voice vote.

Mr. Dunn moved adoption of **Resolution 22 (R)**, Virginia Institute of Marine Science 2012-2014 Operating Budget Requests. Motion was seconded by Mr. Scott and approved by voice vote.

Mr. Herget reported for the **Committee on Development**, noting that **Resolution 23**, Establishment of the Douglas E. Braun Endowed Fellowship Fund; **Resolution 24**, Establishment of the Lawrence S. Eagleburger Expendable Fund; **Resolution 25**, Establishment of the Lawrence S. Eagleburger Quasi-Endowment; **Resolution 26**, Establishment of the David Clay Jenkins English Quasi-Endowment; **Resolution 27**, Establishment of the Moslener-Dart Endowed Scholarship Fund and **Resolution 28**, Establishment of the Helen I. Phelps Endowment had been approved by the Board in the meeting of the committee of the whole.

In the absence of Mr. Campbell, Mr. Scott reported for the **Committee on Academic Affairs**, noting the Committee had discussed the growth of international programs, and new initiatives in China and India. Mr. Scott moved adoption as a block of **Resolution 9**, Appointments to Fill Vacancies in the Instructional Faculty; **Resolution 10**, Appointments to Fill Vacancies in the Professionals and Professional Faculty; **Resolution 11**, Award of Academic Tenure; **Resolution 12**, Faculty Promotion; **Resolution 13**, Designated Professorships; **Resolution 14**, Term Distinguished Professorships; **Resolution 15**, Faculty Leaves of Absence; **Resolution 16**, Revisions of the Bylaws of the Faculty of Arts and Sciences. Motion was seconded by Mr. Stottlemeyer and approved by voice vote.

Mr. Trammell advised that the report of the **Executive Committee** was given in closed session.

There was no old business.

Under new business, Mr. Trammell asked for a motion to adopt **Resolution 30**, College of William and Mary Six Year Plan, distributed during the meeting, noting that it was introduced by the President in accordance with the *Bylaws*. Motion was made by Mr. Banks, seconded by Mr. Frantz and approved by voice vote. (**Resolution 30** is appended.)

The Rector advised that amendments to the Bylaws were needed to formally establish the Committee on Alumni Relations and inasmuch as these amendments were submitted within the 30 day window of notice to amend the Bylaws, the Bylaws must be suspended. Therefore, pursuant to Article VII, Section 4, of the Board of Visitors Bylaws, Mr. Trammell moved to suspend the Bylaws. Motion was seconded by Mr. Banks and approved by 14 affirmative votes taken during a roll call of the Board members conducted by Secretary to the Board Michael Fox.

Mr. Trammell then moved, pursuant to Article VII, Section 3, of the Board of Visitors Bylaws, to amend the Bylaws as outlined in **Resolution 29**, effective immediately. Motion was seconded by Mr. Scott and approved by 14 affirmative votes. (**Resolution 29** is appended.)

The Rector asked for a motion to formally approve **Resolution 31**, Appointment of Chancellor of the College. Motion by was made by Mr. Schroeder, seconded by Mr. Tang and approved by voice vote. (**Resolution 31** is appended.)

There being no other new business, the Rector moved that the Board of Visitors convene in Executive Session for the purpose of discussing personnel matters pertaining to annual performance evaluations of specific executive employees of William and Mary and Richard Bland, as provided for in Section 2.2-3711.A.1., of the Code of Virginia. Motion was seconded by Mr. Scott and approved by voice vote. The Board went into Executive Session at 12:16 p.m.

The Board reconvened in open session at 12:26 p.m. The Rector reviewed the topics discussed during closed session, then moved adoption of the **Resolution** certifying the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Scott and approved by roll call vote of the Board members conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended.)

There being no further business, the Board adjourned at 12:27 p.m.

Board of Visitors

September 21, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors of The College of William and Mary in Virginia has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this Board of Visitors that such closed session was conducted in conformity with Virginia law;


NOW, THEREFORE, BE IT RESOLVED, That the Board of Visitors, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Board of Visitors.

VOTE

AYES: 16

NAYS: 0

ABSENT DURING CLOSED SESSION:


Jeffrey B. Trammell
Rector of the College

Board of Visitors

September 23, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors of The College of William and Mary in Virginia has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this Board of Visitors that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, That the Board of Visitors, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Board of Visitors.

VOTE

AYES: 15

NAYS: 0

ABSENT DURING CLOSED SESSION:


Jeffrey B. Trammell
Rector of the College

**COLLEGE OF WILLIAM & MARY
RESOLUTION TO APPROVE POLICY AND PROPOSED
REGULATION REGARDING WEAPONS ON CAMPUS**

WHEREAS, protecting the safety of the campus community is of utmost importance to the Board of Visitors of The College of William and Mary in Virginia;

WHEREAS, Chapter 5 of Title 23 of the Code of Virginia provides that the Board of Visitors shall “make all needful rules and regulations” concerning the College;

WHEREAS, the Supreme Court of Virginia has confirmed that public institutions of higher education in Virginia may regulate the possession of weapons on their campuses;

WHEREAS, the College has long prohibited weapons possession on campus by its students, and the Commonwealth of Virginia, through a policy promulgated by its Department of Human Resource Management applicable to certain employees of the College, prohibits the carrying of weapons while on College premises or while engaged in College business;

WHEREAS, the Board of Visitors desires to extend the weapons restrictions to all categories of College employees;

WHEREAS, the Board of Visitors deems it prudent to regulate weapons possession by visitors or other third parties in certain facilities controlled by the College as well as at certain College events, pursuant to its authority conveyed in Chapter 5 of Title 23 of the Code of Virginia; and

WHEREAS, the Board of Visitors has reviewed the proposed Weapons on Campus Policy and Regulation;

THEREFORE, BE IT RESOLVED, That, upon recommendation of the President, the Weapons on Campus Policy, a copy of which is attached hereto, is hereby approved; and

BE IT FURTHER RESOLVED, That, upon recommendation of the President, the Board approves the Weapons on Campus Regulation, a copy of which is attached hereto, as a proposed regulation to be published in the Virginia Register, and to be considered for final adoption at the December meeting of the Board.

RICHARD BLAND COLLEGE**2012 - 2014 OPERATING BUDGET PROPOSAL**

The operating budget proposals for institutions of higher education were due to the Department of Planning and Budget on September 15, 2011. Base budget proposals were limited to current operating budgets plus central appropriations and certain technical adjustments. Requests for items such as faculty salaries, base adequacy and financial aid will be addressed on a statewide basis. Other limited requests could be submitted as Decision Packages. The Richard Bland College requests are as follows:

	<u>2012-2013</u>	<u>2013-2014</u>
<u>Educational and General</u>		
• Base Budget	9,408,745	9,408,745
• <u>Decision Package #1</u>		
3.00 F.T.E Advisors	<u>215,000</u>	<u>230,000</u>
Total Request	9,623,745	9,638,745
General Funds	5,086,522	5,096,522
Nongeneral Funds	4,537,223	4,542,223
<u>Student Financial Assistance</u>		
General Funds	381,736	381,736
Nongeneral Funds	<u>70,000</u>	<u>75,000</u>
Total Request	451,736	456,736

Auxiliary Enterprises

Nongeneral Funds	2,722,000	2,872,000
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Financial Assistance For
E&G Services

Nongeneral Funds	335,110	335,110
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RESOLVED, upon recommendation of the President, that the Board of Visitors of the College of William and Mary in Virginia approves the 2012-2014 Operating Budget Proposal for Richard Bland College.

VIRGINIA INSTITUTE OF MARINE SCIENCE
FY 2012-14 OPERATING BUDGET REQUESTS

The Virginia Institute of Marine Science has developed operating budget requests as part of the Commonwealth's budget development process. The initial step in this process was the Spring 2011 submission of a six year capital outlay plan by each agency and institution. This plan continues to be under review as the Governor finalizes his 2012-14 budget recommendations.

The five operating budget initiatives are consistent with amendment requests previously approved by the Board of Visitors, will be included in the Institute's six-year plan, and align with the goals and objectives of the Commonwealth.

THEREFORE, BE IT RESOLVED, that the Board of Visitors of the College of William and Mary in Virginia approves the following operating budget requests for the Virginia Institute of Marine Science for submission to the Commonwealth as part of the 2012-14 budget development process.

VIRGINIA INSTITUTE OF MARINE SCIENCE
FY 2012-14 OPERATING BUDGET REQUESTS

	<u>FY 2012-13</u>	<u>FY 2013-14</u>
Faculty Positions	\$521,014 GF 5.0 FTE	\$583,440 GF 5.0 FTE

This initiative requests establishment of four faculty positions and one support position that will aid the Institute's three-part mission to educate students and citizens, conduct interdisciplinary research in coastal ocean and estuarine science, and provide advisory service to policy makers, industry, and the public. VIMS' ability to address mission critical services has been severely compromised over the past several years. Establishing new faculty positions will enhance VIMS' ability to educate the public and improve science literacy, provide necessary information to local, state and federal regulatory agencies, and conduct cutting-edge research in emerging areas such as renewable energy and biosensor development that create economic opportunities. Moreover, an increase in faculty will enable us to respond more quickly and effectively to the needs of the Commonwealth. Over the years, VIMS' faculty have conducted research on many critical State issues such as the *Pfiesteria* outbreak, introduction of non-native oysters in Chesapeake Bay, and the population status of Atlantic menhaden, and have disseminated advice on those areas to the Commonwealth. The *Code of Virginia* explicitly defines VIMS as the Commonwealth's advisor on marine-related issues and outlines over 30 VIMS-specific mandates. Without additional faculty, services to the Commonwealth will be lost and VIMS will be unable to perform the much needed innovative research necessary to advance science for economic development and environmental enhancement, and will thus lose competitive advantage to other mid-Atlantic states.

Information Technology	\$1,254,610 GF 5.0 FTE	\$536,530 GF 5.0 FTE
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This initiative requests equipment and operating funds to replace the aging campus telephone system, centralize support for the High Performance Computing platforms, increase the network capacity by tenfold to ensure IPV6 compliance, increase staff support and provide necessary technical training. The equipment upgrades will meet the growing needs of increased data collection capacity for programs conducting fish DNA analysis, genome studies, real-time simulation and modeling analyses, and coastal and ocean monitoring (e.g. during storms). In addition, this proposal will allow VIMS to comply with the Federal Government's mandate that all agencies will have their outward facing services upgraded to the IPV6 capacity by September 30, 2012.

Fish Surveys in Chesapeake Bay	\$563,529 GF	\$593,077 GF
	4.55 FTE	4.55 FTE

This proposal requests supplemental state support to continue long-term monitoring of fish and blue crab populations in the lower Chesapeake Bay and its tributaries. Currently, VIMS has several living resource monitoring programs: trawl surveys targeting blue crabs, juvenile and adult fishes, such as flounder, croaker, and sea trout; gillnet and pound net surveys for striped bass, American shad, and sturgeon; oyster dredge and patent tong surveys; a shark longline monitoring program; and a striped bass seine survey. The data and analyses generated by each of these programs are routinely incorporated into fisheries management by the Virginia Marine Resources Commission (VMRC), Atlantic States Marine Fisheries Commission (ASMFC) and the National Marine Fisheries Service (NMFS). Providing data to these regulatory agencies, particularly federal agencies, is critical to maintain compliance with fisheries management plans. Most importantly, failure to meet compliance criteria can result in significant lost revenue for Virginia's economy due to fisheries closures.

Research Equipment Service Contracts	\$300,000 GF	\$300,000 GF
	0.0 FTE	0.0 FTE

This proposal requests funds for research and academic support by providing a way to sustain equipment purchased by the State's Higher Education Equipment Trust Fund (HEETF). The HEETF allocations provided to VIMS over the past five years have been approximately \$500,000 per year, and this investment in sophisticated scientific equipment, virtually all of it supporting STEM disciplines at VIMS, must be protected through the purchase of maintenance service contracts which, unfortunately, are not supported by the HEETF program.

Center for Coastal Resources Management	\$314,222 GF	\$371,266 GF
	4.0 FTE	4.0 FTE

This proposal requests funds to support VIMS' Center for Coastal Resources Management (CCRM), which exists to develop and support integrated and adaptive management of coastal zone resources in Virginia. More specifically, CCRM supports Virginia's innovative wetlands and shoreline management programs, especially as mandated in the *Code of Virginia*. Management of these resources has evolved from resource-specific considerations to system-level perspectives that take a long-range approach that includes economic considerations. The Center has been an active agent in this fundamental change, and has developed the required internal capabilities and external collaborations to support multidisciplinary approaches to management and policy issues at state and local government levels, but that are now under staffed and underfunded.

COLLEGE OF WILLIAM AND MARY

SIX-YEAR PLAN

WHEREAS, the College of William & Mary has a long tradition of providing an excellent liberal arts education to the citizens of the Commonwealth and the nation; and

WHEREAS, the Governor's Commission on Higher Education has indicated "the Commonwealth's commitment . . . to having a distinctive 'public ivy' at William & Mary;" and the Virginia Higher Education Opportunity Act of 2011 includes in the calculation of the cost of education "adjustments to the funding based on . . . specific institutional missions or conditions;" and

WHEREAS the College's Six-Year Plan is rooted in this commitment, the goals set out in its own Strategic Plan, and the objectives of the Higher Education Opportunity Act (TJ21); and

WHEREAS, it is important to the vitality of the Commonwealth and the diversity of its higher education system for the College to continue to provide a distinctive kind of public education while ensuring that this education remains accessible and affordable to the citizens of the Commonwealth; and

WHEREAS, the College has determined those expenditures necessary to support and enhance its instructional, research, student service, and administrative operations, prioritized those expenditures, and recommended funding through a combination of Commonwealth, College, and reallocated revenue; and

WHEREAS, the College has reduced expenditures over the past three years by \$9.1 million, committed an additional \$1.8 million in cost savings to support the Six-Year Plan, and continues to evaluate opportunities to improve the effectiveness and efficiency of its academic and administrative programs and activities, aware that fulfilling the goals in the Plan will require a combination of such efforts, tuition revenue, state support and greater philanthropy;

THEREFORE, BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary, aware that the State's funding support for the 2012-14 biennium has not been determined, and that the Board is not prepared to establish tuition rates for the 2012-14 biennium, approves expenditures proposed in the College's Six-Year Plan as outlined in the memorandum to the Board, Subject: Revised Six Year Plan, dated September 16, 2011. These expenditures include \$8,567,600 in FY 2013 and an additional \$8,607,000 in FY 2014 to be supported by the College; and that the Six-Year Plan be prepared and submitted according to the requirements of the Higher Education Opportunity Act of 2011.

BE IT FURTHER RESOLVED, That in response to the Commonwealth's request that the Virginia Institute of Marine Science prepare a separate Six-Year Plan, the Board of Visitors of

Board of Visitors

Resolution 30

September 23, 2011

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the College of William and Mary approves the Institute's Six-Year Plan within the parameters outlined to the Board during the September 22, 2011 meeting of the Committee on Financial Affairs of the Board of Visitors.

September 23, 2011

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AMENDMENTS TO THE
BYLAWS OF THE BOARD OF VISITORS

Amendments to the *Bylaws of the Board of Visitors* have been proposed in order to establish the Committee on Alumni Relations. This change also necessitates changes to the sections on Standing Committees and the Committee on Development and Alumni Affairs.

BE IT RESOLVED, That on the recommendation of the Rector of the College, the *Bylaws* of the Board of Visitors are hereby amended, effective immediately, as shown on the following page.

**AMENDMENTS TO THE
BYLAWS OF THE BOARD OF VISITORS**

Article I. Section 4. STANDING COMMITTEES

Immediately following the election of officers, the Rector shall appoint one member of the Board to chair each of the following standing committees and such other special committees as the Board may deem necessary or advisable: Richard Bland College Committee, Committee on Financial Affairs, Committee on Buildings and Grounds, Committee on Administration, Committee on Academic Affairs, Committee on Development and Alumni Affairs, **Committee on Alumni Relations**, Committee on Strategic Initiatives, Committee on Student Affairs, Committee on Athletics, and Committee on Audit. The Rector shall also serve as an ex officio member of all committees. All committees may also function as committees of the whole.

Section 10. COMMITTEE ON DEVELOPMENT AND ALUMNI AFFAIRS

The Committee on Development and Alumni Affairs shall consult with the President of the College concerning the ways and means of promoting the general advancement of the College and fostering the relationship between the College and its alumni, communities, and friends. It shall consider and make recommendations on such matters as appropriate.

NEW SECTION 11. COMMITTEE ON ALUMNI RELATIONS

The Committee on Alumni Relations shall consider and make recommendations on policies fostering lifelong relationships and connections between the College and its alumni, as well as the College's career assistance for alumni, and on such matters as appropriate. The Committee shall meet on a regular basis with a representative of the Alumni Board of Directors.

Section 11. ~~12.~~ COMMITTEE ON STRATEGIC INITIATIVES

Section 12. ~~13.~~ COMMITTEE ON STUDENT AFFAIRS

Section 13. ~~14.~~ COMMITTEE ON ATHLETICS

Section 14. ~~15.~~ COMMITTEE ON AUDIT

APPOINTMENT OF CHANCELLOR OF THE COLLEGE

Robert M. Gates '65, L.H.D. '98 has demonstrated distinguished service to his alma mater and his nation, during a career in public service that began soon after he graduated from William and Mary in 1965. In 1966, he joined the Central Intelligence Agency and spent nearly 27 years as an intelligence professional, serving six presidents. During that period, he spent nearly nine years at the National Security Council. Dr. Gates served as Deputy Director of the CIA from 1986 to 1989, Assistant to the President and Deputy National Security Adviser at the White House from 1989 to 1991, and Director of the CIA from 1991 to 1993. From 2002 to 2006, he was president of Texas A&M University. On December 18, 2006, Dr. Gates took office as the nation's 22nd Secretary of Defense under President George W. Bush, and continued in that position under President Barack Obama until his retirement on June 30, 2011.

Dr. Gates has been awarded the National Security Medal, the Presidential Citizens Medal, and has received the National Intelligence Distinguished Service Medal twice. He has been awarded the CIA's highest award, the Distinguished Intelligence Medal, three times. Upon his retirement, President Obama awarded him the Presidential Medal of Freedom, the highest honor a president can bestow on a civilian. In 1998, the College awarded him the honorary degree of Doctor of Humane Letters, and in 2000 Dr. Gates received the Alumni Medallion from the Alumni Association.

The Honorable Sandra Day O'Connor has served as the twenty-third Chancellor of The College of William and Mary in Virginia for a period of seven years commencing October 1, 2005. Chancellor O'Connor's term expires in 2012.

THEREFORE, BE IT RESOLVED, That, the Board of Visitors of the College of William and Mary elects The Honorable Robert M. Gates '65, L.H.D. '98 as the twenty-fourth Chancellor of The College of William and Mary in Virginia for a period of seven years commencing May 13, 2012.

BE IT FURTHER RESOLVED, That a public investiture shall be made at an appropriate time.

Board of Visitors

September 23, 2011

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors of The College of William and Mary in Virginia has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D. of the Code of Virginia requires a certification by this Board of Visitors that such closed session was conducted in conformity with Virginia law;

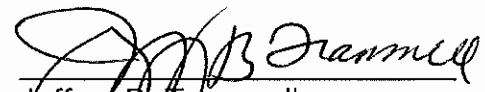
NOW, THEREFORE, BE IT RESOLVED, That the Board of Visitors, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Board of Visitors.

VOTE

AYES: 14

NAYS: 0

ABSENT DURING CLOSED SESSION: THOMAS


Jeffrey B. Trammell
Rector of the College

AGENDA ITEMS
Board of Visitors Meeting
The College of William and Mary in Virginia

December 7 - 9, 2011
Board Room - Blow Memorial Hall

RICHARD BLAND COLLEGE

- | | |
|-----------------------------|---|
| Resolution 1, <i>tab #1</i> | Receipt of the Consolidated Financial Report of the College of William and Mary in Virginia and Richard Bland College for the Fiscal Year Ended June 30, 2011
<i>(joint with William and Mary)</i> |
| Resolution 2, <i>tab #2</i> | Resolution to Approve Policy and Propose Regulation Regarding Weapons on Campus |
| Resolution 3, <i>tab #3</i> | Changes to the College's Faculty Handbook |
| Resolution 4, <i>tab #4</i> | 2012-2018 Six Year Plan (Revised) |
| Resolution 5, <i>tab #5</i> | Master Plan Revision |

COLLEGE OF WILLIAM AND MARY

- | | |
|-----------------------------|--|
| Resolution 1, <i>tab #1</i> | Receipt of the Consolidated Financial Report of the College of William and Mary in Virginia and Richard Bland College for the Fiscal Year Ended June 30, 2011
<i>(joint with Richard Bland College)</i> |
| Resolution 6, <i>tab #6</i> | Receipt of the Financial Report of the Intercollegiate Athletic Department for the Fiscal Year Ended June 30, 2011 |
| Resolution 7, <i>tab #7</i> | Approval of 2012 Internal Audit Work Plan |
| Resolution 8, <i>tab #8</i> | Resolution to Approve Final Regulation Regarding Weapons on Campus |
| Resolution 9, <i>tab #9</i> | Appointments to Fill Vacancies in the Professionals and Professional Faculty |

Board of Visitors
AGENDA ITEMS
December 7 - 9, 2011

Resolution 10, <i>tab #10</i>	Faculty Promotion
Resolution 11, <i>tab #11</i>	Award of Academic Tenure
Resolution 12, <i>tab #12</i>	Designated Professorship
Resolution 13, <i>tab #13</i>	Term Distinguished Professorship
Resolution 14, <i>tab #14</i>	Faculty Leave of Absence
Resolution 15, <i>tab #15</i>	Resolution to Approve Policy on Credit for Advanced Placement, International Baccalaureate, Cambridge and Other Pre-Matriculation Examinations
Resolution 16, <i>tab #16</i>	Establishment of the Kae Brown Memorial Symphony Orchestra Endowment
Resolution 17, <i>tab #17</i>	Establishment of the Katherine E. Towers and Lewis C. Towers Scholarship Quasi-Endowment
Resolution 18, <i>tab #18</i>	Revision: Investment and Spending Policy for Endowment

RICHARD BLAND COLLEGE
RESOLUTIONS

**COLLEGE OF WILLIAM AND MARY
RECEIPT OF THE CONSOLIDATED FINANCIAL REPORT OF
THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA AND
RICHARD BLAND COLLEGE FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The Consolidated Financial Report of The College of William and Mary in Virginia and Richard Bland College for the fiscal year ended June 30, 2011, has been presented by the Vice President for Finance and the Vice President of Administration and Finance to the Presidents of the Colleges, who have approved it for presentation to the Rector and the Board of Visitors.

The statements included in this consolidated Financial Report provide a concise analysis of the College's financial affairs for fiscal year 2010-2011. The report is subject, of course, to a detailed audit to be directed by the Auditor of Public Accounts.

RESOLVED, That the unaudited Consolidated Financial Report for fiscal year 2010-2011 of The College of William and Mary in Virginia and Richard Bland College is hereby received by the Board of Visitors.

RICHARD BLAND COLLEGE

**RESOLUTION TO APPROVE POLICY AND PROPOSE
REGULATION REGARDING WEAPONS ON CAMPUS**

WHEREAS, protecting the safety of the campus community is of utmost importance to the Board of Visitors of The College of William and Mary in Virginia;

WHEREAS, Chapter 5 of Title 23 of the Code of Virginia provides that the Board of Visitors shall “make all needful rules and regulations” concerning the College;

WHEREAS, the Supreme Court of Virginia has confirmed that public institutions of higher education in Virginia may regulate the possession of weapons on their campuses;

WHEREAS, the College has long prohibited weapons possession on campus by its students and employees;

WHEREAS, the Board of Visitors desires to amend its weapons restrictions upon College employees and students;

WHEREAS, the Board of Visitors deems it prudent to regulate weapons possession by visitors or other third parties in certain facilities controlled by the College as well as at certain College events, pursuant to its authority conveyed in Chapter 5 of Title 23 of the Code of Virginia; and

WHEREAS, the Board of Visitors has reviewed the proposed Weapons on Campus Policy and Regulation;

THEREFORE, BE IT RESOLVED, That upon recommendation of the President, the Board approves the Weapons on Campus Policy, a copy of which is attached hereto, and directs that it be made a part of the handbooks for students as well as faculty and staff, and

BE IT FURTHER RESOLVED, That upon recommendation of the President, the Board approves the proposed Weapons on Campus Regulation, a copy of which is attached hereto, as a proposed regulation to be published in the Virginia Register, and to be considered for final adoption at the February meeting of the Board.

Title: Weapons on Campus	
Effective Date: December 9, 2011	Responsible Office: Richard Bland College Police
Revision Date: First Version	Page: 2 of 4

I. SCOPE

This policy applies to Richard Bland College of the College of William and Mary. It applies to all college employees, including faculty, hourly and wage employees, and contract workers, and volunteers (collectively, members of the campus community) on any property owned, leased, rented, or otherwise under the control of the college (college property).

The conduct of students is covered by the Student Code of Conduct, particularly the prohibition on weapons, firearms, combustibles, and explosives.

II. PURPOSE

The purpose of this policy is to help provide a safe and secure working, living, and learning environment for the campus community by restricting weapons possession on college property.

III. DEFINITIONS

“law enforcement officials” means

- individuals appointed pursuant to §15.2-1609, et seq.; §15.2-1700, et seq.; §23-232, et. seq.; §29.1-200, et seq.; or §52-1, et seq. of the Code of Virginia; and
- sworn federal law enforcement officers.

“members of the campus community” is defined in Section I

“college property” is defined in Section I

“weapons” means any firearm or any other weapon listed in §18.2-308(A) of the Code of Virginia.

IV. POLICY

A. Prohibition

The possession, carrying, storage, or maintenance of any weapon by any member of the campus community, with the exception of law enforcement officials and other individuals authorized under this policy is prohibited on college property.

Any individual who is reported or discovered to possess a weapon on college property or maintains or stores a weapon on college property in violation of this prohibition will be asked to remove it immediately. The presence of a prohibited item will result in disciplinary action.

B. Authorized Exceptions

Exceptions to the weapons prohibition may be made only with appropriate authorization as described below.

1. Work-Related Weapons Use, Possession, etc. An employee may request authorization to possess, carry, store or maintain a weapon on college property if it is:
 - a. required as part of the employee's job duties; or
 - b. connected with training received by the employee in order to perform the responsibilities of their job with the college.

Request for the authorization of an exception first must be endorsed by the head of the employee's department, school, or other college unit – typically a vice president or dean. Final authorization may be made only by the Richard Bland College Police Department.

2. Other Exceptions. Other exceptions must be authorized by the Vice President for Administration and Finance in consultation with appropriate college offices. The Vice President will grant such exceptions only in limited circumstances, when the college has adequate assurance that an exception may be made without creating risk to campus safety and security.

C. Prop Weapons

Due to the risk of being identified as a real weapon, any toy, prop or other item that looks like a weapon and is used for any purpose on college property must be reported to and approved by the Richard Bland College Police prior to being used in any activity. Examples of activities for which prop weapon use may be approved include plays and class presentations.

V. AUTHORITY AND IMPLEMENTATION

This policy was approved by the Board of Visitors. The Richard Bland College Police are responsible for the implementation of this policy.

PROPOSED WEAPONS ON CAMPUS REGULATION

CHAPTER 30

RICHARD BLAND COLLEGE WEAPONS ON CAMPUS REGULATION

8VAC115-30-10. Definitions.

The following words and terms when used in this chapter shall have the following meanings unless the context clearly indicates otherwise:

"College property" means any property owned, leased, or controlled by Richard Bland College of the College of William and Mary.

"Police officer" means law-enforcement officials appointed pursuant to Article 3 (§ 15.2-1609 et seq.) of Chapter 16 and Chapter 17 (§ 15.2-1700 et seq.) of Title 15.2, Chapter 17 (§ 23-232 et seq.) of Title 23, Chapter 2 (§ 29.1-200 et seq.) of Title 29.1, or Chapter 1 (§ 52-1 et seq.) of Title 52 of the Code of Virginia or sworn federal law-enforcement officers.

"Weapon" means any firearm or any other weapon listed in § 18.2-308 A of the Code of Virginia.

Statutory Authority

§ 23-44 of the Code of Virginia.

Historical Notes

Derived from Virginia Register Volume __, Issue __, eff. December 9, 2011.

8VAC115-30-20. Possession of weapons prohibited.

Possession or carrying of any weapon by any person, except a police officer or an individual authorized pursuant to college policy, is prohibited on college property in academic buildings, administrative buildings, student residence and student life buildings, or dining or athletic facilities, or while attending an official college event, such as an athletic, academic, social, recreational or educational event, or on vessels that are college property. Entry upon such college property in violation of this prohibition is expressly forbidden.

Statutory Authority

§ 23-44 of the Code of Virginia.

Historical Notes

Derived from Virginia Register Volume __, Issue __, eff. December 9, 2011.

8VAC115-30-30. Person lawfully in charge.

In addition to individuals authorized by college policy, Richard Bland College police officers are lawfully in charge for the purposes of forbidding entry upon or remaining upon college property while possessing or carrying weapons in violation of this prohibition.

Statutory Authority

§ 23-44 of the Code of Virginia.

Historical Notes

Derived from Virginia Register Volume __, Issue __, eff. December 9, 2011.

RICHARD BLAND COLLEGE
CHANGES TO THE
COLLEGE'S FACULTY HANDBOOK

WHEREAS, official operational and personnel policies and procedures must occasionally be revised to reflect changing conditions in higher education; and

WHEREAS, The Faculty Affairs Committee of Richard Bland College has completed a review and drafted changes to its Faculty Handbook, Section VIII, INSTITUTIONAL POLICIES AFFECTING FACULTY, as detailed in the following pages;

THEREFORE, BE IT RESOLVED, That upon the recommendation of the President and Provost, the Board of Visitors of the College of William and Mary approves the revisions to the Faculty Handbook Section VIII, E. (deleted), F., G., H. (re-positioned), I. J., and K., dated November 11, 2011.

Recommended Changes to Faculty Handbook

November 11, 2011

SECTION VIII. INSTITUTIONAL POLICIES AFFECTING FACULTY

~~E. POLICY ON FACULTY CREDENTIALS - *Delete this section*~~

E. FACULTY APPOINTMENTS

The teaching faculty (9/10- Month Teaching and Research Faculty,), including Division Chairs, whose original appointments are made by the Board of Visitors, are reviewed annually by the President. If a change of status results in a promotion in rank, Board approval is again required.

Full-time faculty appointments at the College are held under one of the following categories:

1. Tenured appointments- Richard Bland College accepts the principles of tenure. A tenured appointment may be terminated by the College only for adequate cause. A detailed description of the rights, obligations, and policies associated with a tenured appointment may be found in the Academic Tenure Policy.
2. Tenure-eligible appointments- Faculty who hold tenure-eligible appointments may be considered for tenure under the provisions specified in the Academic Tenure Policy.
3. Specified-term appointment is one with a written contract that states the appointment is not tenure- eligible and terminates on the date specified in the contract. Specified –term contracts may be made for periods up to five years.

F. FACULTY EVALUATION AND PROFESSIONAL ADVANCEMENT

1. Definition

- a. An evaluation of the performance of all faculty members will be conducted on a periodic basis, including an Annual Faculty Evaluation of all faculty members and an in-depth evaluation of non-tenured faculty at the end of their second year at Richard Bland College and tenured faculty at least every five years following immediately upon award of tenure. Tenure considerations occur in an individual's fifth year. The three criteria on which this evaluation will be based are teaching

effectiveness, College service, and professional development and community service.

- b. The primary responsibility for evaluation of the performance of faculty Members rest with the Division Chair and the Provost. The Division Chair will make the initial evaluation on the information provided by the faculty member, Student Course Evaluations, classroom observations, and other relevant information. Each faculty member will see the Division Chair's evaluation and have an opportunity to provide a written response. The Division Chair's evaluation and the faculty member's response will be submitted to the Provost for review. Each faculty member will see the Provost's written comments and have an opportunity to respond in writing.
- c. Policies and Procedures for evaluation of Adjunct Faculty are found in the Adjunct Faculty Policies and Procedures Manual.

2. Procedures

a. Annual Evaluation

All full-time faculty members must complete an annual Faculty Development Report (www.rbc.edu/faculty/forms) this report will detail evidence in support of the faculty member's teaching effectiveness, college service, and professional development and community service as follows:

(1) Teaching Effectiveness

- (a) A description of the nature and quality of the faculty member's teaching to include—but not be limited to—course load, updating of course presentation, innovative techniques, use of technology, helping students outside of class time, grading of papers, testing procedures, choice of textbooks, and any additional demonstrations of professional growth.
- (b) A self-evaluation of student achievement of course objectives listed on the syllabus for each course.
- (c) The Student Course Evaluation form administered in all courses.

(2) College Service

- (a) Advising
- (b) Discipline and Division Responsibilities
- (c) Committee Work

(d) College-wide Activities

(3) Professional Development and Community Service

(a) Membership in Professional Organizations

(b) Attendance at Professional Meetings and Conferences

(Indicate program participation)

(c) Research and /or Publications

(d) Graduate Credits earned during this academic year

(e) Public Service-Civic and Social Services Activities, Memberships and Talks

(f) Additional comments concerning professional development not already covered

- b. Committee chairs will submit evaluations for faculty members on all standing committees, Self-study committees, and major ad hoc committees to the faculty member in time to forward with the Report. Faculty members of other committees may request evaluation from the chairs.
- c. Faculty members may submit other information that they wish taken into consideration.
- d. The Division Chair, using the Faculty Development Report and other available evidence will write an evaluation of each faculty member. In the case of Division Chairs, the Provost will write the evaluation. These evaluations should be narrative interpretations of the submitted information that will be helpful to the faculty members and other evaluators, The Division Chair will rate the performance of each faculty member:

Excellent

Above average

Average

Needs improvement

Needs considerable improvement

- e. The criteria and weights for evaluation will generally be as follows, although in the course of a faculty member's professional growth the weights in College Service and Professional Development and Community Service may vary. (Adjustment in the thirty percent/ten percent will be initiated by the faculty

member in consultation with the Division Chair and the Provost as the circumstance arises and before completing of the Annual Faculty Development Report):

(1) Teaching effectiveness (60%)

The evaluation will take into consideration evidence on the Faculty Development Report, Student Course Evaluations, classroom observations, and other available information.

(2) College Service (30%)

The evaluation will take into consideration evidence on the Faculty Development Report and committee chair evaluations.

(3) Professional Development and Community Service (10%)

The evaluation will take into consideration evidence on the Faculty Development Report.

- f. The faculty member will see the Division Chair's evaluation and have an opportunity to provide a written response.
- g. The Division Chair's evaluation and the faculty member's response will be submitted to the Provost for review. Each faculty member will see the Provost's written comments and have an opportunity to respond in writing. Final decisions regarding salary increases will include a joint review by the Division Chair, the Provost, and the President.
- h. If the Annual Faculty Evaluation identifies a pattern of deficient performance, the Provost will conduct a thorough assessment to include those items in VIII, I, 2, g, below.

G. PROCEDURES FOR FORMATIVE PRE-TENURE REVIEW

1. Eligibility

Non-tenured faculty will submit for evaluation a portfolio at the beginning of their third year of teaching at Richard Bland College. The purpose of the portfolio is to provide another means for evaluation of teaching effectiveness, college service, and professional development and community service. The portfolio will cover the first two years.

2. Submission of portfolio

The portfolio will include:

- a. A curriculum vita and a reflective essay addressing the faculty member's teaching philosophy and professional development
- b. The first two faculty development reports.
- c. A sampling of instructor-provided materials use in each course taught during this interval, materials such as course syllabi, assignment lists, research paper assignments, reading lists, study guides, handouts, problem sets, laboratory exercises, tests, final examinations, descriptions of films shown, and any other course material useful to the evaluators.
- d. Grade distributions and Student Course Evaluations for these two years, if available.
- e. A list of committee service and committee chair evaluations, a summary of activities pertaining to advising, discipline, division, and college-wide activities, and professional development and community service.

3. Evaluation

- a. The portfolio will be evaluated by the Peer Review Committee.
 - (1) The Committee will consist of three tenured members of each Division selected by the Provost, and will be co-chaired by representatives of the two Divisions.
 - (2) This committee will make all pre-tenure, post-tenure, and tenure recommendations, and promotion recommendation through the rank of associate professor
 - (3) The Committee will write an evaluation based on the above issues which will consist of an assessment of the issues listed above (G.2.a-e) and suggestions for continuing professional growth. The evaluation will be forwarded to the Division Chair.
- b. The Division Chair will write an in-depth review of the faculty member that emphasizes the anticipated long-term effect of the faculty member on Richard Bland College. The review will focus on teaching performance, productivity, and potential to excel. The review is intended to give the faculty member an indication of progress toward tenure and to make suggestions for continuing professional growth.
- c. The Division Chair will forward the review to the Provost. The Provost will meet with the faculty member and set goals to be met for tenure.

4. Criteria for evaluations

The Peer Review Committee will address the following eleven topics in its deliberations:

- a. The faculty member's teaching load.
 - b. The quality of the material selected in each course
 - c. The development of each course
 - d. The appropriateness of the intellectual tasks set by the e instructor
 - e. The quality of testing in each course
 - f. The distribution of grades, if appropriate
 - g. Student course evaluations
 - h. The quality of committee service
 - i. The quality of discipline, division and College-wide activities, including advising
 - j. The commitment to professional growth , and
 - k. The representation of Richard Bland College in the community
5. The Peer Review Committee will write an evaluation based on the above topics. The Formative Pre-Tenure Review Evaluation will be given to the faculty member and a copy will be kept on file in the Office of the Provost and Dean of Faculty. The faculty member may choose to use the findings of the evaluation in later summative evaluations for promotion and tenure. The Provost and Dean of Faculty may use the pre-tenure formative evaluation to provide guidance to the faculty member concerning ways to improve performance.

H. ACADEMIC TENURE POLICY

Richard Bland College, a branch college of The College of William and Mary in Virginia, accepts the principle of tenure and adheres to it as a moral and professional obligation, although under the laws of the Commonwealth it is not permitted to grant a contract of unlimited duration. Tenure is defined by the 1940 Statement of Principles on Academic Freedom and Tenure with 1970 Interpretive Comments as "an appointment which may be terminated by the College only for adequate cause, or by retirement, or because of a bona fide reduction of staff or necessary curtailment or discontinuance of a department." Adequate cause in faculty dismissal proceedings includes, but is not necessarily restricted to (a) demonstrated incompetence or dishonesty in teaching or research, (b) substantial and manifest neglect of duty, (c) personal conduct that substantially impairs the individual's fulfillment of meeting responsibilities to the institution, (d) bona fide financial exigency on the part of the College, (e) discontinuance of a program or department of instruction, or (f) when a discipline is not being discontinued, but student demand/enrollment does not justify retaining that number of faculty. The burden of proof in establishing cause for dismissal rests upon the institution.

1. Eligibility

- a. When a faculty member joins the faculty of Richard Bland College, a probationary initial appointment for a specified period begins, at the conclusion of which the appointment (or contract) expires unless reappointment is offered; reappointment is also for a specified period and likewise expires unless renewed.
- b. No faculty member has any rights, real or inferable, to appointment or reappointment during the full probationary period.
- c. A faculty member is evaluated for tenure in the fall of his sixth year. The Provost and Dean of the Faculty is responsible for notifying faculty members for whom a tenure review is required. Notification should be made during the spring semester preceding the review. At that time candidates should also be informed of the members of the Peer Review committee. In case a faculty member is not informed by the Provost, the member should contact the Provost concerning his/her eligibility.
- d. In exceptional cases, early eligibility for the tenure review process may be granted by the Provost.
- e. Full-time, tenure- eligible service, in any rank, from instructor to professor, or any combination of ranks, will count towards tenure. However, tenure will not be accorded those below the academic rank of Assistant Professor.
- f. Faculty members on academic leave, with or without pay, may gain credit toward tenure if such leave is approved and is designated "tenure eligible" by the Provost.
- g. Richard Bland College is administered under a July 1- June 30 fiscal year. Faculty who serve under twelve-month appointment will be considered to have served a full year if they commenced duties by July 1 and faculty under academic year appointment only if they serve the entire academic year. Fractional years of service may not be combined into one or more whole years in the computation of probationary years of service.
- h. Full –time teaching/research experience at the rank of Instructor or above at any other accredited institution of higher learning will be credited towards the above tenure probationary period. The individual may be required, however, to serve a

probationary period of as much as four years at Richard Bland College before tenure is granted, even if the total full-time service thereby exceeds seven years. The terms of such a probationary period will be stated at the time of initial appointment, both in the letter of offer and in the final written contract.

2. Submission of portfolio

The portfolio should include:

- a. The items listed in G. 2. a-c.
- b. Any other evidence bearing on the question that the candidates believe may be relevant and helpful to their case, and
- c. The pre-tenure review and reports,

The portfolio for pre-tenure review may be submitted with revisions and updates

3. Evaluation

The portfolios will be reviewed by the Peer Review Committee as in G.3.a. The Division Chair will write a review and forward recommendations to the Provost.

4. Criteria for evaluation

The Peer Review Committee will address the eleven issues listed in G.4.a-k for Formative Pre-Tenure Review.

5. Permissible reasons for non-renewal of probationary contract or non-appointment to tenure include but are not limited to the following: (a) unsatisfactory performance or lack of sufficient progress in meeting the institution's stated criteria for reappointment or award of tenure; (b) qualification and performance which, although satisfactory, will not enable the institution to achieve or advance its educational objectives and standards; (c) full staffing at tenure level in the areas of the candidate's principal competence or specialty; (d) changes in the institution's academic program; (e) budgetary constraints that make it impossible or imprudent to renew the appointment or to increase the tenure staff; and (f) failure to complete educational requirements agreed upon in writing at time of hiring.

6. Conditions for the Granting of Tenure: Upon approval by the Board of Visitors, the College will give notification of tenure decisions by June 30 of the year proceeding the last academic year of the faculty member's period of probation. In essence, tenure consideration will be given not later than June 30 of the sixth year of full-time service.

7. Non-renewal Notice of Probationary Contract: Written notice that a probationary appointment is not to be renewed will be given to the faculty member in advance of the expiration of appointment as follows:
 - a. Not later than March 1 of the first academic year of service, if the appointment expires at the end of that year; or if a one-year appointment terminates during an academic year, at least three months in advance of its termination.
 - b. Not later than December 15 of the second academic year of service, if the appointment expires at the end of that year.
 - c. At least twelve months before the expiration of an appointment after two or more years at the institution.
 - d. Upon its inability or failure to give notice by the required date, the College may meet this requirement by providing advance notice time commensurate with the above time duration.
8. Special Considerations: Richard Bland College occupies a unique status in the Commonwealth of Virginia as its sole public junior college. Because its full-time faculty must serve in other capacities, including that of Academic Division Chairs, they should not be caused to suffer any discrimination with regard to tenure by virtue of serving, additionally, in an administrative capacity. Division Chairs performing full-time duties shall accrue credit toward tenure.
9. Procedures for Termination of Employment of Tenured Faculty Members: Notice of intent to terminate employment of any tenured faculty member shall be given not later than March 1, one academic year prior to the intended effective date and will be preceded by (a) discussions between the faculty member and appropriate administrative officers looking toward a mutual settlement; and (b) a statement of reasons framed with reasonable particularity by the President.
10. Appeal Procedure: The individual concerned will have the right to be heard initially by an ad hoc committee of the faculty. The ad hoc committee shall be elected by the faculty and will consist of five members. Members deeming themselves disqualified

for bias or interest shall remove themselves from the case. The complainant and the defendant will have the right if they wish to reject one member of the hearing committee. The faculty will then elect replacements.

(The Appeal Procedure may also be followed by any faculty member who has a grievance to appeal through the internal structure of Richard Bland College.)

- a. Pending a final decision by the ad hoc committee, the faculty member may be assigned to other duties only if immediate harm to him or herself, others, or the College is threatened by continuance in the present position.
- b. The hearings of the ad hoc committee shall be closed, unless otherwise requested by the faculty member.
- c. During the proceedings the faculty member will be permitted to have an academic advisor or a legal counsel of his or her own choice and expense.
- d. At the request of either the faculty member or the ad hoc committee, a representative of a responsible educational association shall be permitted to attend the proceedings as an observer. The right to call in more than one such observer shall not be denied.
- e. Ordinarily, a record of the hearing will be taken, but the form and availability of this record is left to the discretion of the ad hoc committee.
- f. The College will have the burden of proving the propriety of the dismissal (or sanction).
- g. The ad hoc committee may grant adjournments to enable either party to investigate evidence to which a valid claim of surprise is made.
- h. The faculty member will be afforded a reasonable opportunity to obtain necessary witnesses and documentary or other evidence. The administration will cooperate with the ad hoc committee in securing witnesses and making available documentary and other evidence.
- i. The faculty member, the administration, and the complainant have the right at the hearing on the complaint to cross-examine in person all first-hand witnesses to the event or events that led to the complaint. Those not direct first-hand witnesses to the

event or events that led to the complaint may, if they wish, submit signed statements in writing.

- j. In the hearing of charges of reasons of incompetence, the testimony shall include that of qualified faculty members whom either party may wish to call.
- k. The ad hoc committee will not be bound by strict rules of legal evidence and may admit any evidence of probative value in determining the issues involved. Every possible reasonable effort will be made to obtain the most reliable evidence available.
- l. The findings of fact and decision will be based solely on the evidence presented at the hearing.
- m. Except for such simple announcements as may be required, covering the time of meetings and similar matters, public statements and publicity about the case either by the faculty member or administrative officers will be avoided insofar as possible until the proceedings have been completed, including consideration by the Board of Visitors in instances of suspension or termination.
- n. The President and the faculty member will be notified in writing by the ad hoc committee of the decision. If the President rejects the report, he or she will state in detail the reasons for doing so in a written communication to the ad hoc committee and to the faculty member. The President will also provide an opportunity for response before transmitting the case to the Board of Visitors in instances of suspension or termination.
- o. The President will, on request of the faculty member in cases of suspension or termination, transmit to the Board of Visitors all pertinent information pertaining to the case. The Board of Visitors' review will be based on this information, including the record of the ad hoc committee if one was prepared. Any further opportunity for argument shall be at the discretion of the Board.

I. PROCEDURES FOR POST-TENURE REVIEW

1. Eligibility

Tenured faculty will submit a portfolio review in the beginning of the fifth year after they have achieved tenure and every five years thereafter. The purpose of the portfolio

is to provide a means of evaluation of teaching effectiveness, College service, professional development and community service.

2. Submission of portfolio

The portfolio, covering the previous five years, will include:

- a. the faculty development reports from the previous five years,
- b. the division chair evaluations from the previous five years,
- c. the students' evaluations from the previous two years, and
- d. a review, written by the Division Chair, of the faculty member's record over the five year interval.

3. Evaluation

The portfolio will be evaluated by the Peer Review Committee as in G.3.a.

4. Criteria for evaluation

The Peer Review Committee will address the eleven topics listed in G.4.a-k for Formative Pre-Tenure Review. It will write an evaluation based on these topics. The Post-Tenure Review Evaluation will be given to the faculty member, and a copy will be kept on file in the Office of the Provost and the Dean of Faculty. The faculty member may choose to use the findings of the evaluation in later evaluations.

5. If the Peer Review Committee identifies a pattern of deficient performance, the Provost will conduct a thorough assessment, to include:

- a. the faculty member's expected long-term contributions to Richard Bland College,
- b. areas where improvement is needed,
- c. a plan for ways to deal with problem areas,
- d. a timetable for the next three semesters to measure progress toward improvement.

6. Subsequent actions after plan for improvement has been created are:

- a. Annual evaluations in succeeding years will specifically address the progress toward improvement established in the timetable.
- b. A faculty member who does not meet the requirements for satisfactory performance as specified in the plan within the agreed-upon timetable will be subject to disciplinary actions consistent with institutional policy on such matters.

c. Faculty and administration will adhere to Procedures for Termination of Employment of Tenured Faculty Members and the Appeal Procedure outlined in the *Faculty Handbook* (See VIII, H 10).

J. PROMOTION POLICIES AND ACADEMIC RANK

1. Recommendations for the promotion of a faculty member at Richard Bland College shall be made by the Peer Review Committee. Recommendations are also to be made by the Division Chair. In the event the person being considered is a Division Chair, the recommendation shall be made by the Peer Review Committee directly to the Provost. In all cases, the Provost, upon receipt of the Peer Review Committee's report, shall make recommendations regarding promotions to the President of the College whose decision is final, subject to the approval of the Board of Visitors. Though there will be consideration of promotion at the stated times in rank, promotion is not automatic upon completion of stated time in rank. The following are guidelines for minimum requirements:

2. Instructor:

A master's degree and a minimum of eighteen graduate hours in the area of instruction.

3. From Instructor to Assistant Professor:

- a. Eligibility

To be considered for promotion to Assistant Professor a faculty member must:

- (1) Complete two years as Instructor.
 - (2) Hold a Master's Degree in the field of appointment.
 - (3) Demonstrate performance at the college that reflects considerable promise of being a strong addition to the college in his or her Professional field.
 - (4) Complete a pre-tenure review prior to promotion.

- b. Submission of portfolio

Faculty members applying for promotion to Assistant Professor should submit to the Peer Review Committee a portfolio including the

following:

- (1) Complete college transcripts.
- (2) An essay describing the instructor's teaching philosophy and how that may have changed since becoming a faculty member at Richard Bland College. When describing his or her teaching philosophy, the instructor should discuss points unique to Richard Bland College students.
- (3) Sample of course materials used such as notes, special worksheets, assessment materials, course syllabi, and special assignments.
- (4) Students' Course Evaluations for the year, if available.
- (5) Richard Bland College Faculty Development Reports.
- (6) A list of committee service evaluations, a summary of activities pertaining to advising, discipline, division, and college-wide activities, and community service.

c. Evaluation

- (1) The portfolio will be evaluated by the Peer Review Committee. The Committee will consist of three tenured members of each Division selected by the Provost and will be co-chaired by representatives of the two Divisions. This committee will make all pre-tenure, post-tenure and tenure recommendations and promotion recommendations through the rank of associate professor.
- (2) Recommendations are also to be made by the Division Chair.
- (3) In all cases, the Provost, upon receipt of the Peer Review Committee's report, shall make recommendations regarding promotions to the President of the College, whose decision is final, subject to the approval of the Board of Visitors. Though there will be consideration of promotion at the stated times in rank, promotion is not automatic upon completion of stated time in rank.

d. Criteria for evaluation of the faculty member.

The Peer Review Committee will address the same eleven issues listed in G.4.a-k for Formative Pre-Tenure Review.

4. From Assistant Professor to Associate Professor

a. Eligibility

A faculty member may qualify for promotion to Associate Professor

after the completion of the fourth year of teaching at the rank of Assistant Professor. The faculty member must also have at least six years of *total* college teaching.

b. Submission of portfolio

Same topics as for promotion from Instructor to Assistant Professor as found in J.3.b.1-6.

c. Evaluation

(1) Recommendation will be made by the Peer Review Committee.

(2) Recommendations are also to be made by the Division Chair. In the event the person being considered is a Division Chair, the recommendation shall be made by the Peer Review Committee directly to the Provost.

d. Criteria for evaluation of the faculty member

Same eleven issues as for promotion from Instructor to Assistant Professor that are found in G.4.a-k will be used.

5. From Associate Professor to Full Professor

a. Eligibility

(1) A candidate may be considered for promotion to full professor in his/her 12th year of college teaching (assuming it coincides with his/her 6th year as associate professor) or in the first year after completing the 12th year of college teaching that coincides with the 6th year as associate professor, and achievement of terminal degree in his or her field or sustained academic excellence in his or her field (significant scholarly publications). The M.F.A. can be considered as a terminal degree for a faculty member whose field is theatre or studio art. No more than one third of the full-time faculty shall hold the position of Full Professor at any one time. Promotions to Full Professor should be based on recommendations made by a committee consisting of all the Full Professors. The promotion, if awarded, is to take effect in the fall semester following the candidate's completion of the requirements listed in the subsection (a) and approval of the Full Professor promotion committee, the administration, and the Board of Visitors.

b. Submission of portfolio

Faculty members applying for promotion to full professor

should submit to the Full Professor Promotion Review Committee a portfolio including:

- (1) a cover letter requesting promotion and outlining the candidate's qualifications to apply for such promotion.
- (2) the candidate's five most recent Faculty Development reports.

c. Evaluation

- (1) The portfolio will be evaluated by the Full Professor Promotion Review Committee.
- (2) The committee will make all recommendations regarding promotion to the rank of full professor.

d. Criteria for evaluation of the faculty member

The Full Professor Promotion Review Committee will address the following issues in its evaluation:

- (1) the evaluations of the candidate contained in the submitted Faculty Development Reports,
- (2) contributions to his or her field through research or activity and professional service,
- (3) responsible participation in divisional, faculty, and College government, and
- (4) service to the community.

RICHARD BLAND COLLEGE

2012-2018 SIX YEAR PLAN (REVISED)

Richard Bland College administrative staff met with SCHEV staff and representatives of the legislative money committees, the Secretary of Finance and the Secretary of Education on August 24, 2011 to discuss the College's current Six Year Plan.

After further discussions, it was decided to revise the plan to more accurately reflect possible tuition increases for the 2012-2014 Biennium. This change resulted in changing the original estimate of 17% in 2012-2013 and 10% in 2013-2014 to an estimate of 10% and 5% for those years. These figures are only estimates based on an assumption of no additional General Funds from the Commonwealth and does not commit the College or the Board to these estimates.

RESOLVED, That upon recommendation of the President, The Board of Visitors of the College of William and Mary in Virginia approves the revised 2012-2018 Six Year Plan for Richard Bland College.

RICHARD BLAND COLLEGE

MASTER PLAN REVISION

The Richard Bland College Master Plan has not been updated since 2004. Since that time the College has added two residence halls, a science and technology building, a recreation complex and has replaced all underground water and sewer lines and deactivated all underground fuel storage tanks.

This plan revision has been prepared by Vanasse Hangen Brustlin, Inc. (VHB) of Watertown, Massachusetts (*see attached booklet*). The plan includes all building additions since 2004, new drawings of all utility systems and projected facilities for the next twenty years. The plan will be filed with the Division of Engineering and Buildings of the Commonwealth.

RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the revised Master Plan for Richard Bland College.

COLLEGE OF WILLIAM AND MARY
RESOLUTIONS

**COLLEGE OF WILLIAM AND MARY
RECEIPT OF THE FINANCIAL REPORT OF
THE INTERCOLLEGIATE ATHLETIC DEPARTMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The summarized Financial Report of the Intercollegiate Athletic Department for the fiscal year ended June 30, 2011, has been presented by the Vice President for Finance to the President of the College, who has approved it for presentation to the Rector and the Board of Visitors.

RESOLVED, That the Financial Report of the Intercollegiate Athletic Department for fiscal year ended June 30, 2011, is hereby received by the Board of Visitors.

COLLEGE OF WILLIAM AND MARY
APPROVAL OF 2012 INTERNAL AUDIT WORK PLAN

As provided in the Office of Internal Audit Charter, the Director is responsible for preparing comprehensive work plans based upon his judgment and a risk assessment model.

The proposed 2012 Work Plan for the Office of Internal Audit includes the following areas:

1. ARMICS – risk management and internal controls directive
2. Auditor of Public Accounts (APA) Support
3. Centralized billing and VA benefits
4. Fraud, Waste and Abuse Hotline; internal investigations
5. Payroll
6. Personnel hiring and evaluation committees
7. President's Honor System Review Committee
8. President's Business Innovation Committee
9. Procurement
10. Related foundations
11. Data centers (Jones, Blow and Miller Halls, Discovery 1 and Swem Library)
12. Risk Management Committee
13. Small purchase cards
14. William and Mary Police Department – assist investigations
15. Additional requests from the Board and management

The 2012 Work Plan has been reviewed by the Committee on Audit and management of the College of William and Mary and Richard Bland College, and is hereby recommended to the Board of Visitors.

THEREFORE, BE IT RESOLVED, That the 2012 Work Plan for the Office of Internal Audit is approved by the Board of Visitors.

COLLEGE OF WILLIAM AND MARY

**RESOLUTION TO APPROVE
FINAL REGULATION REGARDING WEAPONS ON CAMPUS**

WHEREAS, protecting the safety of the campus community is of utmost importance to the Board of Visitors of The College of William and Mary in Virginia;

WHEREAS, Chapter 5 of Title 23 of the Code of Virginia provides that the Board of Visitors shall "make all needful rules and regulations" concerning the College;

WHEREAS, the Supreme Court of Virginia has confirmed that public institutions of higher education in Virginia may regulate the possession of weapons on their campuses;

WHEREAS, College and Commonwealth policies restrict weapons possession by College students and employees;

WHEREAS, the Board of Visitors deems it prudent to regulate weapons possession by visitors or other third parties in certain facilities controlled by the College as well as at certain College events, pursuant to its authority conveyed in Chapter 5 of Title 23 of the Code of Virginia; and

WHEREAS, the Board of Visitors adopted a proposed Weapons on Campus Regulation on September 23, 2011, which was published in the Virginia Register of Regulations on October 24, 2011;

THEREFORE, BE IT RESOLVED, That, upon recommendation of the President, the proposed Weapons on Campus Regulation, a copy of which is attached hereto, is hereby adopted as a final regulation for publication in the Virginia Register in accordance with the Virginia Administrative Process Act, with an effective date on January 3, 2012; and

BE IT FURTHER RESOLVED, That the College's Regulatory Coordinator is hereby authorized and directed to take all necessary action to implement this resolution.

**CHAPTER 20
WEAPONS ON CAMPUS REGULATION**

8VAC115-20-10. Definitions.

The following words and terms when used in this chapter shall have the following meanings unless the context clearly indicates otherwise:

"Police officer" means law-enforcement officials appointed pursuant to Article 3 (§ 15.2-1609 et seq.) of Chapter 16 and Chapter 17 (§ 15.2-1700 et seq.) of Title 15.2, Chapter 17 (§ 23-232 et seq.) of Title 23, Chapter 2 (§ 29.1-200 et seq.) of Title 29.1, or Chapter 1 (§ 52-1 et seq.) of Title 52 of the Code of Virginia or sworn federal law-enforcement officers.

"University property" means any property owned, leased, or controlled by the College of William & Mary in Virginia, including the Virginia Institute of Marine Science.

"Weapon" means any firearm or any other weapon listed in § 18.2-308 A of the Code of Virginia.

8VAC115-20-20. Possession of weapons prohibited.

Possession or carrying of any weapon by any person, except a police officer or an individual authorized pursuant to university policy, is prohibited on university property in academic buildings, administrative buildings, student residence and student life buildings, or dining or athletic facilities, or while attending an official university event, such as an athletic, academic, social, recreational or educational event, or on vessels that are university property. Entry upon such university property in violation of this prohibition is expressly forbidden.

8VAC115-20-30. Person lawfully in charge.

In addition to individuals authorized by university policy, College of William & Mary police officers are lawfully in charge for the purposes of forbidding entry upon or remaining upon university property while possessing or carrying weapons in violation of this prohibition.

COLLEGE OF WILLIAM AND MARY
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY

Vacancies in the Professionals and Professional Faculty of the College of William and Mary have resulted because of resignations, terminations or the approval of additional authorized positions.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the appointments of the following individuals to fill these positions:

KELLY J. FINZER, Program Assistant, Washington Office, effective
October 6, 2011

B.A., The Ohio State University, 2011

The Ohio State University
Student Advisor, Ohio Student Educational Policy Institute, 2010-2011
Student Administrative Assistant, President's Office, 2008-2011

GREGORY W. JOHNSON, Director of Procurement Services, effective
October 31, 2011

B.A., Washington and Lee University, 1976
MBA, Indiana University, 1978

Liberty University
Director of Purchasing, 2007-2011

Quality Foods Co-Operative
Director of Purchasing and Marketing, 2005-2007
Category Manager, 2003-2005

Wild Bird Center and Sharp Edges Edging
Co-owner, 1994-2003

COLLEGE OF WILLIAM AND MARY
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY

JAKE R. NELSON, Coordinator, Student Philanthropy and
Recent Graduate Programs, University Development, effective
November 28, 2011

B.A., College of William and Mary, 2011

United States Department of State, Bureau of European and
Eurasian Affairs
Intern, Office of Policy and Global Issues, 2011

JOHN T. SPIKE, Assistant Director and Chief Curator, Muscarelle
Museum of Art, effective January 1, 2012

B.A., Wesleyan University, 1973
A.M. (1974); Ph.D. (1979), Harvard University

European University of Rome and the Pontifical Athenaeum,
'Regina Apostolorum' at the Vatican, Italy
Professor, 2007-2011

Board of Visitors

Resolution 10

December 7-9, 2011

Page 1 of 1

COLLEGE OF WILLIAM AND MARY
FACULTY PROMOTION

The following member of the Instructional Faculty of the College of William and Mary has been recommended for promotion in academic rank by the appropriate departmental committee and chair, the appropriate dean, and by the Provost and President.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the academic promotion of the following member of the Faculty of the College, effective with the start of the 2012 spring semester:

Assistant Professor to Associate Professor

RANI D. MULLEN, Department of Government

Board of Visitors

Resolution 11

December 7-9, 2011

Page 1 of 1

COLLEGE OF WILLIAM AND MARY
AWARD OF ACADEMIC TENURE

The following member of the Instructional Faculty at the College of William and Mary has been recommended for the award of academic tenure by the appropriate departmental committee and chair, the appropriate dean, and by the Provost and President.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the following member of the Faculty be awarded academic tenure, effective with the start of the 2012 spring semester:

RANI D. MULLEN, Department of Government

Board of Visitors

Resolution 12

December 7-9, 2011

Page 1 of 1

COLLEGE OF WILLIAM AND MARY
DESIGNATED PROFESSORSHIP

The following member of the Instructional Faculty of the College of William and Mary has been recommended for a designated professorship.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the designated professorship for the following member of the Faculty of the College, effective with the 2011-2012 academic year:

FRANKLIN E. ROBESON, William J. Fields Professor of Business

COLLEGE OF WILLIAM AND MARY
TERM DISTINGUISHED PROFESSORSHIP

The following member of the Instructional Faculty of the College of William and Mary has been recommended for a term distinguished professorship.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the term distinguished professorship for the following member of the Faculty of the College, effective with the 2011-2012 academic year:

JAMES R. BRADLEY, Hays T. Watkins Term Distinguished Professor
of Business

COLLEGE OF WILLIAM AND MARY
FACULTY LEAVE OF ABSENCE

The following faculty member has requested a leave of absence without pay or partial pay during the 2011-2012 academic year for the reason given.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary hereby approve this leave of absence:

CHI-KWONG LI, Walter F.C. Ferguson Professor of Mathematics, to conduct research at the Institute of Mathematical Research at the University of Hong Kong.

COLLEGE OF WILLIAM AND MARY

**RESOLUTION TO APPROVE POLICY ON CREDIT FOR ADVANCED PLACEMENT,
INTERNATIONAL BACCALAUREATE,
CAMBRIDGE AND OTHER PRE-MATRICULATION EXAMINATIONS**

WHEREAS, in 2010 and 2011, the Virginia General Assembly passed legislation (§ 23-9.2:3.8. Course credit; International Baccalaureate, Advanced Placement, and Cambridge Advanced examinations) related to institutional policies on the granting of credit based on examinations of pre-collegiate work; and,

WHEREAS, the University Registrar and Dean for Educational Policy worked with the Educational Policy Committee to effect a full review of all AP and IB (Higher Level and Standard Level) examination content and curricular materials by faculty; and,

WHEREAS, the Educational Policy Committee has created a policy statement to serve as the initial text for the Undergraduate Catalog "Requirements for Degrees" section,

RESOLVED, That the Board of Visitors of the College of William and Mary in Virginia approves the following policy statement on "Credit for Advanced Placement, International Baccalaureate, Cambridge, and Other Pre-Matriculation Examinations;" and,

BE IT FURTHER RESOLVED, That the Board authorizes the Provost and the Educational Policy Committee to set and make adjustments to examination score requirements, based on review of curriculum and educational outcomes, on an on-going basis without further review by the Board; and,

BE IT FURTHER RESOLVED, That the Board directs that this policy and the score requirements be published annually in the Undergraduate Catalog.

**POLICY ON
CREDIT FOR ADVANCED PLACEMENT, INTERNATIONAL BACCALAUREATE,
CAMBRIDGE AND OTHER PRE-MATRICULATION EXAMINATIONS**

College Board Advanced Placement (AP): Entering students interested in receiving academic credit and/or advanced placement for college level work undertaken during high school should take the College Board Advanced Placement Examination. These examinations are graded by the College Entrance Examination Board on a 5 point scale.

International Baccalaureate Programme (IB): Entering students who took IB examinations as part of their high school experience may present their scores for credit consideration. These examinations are graded by the International Baccalaureate Organization on a 7 point scale. Credits are granted only based on examination results; no credit or waivers are granted for the diploma itself, although the diploma programme is recognized as a strong college preparatory curriculum.

Cambridge (A/AS): Entering students who took Cambridge Advanced (A/AS) examinations as part of their secondary school experience may present their scores for credit consideration.

General Rules: In all cases, the examinations must have been taken prior to high school graduation or within six months thereafter, but in all cases before entering William and Mary.

The policies in each department governing credit and/or advanced placement for scores on AP or IB examinations vary according to how the material covered by examinations fits the curriculum of the department. Members of the William and Mary faculty are actively engaged with the College Board in the development and grading of AP examinations and they regularly review AP, IB, and Cambridge curricular documents to update the examination equivalencies.

In most departments, academic credit and/or advanced placement is awarded based on the test score. In some cases, the AP, IB, or Cambridge Examinations are reviewed by faculty in the appropriate departments at William and Mary to determine whether advanced placement and/or academic credit is warranted, using the content of the College's introductory courses as a guide.

Credit received through these pre-matriculation examinations may be applied toward degree requirements, including proficiency, General Education Requirements, minor and major requirements. However, exemptions from courses may not be applied toward General Education Requirements except where noted.

COLLEGE OF WILLIAM AND MARY
ESTABLISHMENT OF THE
KAE BROWN MEMORIAL
SYMPHONY ORCHESTRA ENDOWMENT

In memory of his wife, Dr. Joseph D. Brown, III made a generous gift to the College of William and Mary establishing the Kae Brown Memorial Symphony Orchestra Endowment. The income from this endowment is to be used for the most pressing needs of the Symphony Orchestra and the Music Department, such as scholarships for music lessons and student support for orchestra-related travel.

For decades, Mrs. Brown was a fixture in the orchestra's bass section. A number of her family members participated in the orchestra as well. Her daughter in-law, Sue Brown, class of 1982, played in the orchestra as did Kae's granddaughter, Emily Brown, a member of the class of 2012. This endowment cements in perpetuity Mrs. Brown's powerful legacy with the William and Mary Symphony Orchestra.

BE IT RESOLVED, That the Board of Visitors of the College of William and Mary hereby acknowledges this generous gift and establishes the Kae Brown Memorial Symphony Orchestra Endowment, the income from which shall be used at the discretion of the Director of Orchestras; and

BE IT FURTHER RESOLVED, That the Board of Visitors directs the Secretary to inform Dr. Joseph D. Brown, III of this action with its gratitude.

COLLEGE OF WILLIAM AND MARY
ESTABLISHMENT OF THE
KATHERINE E. TOWERS AND LEWIS C. TOWERS
SCHOLARSHIP QUASI-ENDOWMENT

Established by a generous bequest to the College of William and Mary from the Towers Family Charitable Trust created by Katherine E. Towers and Lewis C. Towers, both now deceased, the Katherine E. Towers and Lewis C. Towers Scholarship Quasi-Endowment Fund will provide income for need-based scholarships for out-of-state undergraduate students.

Mrs. Towers graduated from William and Mary with a degree in home economics in the Class of 1938. Mr. and Mrs. Towers, who lived in Iowa for many years, were both committed to supporting their respective alma maters, which compelled them to create the Towers Family Charitable Trust. In discussions with surviving family members, the College determined the most appropriate use of the quasi-endowment would be to support the ability of students from beyond Virginia's borders to attend the College of William and Mary.

BE IT RESOLVED, That the Board of Visitors of the College of William and Mary hereby acknowledges this generous bequest and establishes the Katherine E. Towers and Lewis C. Towers Scholarship Quasi-Endowment, the income from which shall be used at the discretion of the Director of Financial Aid; and

BE IT FURTHER RESOLVED, That the Board of Visitors directs the Secretary to inform Daniel Towers, the Trustee of the Towers Family Charitable Trust, of this action.

Board of Visitors

Resolution 18

December 7-9, 2011

COLLEGE OF WILLIAM AND MARY

REVISION: INVESTMENT AND SPENDING POLICY FOR ENDOWMENT

TO BE SENT UNDER SEPARATE COVER

CLOSED MEETINGS

The Board of Visitors may consider in closed session certain matters, including those listed below. The Code is very specific as to how these matters will be described in public session and in closing the meeting the motion must be specific as to the matters to be considered in closed session. There may be no discussion in closed session of matters not identified in the original motion.

I move that the _____ Committee convene in Closed Session for the purpose of discussing _____, as provided for in Section 2.2-3711.A., ____.

<u>Code Section</u>	<u>Topic</u>
2.2-3711.A.1.	Personnel matters involving identifiable college employees (i.e., appointments, performance evaluations, leaves, etc.) or discussion of candidates for employment.
2.2-3711.A.2.	Matters concerning any identifiable student
2.2-3711.A.3.	Acquisition of real property for a public purpose or disposition of publicly held real property
2.2-3711.A.4.	Protection of individual privacy in personal matters not related to public business
2.2-3711.A.6.	Investment of public funds where bargaining or competition is involved
2.2-3711.A.7.	Consultation with legal counsel and briefings by staff members pertaining to actual or probable litigation or consultation with legal counsel regarding specific legal matters requiring legal advice
2.2-3711.A.8.	Gifts, bequests and fund-raising activities, or grants and contracts for services or work to be performed by the College
2.2-3711.A.10.	Honorary degrees
2.2-3711.A.19.	Reports or plans related to security of any College facility, building or structure, or safety of persons using such facility, building or structure
2.2-3711.A.29.	Public contracts involving the expenditure of public funds

§2.2-3712.D. - At the conclusion of any closed meeting, the Board of Visitors shall immediately reconvene in open meeting and shall take a roll call or other recorded vote to be included in the minutes, certifying that to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the public body. Any member of the public body who believes that there was a departure from the requirements of subdivisions (i) and (ii), shall so state prior to the vote, indicating the substance of the departure that, in his judgment, has taken place. The statement shall be recorded in the minutes.

BOARD OF VISITORS MEETING DATES

2011

December 7-9

2012

February 1-3 (Charter Day February 3)

April 25-27 (Commencement weekend May 11-13)

September 19-21

November 28-30 (November 29 at Richard Bland College)

DECEMBER 2011