

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



WILLIAM
& MARY

COMMITTEE MEETINGS

Board Rooms - Blow Memorial Hall

November 20-22, 2013

SCHEDULE

Board of Visitors Committee Meetings
The College of William and Mary

November 20-22, 2013
Blow Memorial Hall - College of William and Mary

WEDNESDAY, NOVEMBER 20:

BOARD DINING ROOM

3:30 p.m. Coffee available

RECTOR'S OFFICE - EXECUTIVE COMMITTEE

4:00-6:00 p.m. Executive Committee

Todd A. Stottlemeyer, Chair
Robert E. Scott, Vice Chair
Thomas R. Frantz, Secretary

Kendrick F. Ashton, Jr.
Ann Green Baise
Charles A. Banks III
Sue H. Gerdelman

- A. Approval of Minutes – September 25, 2013
- B. Discussion topics
- C. Closed Session (if necessary)

BOARD CONFERENCE ROOM - COMMITTEE ON ALUMNI RELATIONS

4:30-5:30 p.m. Committee on Alumni Relations

(Ms. Cottrell)
Keith S. Fimian
DeRonda M. Short
Peter A. Snyder

Lynn M. Dillon, Chair
Leigh A. Pence, Vice Chair

- A. Approval of Minutes – September 25, 2013
- B. Report from Executive Vice President
- C. Report from Director of Alumni Engagement

6:00 p.m. Recess Committees

WILLIAM AND MARY HALL

6:00 p.m. Board Reception – Wightman Cup Room

7:00 p.m. Basketball – William & Mary vs. High Point

THURSDAY, NOVEMBER 21:

Committee on Academic Affairs (continued):

- A. Approval of Minutes – September 26, 2013
- B. Closed Session (if necessary)
- C. Report from Provost
- D. Report from Faculty Liaison Committee Chair
- E. Action Materials
 - 1. **Resolution 3**, pages 16-19
 - 2. **Resolution 4**, page 20
 - 3. **Resolution 5** pages 21-22
 - 4. **Resolution 6**, pages 23-24

**BOARD CONFERENCE ROOM - COMMITTEE ON ADMINISTRATION, BUILDINGS
AND GROUNDS**

10:00-11:00 a.m. Committee on Administration, Buildings Ann Green Baise, Chair
and Grounds John Charles Thomas, Vice Chair
(Provost Halleran, Ms. Martin)
L. Clifford Schroeder, Sr.
DeRonda M. Short
Peter A. Snyder
H. Thomas Watkins III

- A. Approval of Minutes – September 26, 2013
- B. Report from Building Official
 - 1. Enclosure D, page 26
- C. Report from Virginia Institute of Marine Science Dean/Director
 - 1. Enclosure E, pages 27-28
 - 2. **Resolution 7**, page 29
- D. Report from Vice President for Administration
 - 1. Enclosure F, pages 30-36
- E. Tour of One Tribe Place

BOARD ROOM - COMMITTEE ON DEVELOPMENT

11:00-12 noon Committee on Development Sue H. Gerdelman, Chair
(Mr. Lambert) Lynn M. Dillon, Vice Chair
L. Clifford Schroeder, Sr., Vice Chair
H. Thomas Watkins III, Vice Chair

Board of Visitors
SCHEDULE
November 20-22, 2013

THURSDAY, NOVEMBER 21:

Committee on Development (continued):

- A. Approval of Minutes -- September 26, 2013
- B. University Development Report
- C. Closed Session (if necessary)

BLOW HALL ROOM 201

12:00-1:15 p.m. Lunch with students

BOARD ROOM

1:20-2:15 p.m. Provost Report and Faculty Presentation

BOARD ROOM - COMMITTEE ON STUDENT AFFAIRS

2:15-3:00 p.m. Committee on Student Affairs Leigh A. Pence, Chair
(Ms. Ambler) Keith S. Fimian, Vice Chair
Peter A. Snyder, Vice Chair

- A. Report from Vice President for Student Affairs
 - 1. Career Development at William and Mary
- B. Report from Student Liaisons

BOARD ROOM

3:00-4:15 p.m. Committee on Financial Affairs Kendrick F. Ashton, Jr., Chair
(Provost Halleran, Mr. Jones) John E. Littel, Vice Chair
Charles A. Banks III, Vice Chair
Edward L. Flippen, Vice Chair

Thomas R. Frantz
Robert E. Scott
H. Thomas Watkins III

- A. Approval of Minutes -- September 27, 2013
- B. Report from Vice President for Finance
 - 1. State Budget Development
 - 2. **Resolution 8**, page 40 (*joint with Richard Bland*)
 - 3. **Resolution 9**, page 41
 - 4. Peer Comparison: Tuition and Fees
 - 5. Enclosure G, pages 42-51

THURSDAY, NOVEMBER 21:

Committee on Financial Affairs (continued):

- C. Report from Virginia Marine Science Dean
 - 1. Enclosure H, page 52
- D. Investment Portfolio Evaluation Overview
 - 1. Enclosure I (*see separate booklet*)
- E. Closed Session (if necessary)

BOARD ROOM - RICHARD BLAND COLLEGE COMMITTEE

4:15-5:45 p.m. Richard Bland College Committee John E. Littel, Chair
(President Sydow) Ann Green Baise, Vice Chair
Lynn M. Dillon
Edward L. Flippen
Sue H. Gerdelman
L. Clifford Schroeder, Sr.

- A. Approval of Minutes – September 26, 2013
- B. General Reports
- C. Action Material
 - 1. **Resolution 1**, pages 54-55
 - 2. **Resolution 8**, page 40 (*joint with William & Mary*)
- D. Informational Material
 - 1. Enclosure A, pages 56-58
 - 2. Enclosure B, pages 59-62
- E. Closed Session (if necessary)

5:45 p.m. Recess Committees

PLUMERI HOUSE - 119 CHANDLER COURT

7:30/8:00 p.m. Reception and Dinner

Board of Visitors
SCHEDULE
November 20-22, 2013

FRIDAY, NOVEMBER 22:

BOARD DINING ROOM

8:00 a.m. Breakfast available

BOARD ROOM

8:30-10:00 a.m. Committee on Strategic Initiatives
and New Ventures
(Provost Halleran, Mr. Golden)

Thomas R. Frantz, Chair
Edward L. Flippen, Vice Chair
John E. Littel, Vice Chair
Robert E. Scott, Vice Chair
Peter A. Snyder, Vice Chair
H. Thomas Watkins III, Vice Chair

- A. Strategic Planning Discussion
 - 1. Enclosure J, pages 64-65
 - 2. Dashboard to Track Implementation of the W&M Promise
 - 3. Business Innovation Project
 - 4. Early Admission Update
- B. Closed Session (If necessary)
- C. Communications/Economic Development Update

10:00 a.m. Recess Committees

BOARD ROOM – FULL BOARD OF VISITORS MEETING:

10:15 a.m. FULL BOARD MEETING - see MEETING AGENDA Mr. Stottlemeyer

GREAT HALL – SIR CHRISTOPHER WREN BUILDING

1:00 p.m. Brafferton Rededication Lunch

2:30 p.m. Brafferton Rededication Ceremony

Reception and tours

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

November 20-22, 2013
Board Room - Blow Memorial Hall

RICHARD BLAND COLLEGE

Resolution 1, pages 54-55	Appointments to Fill Vacancies in the Professionals and Professional Faculty
Resolution 8, page 40	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, 2013 (<i>joint with William and Mary</i>)
Enclosure A, pages 56-58	2013-2014 Operating Budget Update
Enclosure B, pages 59-62	Capital Outlay Progress Report

COLLEGE OF WILLIAM AND MARY

Resolution 2, page 13	Approval of 2014 Internal Audit Work Plan
Resolution 3, pages 16-19	Appointments to Fill Vacancies in the Professionals and Professional Faculty
Resolution 4, page 20	Faculty Leaves of Absence
Resolution 5, pages 21-22	Retirement of Stephen L. Kaattari School of Marine Science
Resolution 6, pages 23-24	Retirement of Peter A. Van Veld School of Marine Science
Resolution 7, page 29	Resolution to Demolish Moxley House
Resolution 8, page 40	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, 2013 (<i>joint with Richard Bland College</i>)

Board of Visitors
AGENDA ITEMS
November 20-22, 2013

Resolution 9, page 41	Receipt of the Financial Report of the Intercollegiate Athletic Department for the Fiscal Year Ended June 30, 2013
Enclosure C, page 12	Report of Internal Audit Activity Since September 19, 2013
Enclosure D, page 26	Report from Building Official
Enclosure E, pages 27-28	Virginia Institute of Marine Science Capital Outlay Project Progress Report
Enclosure F, pages 30-36	College of William and Mary Capital Outlay Project Progress Report
Enclosure G, pages 42-51	College of William and Mary FY 2013-2014 Operating Budget Summary
Enclosure H, page 52	Virginia Institute of Marine Science FY 2013-2014 Operating Budget Summary
Enclosure I	Investment Portfolio Evaluation for Periods Ending September 30, 2013 (<i>see separate booklet</i>)
Enclosure J, pages 64-65	University Dashboard Update

EXECUTIVE COMMITTEE
November 20, 2013
4:00 – 6:00 p.m.
Rector's Office - Blow Memorial Hall

Todd A. Stottlemeyer, Chair
Robert E. Scott, Vice Chair
Thomas R. Frantz, Secretary

- I. Introductory Remarks - Mr. Stottlemeyer
- II. Approval of Minutes – September 25, 2013
- III. Closed Session (if necessary)
- IV. Adjourn

EXECUTIVE COMMITTEE

MINUTES – SEPTEMBER 25, 2013

MINUTES
Executive Committee
September 25, 2013
Rector's Office – Blow Memorial Hall

Attendees: Todd A. Stottlemeyer, Chair; Kendrick F. Ashton, Jr.; Ann Green Baise; Charles A. Banks III; Thomas R. Frantz; Sue H. Gerdelman. Others in attendance: President W. Taylor Reveley III, Michael J. Fox and Deborah A. Love.

Chair Todd A. Stottlemeyer called the meeting to order at 5:02 p.m. Following brief opening remarks and review of the agenda, Mr. Stottlemeyer called on University Counsel Deb Love to give a brief update on changes to the Bylaws. Ms. Love advised that the changes were necessary to be consistent with legislation approved earlier in the year by the Governor and General Assembly.

Recognizing that a quorum was present, Mr. Stottlemeyer asked for a motion to approve the minutes of the meeting of April 17, 2013. Motion was made by Ms. Baise, seconded by Mr. Ashton and approved by voice vote of the Committee.

Mr. Stottlemeyer 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 the performance and evaluations of specific executive employees, and matters pertaining to the consideration of honorary degrees for Commencement 2013, as provided for in Section 2.2-3711.A.1. and 10., of the Code of Virginia. Motion was seconded by Mr. Frantz and approved by voice vote. The observers were asked to leave the room and the Committee went into closed session at 5:12 p.m.

The Executive Committee reconvened in open session at 6:54 p.m. Mr. Stottlemeyer reviewed the topics discussed during closed session, 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. Ashton and approved by roll call vote of the Committee members conducted by the Rector (**Certification Resolution** is appended).

There being no further business, the Committee adjourned at 6:50 p.m.

September 25, 2013

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

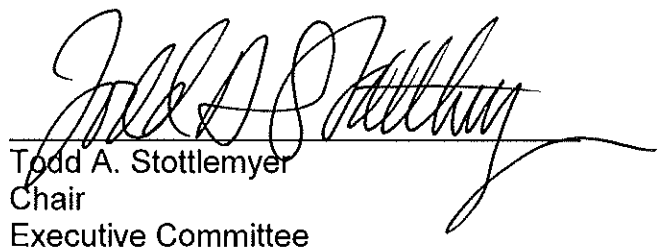
NOW, THEREFORE, BE IT RESOLVED, That the Executive Committee, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this 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:


Todd A. Stottlemeyer
Chair
Executive Committee

COMMITTEE ON ALUMNI RELATIONS

November 20, 2013

4:30 – 5:30 p.m.

Board Room - Blow Memorial Hall

Lynn M. Dillon, Chair

Leigh A. Pence, Vice Chair

- I. Opening Remarks – Ms. Dillon
- II. Approval of Minutes – September 25, 2013
- III. Report from Executive Vice President Karen R. Cottrell
- IV. Report on Alumni Engagement and Enrichment – Director of Alumni Engagement Kelly S. Holdcraft
- V. Discussion
- VI. Adjourn

COMMITTEE ON ALUMNI RELATIONS

MINUTES – SEPTEMBER 25, 2013

MINUTES
Committee on Alumni Relations
September 25, 2013
Board Room - Blow Memorial Hall

Attendees: Lynn M. Dillon, Chair; Leigh A. Pence, Vice Chair; DeRonda M. Short. Others present: Faculty representative William J. Hausman; Matthew T. Lambert, Barbara C. Joynes, Brian W. Whitson, Sandra J. Wilms and other College staff.

Chair Lynn Dillon called the meeting to order at 5:00 p.m., welcomed those present and briefly reviewed the agenda. Noting that this was the first meeting of Alumni Relations as a standing committee, Ms. Dillon advised that there were no committee minutes to approve this time.

Executive Vice President Karen Cottrell provided a brief overview of the Alumni Association, its organization and mission, then introduced Alumni Association President Barbara Joynes.

Ms. Joynes introduced Glenn Crafford, a member of the Alumni Association Board, and provided a brief overview of board governance. She discussed the new election procedures recently adopted and announced the 2014 recipients of the Alumni Medallion: Jim Comey, Gary LeClair and Joyce Shields. A brief discussion ensued.

Noting that Director of Alumni Events Carol Dyke was on a trip to Cuba, Ms. Cottrell reviewed several upcoming alumni events, and provided an update on plans for Homecoming, noting the increased focus was on engaging all alumni.

Director of Alumni Engagement Kelly Holdcraft, discussed her area of responsibility as it relates to alumni chapters and active regions, as well as regional alumni events planned and coordinated with the Office of Development.

Director of Communications Mitch Vandervorst discussed the various forms of alumni communications.

Director of Business Development Cindy Gillman discussed the various methods by which the Alumni Association raises funds via affinity partnerships and preferred business partnerships, and marketed their programs. Ms. Gillman noted that her area of responsibility also included the Alumni House rental program, the Gift Shop and the Memorial Garden, as well as the fundraising auctions, which this year will be held in Washington, DC in March.

Director of Business and Budget Management Elaine Campbell provided a summary budget overview.

Assistant Vice President for Operations John Kane reported on the alumni database, focusing on current practices and methods as well as current and comparative rates with select peers.

Following a brief discussion, and there being no further business, the Committee adjourned at 6:00 p.m.

COMMITTEE ON AUDIT AND COMPLIANCE

November 21, 2013

8:30 – 10:00 a.m.

Board Conference Room - Blow Memorial Hall

John Charles Thomas, Chair

Leigh A. Pence, Vice Chair

- I. Introductory Remarks - Mr. Thomas
- II. Approval of Minutes – September 25, 2013
- III. Closed Session (if necessary)
- IV. Report from Chief Compliance Officer – Kiersten L. Boyce
- V. Report from Director of Internal Audit - Michael L. Stump
 - A. Report of Internal Audit Activity Since September 19, 2013 - Enclosure C.
 - B. Approval of 2014 Internal Audit Work Plan – **Resolution 2**.
- VI. Report from the Vice President for Administration – Anna B. Martin
- VII. Report from Vice President for Finance – Samuel E. Jones
- VIII. Discussion
- IX. Adjourn

COMMITTEE ON AUDIT AND COMPLIANCE

MINUTES – SEPTEMBER 25, 2013

MINUTES
Committee on Audit and Compliance
September 25, 2013
Board Conference Room - Blow Memorial Hall

Attendees: John Charles Thomas, Chair; Leigh A. Pence, Vice Chair; and Ann Green Baise. Board members present: Todd A. Stottlemeyer, Rector; Charles A. Banks, III; Lynn M. Dillon; and DeRonda M. Short; Others present: Debbie L. Sydow, President of Richard Bland College; Kiersten L. Boyce; Courtney M. Carpenter; Donald R. Challis; Ariel Cohen; William E. Cook; Michael R. Halleran; Samuel E. Jones; Jennifer B. Latour; Deborah A. Love; Anna B. Martin; Pamela H. Mason; Sarah E. Melchior; Annette S. Parker; Michael L. Stump; and Brian W. Whitson.

Chair John Charles Thomas called the meeting to order at 3:30 p.m. Recognizing that a quorum was present, Mr. Thomas moved approval of the minutes of the April 18, 2013, meeting. Motion was seconded by Ms. Pence and approved by voice vote.

Mr. Thomas introduced Mr. Stump, Ms. Boyce, Ms. Martin, and Mr. Jones to the Committee and asked them to summarize their responsibilities with respect to the Committee. Mr. Stump briefly discussed the internal audit function, which covers the College of William and Mary, Virginia Institute of Marine Science, and Richard Bland College. He emphasized that Internal Audit reports to the Audit and Compliance Committee and briefly discussed the mission and work of the Office. Ms. Boyce, the College's Chief Compliance Officer, described her office and its mission. Ms. Martin discussed, in general terms, the College's safety and security functions and introduced the William and Mary Police Chief, Don Challis, to the Committee. Mr. Jones distributed a summary of the risk management function and discussed, in general terms, the College's safety, financial, legal, and reputational risks. Mr. Thomas informed the Committee that Ms. Martin and Mr. Jones will provide formal reports at the meeting in November.

Mr. Thomas asked Mr. Stump for his report. Mr. Stump briefed the Committee about the 13 completed projects and 8 projects in process documented in Enclosure C.

Mr. Thomas asked Ms. Boyce for her report. Ms. Boyce provided an overview of the Office of Compliance and Policy, including the office staff and the services offered. The Deputy Compliance Officer, Pamela Mason, formerly of the Athletics Department, was introduced. The Chief Compliance Officer gave a slide presentation about compliance and higher education, based on a recent article in the Association of Governing Board's Trusteeship magazine.

Mr. Thomas moved that the Committee on Audit and Compliance 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 personnel, and briefings by legal counsel or staff members pertaining to specific legal matters, as provided for in Section 2.2-3711.A.1. and 7., of the Code of Virginia. Motion was seconded by Ms. Pence and approved by voice vote. Observers were asked to leave the room and the Committee went into closed session at 4:05 p.m. The Committee went into Executive Session at 4:42 p.m.

Committee on Audit and Compliance

MINUTES

Page 2

The Committee reconvened in open session at 4:53 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 Ms. Pence and approved by roll call vote conducted by Mr. Jones. (Certification **Resolution** is appended.)

There being no further business, the Committee adjourned at 4:54 p.m.

September 25, 2013

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Audit and Compliance 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 and Compliance, 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:



John Charles Thomas

Chair

Committee on Audit and Compliance

COLLEGE OF WILLIAM AND MARY and RICHARD BLAND COLLEGE
REPORT OF INTERNAL AUDIT ACTIVITY SINCE SEPTEMBER 19, 2013

<u>Projects</u>	<u>Completion Date</u>
• School of Education	September 4
• Hotline – VIMS *	October 3

<u>Projects in process</u>	<u>Estimated Completion Date</u>
• Accounts Receivable – management request	Dec 2013
• Assist Auditor of Public Accounts *	Ongoing
• Auxiliary Services Express Card Reconciliation	Dec 2013
• Board of Visitors resolution compilation and analysis *	Ongoing
• Centralized billing and VA benefits – management request *	Ongoing
• EVMS financial evaluation	Ongoing
• President's Business Innovation Committee – President's request *	Ongoing
• Risk Management Steering Committee – management request*	Ongoing
• Small Purchase Charge Card Program *	Ongoing
• VIMS/SMS Vessel Operations – management request *	Dec 2013

Note: * Specific Annual Work Plan projects

COLLEGE OF WILLIAM AND MARY and RICHARD BLAND COLLEGE
APPROVAL OF 2014 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 2014 Work Plan for the Office of Internal Audit includes the following areas; items *italicized* are management requests:

- Auditor of Public Accounts support*
- Board of Visitors resolution/policy compilation and review*
- Centralized billing and VA benefits*
- EVMS*
- *Fair Labor Standards Act (FLSA) Compliance - VP Martin*
- Fraud, Waste and Abuse Hotline; internal hotline and investigations*
- *Muscarella Museum - Provost's request*
- Personnel hiring and evaluation committees*
- President's Business Innovation Committee*
- Related foundations*
- *RBC - management projects - President's request – deferred*
- RBC - President's expense reimbursement - employment agreement (p3, F, 2) – APA will conduct audit
- Risk Management Committee*
- Small purchase cards*
- *Tribe Computer Store - management request*
- William and Mary Police Department - assist investigations*
- *Additional requests from the Board and management*

*Ongoing projects

The 2014 Work Plan has been reviewed by the Committee on Audit and Compliance 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 2014 Work Plan for the Office of Internal Audit is approved by the Board of Visitors.

COMMITTEE ON ATHLETICS
November 21, 2013
9:00 – 10:00 a.m.
Board Room – Blow Memorial Hall

Peter A. Snyder, Chair
Keith S. Fimian, Vice Chair

- I. Introductory Remarks – Mr. Snyder
- II. Approval of Minutes – September 26, 2013
- III. Closed Session (if necessary)
- IV. Report from Director of Athletics – Terry Driscoll
 - A. Fall Sports Update
 - B. Student-Athlete Profile
- V. Events
 - A. Lord Botetourt Auction – Friday, February 7, 2014
 - B. Celebration of Women's Athletics – Saturday, February 8, 2014
 - C. Scholarship Luncheon – Sunday, February 9, 2014
 - D. Athletic Hall of Fame – Saturday, April 12, 2014
 - E. Athletic Awards Reception – Tuesday, April 28, 2014
- VI. Discussion
- VII. Adjourn

COMMITTEE ON ATHLETICS

MINUTES – SEPTEMBER 26, 2013

MINUTES
Committee on Athletics
September 26, 2013
Board Room - Blow Memorial Hall

Committee members present: Peter A. Snyder, Chair; Keith S. Fimian, Vice Chair; DeRonda M. Short. Board members present: Rector Todd A. Stottlemeyer; Kendrick F. Ashton, Jr.; Charles A. Banks III; Thomas R. Frantz; Leigh A. Pence; L. Clifford Schroeder, Sr.; faculty representative Will Hausman and student representative Chase B. Koontz. Others present: Edward C. Driscoll, Jr., Michael J. Fox, James R. Golden; Matthew T. Lambert; and other College staff.

Chair Peter A. Snyder called the meeting to order at 8:50 a.m., briefly reviewed the agenda and called on Director of Athletics Terry Driscoll.

Mr. Driscoll provided an update on spring sports. He discussed staff reorganization and introduced Associate Athletic Director for Student Services Peel Hawthorne. A brief discussion ensued.

Mr. Snyder moved that the Committee on Athletics convene in Closed Session for the purpose of discussing gifts, bequests and fund-raising activities, as provided for in Section 2.2-3711.A.8., of the Code of Virginia. Motion was seconded by Mr. Fimian and approved by voice vote. Observers were asked to leave the room and the Committee went into closed session at 9:00 a.m.

The Committee reconvened in open session at 9:35 a.m. Mr. Snyder 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. Fimian and approved by roll call vote conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended.)

Recognizing that a quorum was present, Mr. Snyder moved adoption of the minutes of the April 18, 2013, meeting. Motion was seconded by Ms. Short and approved by voice vote.

There being no further business, the Committee adjourned at 9:36 a.m.

September 26, 2013

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Athletics 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;

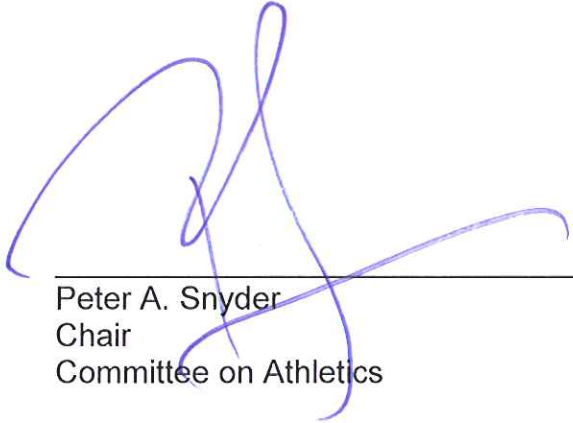
NOW, THEREFORE, BE IT RESOLVED, That the Committee on Athletics, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which 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: 3

NAYS: 0

ABSENT DURING CLOSED SESSION:



Peter A. Snyder
Chair
Committee on Athletics

COMMITTEE ON ACADEMIC AFFAIRS

November 21, 2013

10:00 – 10:45 a.m.

Board Room - Blow Memorial Hall

Robert E. Scott, Chair

Kendrick F. Ashton, Jr., Vice Chair

- I. Introductory Remarks - Mr. Ashton
- II. Approval of Minutes – September 26, 2013
- III. Report from Provost Michael R. Halleran
- IV. Report from Faculty Liaison Committee Chair Susan Grover
- V. Closed Session (if necessary)
- VI. Action Materials - Provost Michael R. Halleran
 - 1. Appointments to Fill Vacancies in the Professionals and Professional Faculty Resolution 3
 - 2. Faculty Leaves of Absence Resolution 4
 - 3. Retirement of Stephen L. Kaattari
School of Marine Science Resolution 5
 - 4. Retirement of Peter A. Van Veld
School of Marine Science Resolution 6
- VII. Discussion
- VIII. Adjourn

COMMITTEE ON ACADEMIC AFFAIRS

MINUTES – SEPTEMBER 26, 2013

MINUTES
Committee on Academic Affairs
September 25, 2013
Board Room – Blow Memorial Hall

Attendees: Kendrick F. Ashton, Jr., Vice Chair; Charles A. Banks III; Lynn M. Dillon; Thomas R. Frantz and faculty representative William F. Hausman. Board members present: Rector Todd A. Stottlemeyer; Keith S. Fimian, Sue H. Gerdelman, Leigh A. Pence; student representative Chase B. Koontz. Others present: President W. Taylor Reveley III, Provost Michael R. Halleran; Edward C. Driscoll, Michael J. Fox, W. Fanchon Glover, James R. Golden, Matthew T. Lambert, Dean Katharine Conley; Dean Carrie Cooper, Dean Davison Douglas, members of the Faculty Liaison Committee and other College staff.

Vice Chair Kendrick Ashton called the Committee to order at 9:40 a.m. and welcomed faculty representative Will Hausman to the Committee membership. Following brief opening remarks and recognizing that a quorum was present, Mr. Ashton asked for a motion to approve the minutes of the meeting of April 18, 2013. Motion was made by Mr. Banks, seconded by Mr. Frantz and approved by voice vote of the Committee.

Provost Michael Halleran reported on the opening of the new academic year, noting that Dean of Admission and Vice Provost for Enrollment Henry Broaddus had given a detailed report on the statistics of the entering freshman class at the August retreat. The Provost commented briefly on opening convocation and the College-wide faculty meeting as well as Family Weekend. Mr. Halleran reviewed progress on policy development for the William and Mary Promise, the e-Learning initiative and the Arts and Sciences curriculum review.

The Provost presented a PowerPoint report on the US News rankings, how they are developed and why they matter. A general discussion ensued.

Faculty Liaison Committee Chair Professor Susan Grover introduced Faculty Assembly President Suzanne Raitt, noting that they would have report during the faculty presentation to the full Board.

Mr. Ashton moved that the Committee convene in Executive Session for the purpose of discussing and/or approving personnel actions pertaining to the appointments, promotions, tenure, and leaves of executive, instructional and professional faculty, as provided for in Section 2.2-3711.A.1., of the Code of Virginia. Motion was seconded by Mr. Frantz and approved by voice vote. The Committee went into closed session at 10:23 a.m.

The Committee reconvened in open session at 10:35 a.m. Mr. Ashton reviewed the topics discussed during closed session, and 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. Frantz and approved by roll call vote of the Board members conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended.)

Committee on Academic Affairs
MINUTES
September 26, 2013

Mr. Ashton asked for a motion to approved as a block **Resolution 7**, Appointments to Fill Vacancies in the Executive Faculty; **Resolution 8**, Appointments to Fill Vacancies in the Instructional Faculty; **Resolution 9**, Appointments to Fill Vacancies in the Professionals and Professional Faculty; **Resolution 10**, Award of Academic Tenure; **Resolution 11**, Designated Professorships; and **Resolution 12**, Faculty Leaves of Absence. Motion was made by Mr. Frantz, seconded by Mr. Banks and approved by voice vote.

There being no further business, the Committee adjourned at 10:36 a.m.

September 26, 2013

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: 4

NAYS: 0

ABSENT DURING CLOSED SESSION:



Kendrick F. Ashton, Jr.
Vice Chair

Committee on Academic Affairs

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

Vacancies in the 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 effective with the dates listed below:

TAMEKKA K. DAVIS, Associate Director of Prospect Management, Office of University Development, effective October 25, 2013

B.A., Pennsylvania State University, 1999

College of William & Mary
Associate Director, Prospect Development and Information Strategy,
Office of University Development, 2009-2013
Senior Research Analyst, Development Information Management,
Office of University Development, 2007

The Pennsylvania State University
Assistant Director, Senior Research Analyst, Office of University
Development, 2000-2007
Preservation Collections Care Assistant, University Libraries, 1999-2000

KAREN S. FERGUSON, Recording Secretary, University Development,
effective November 10, 2013

B.F.A., Carnegie Mellon University, 2005

Georgetown University, Office of Advancement
Executive Assistant/Project Coordinator to the Associate Vice President
for Campaign and Development Operations, 2013
Executive Assistant/Project Coordinator to the Associate Vice President
for University Development, 2009-2013

Carnegie Mellon University, College of Fine Arts
Assistant to the Dean, College of Fine Arts, 2006-2008
Assistant to the Director of Development, College of Fine Arts, 1998-2006

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

ERIC Z. LIU, Assistant Director of Reporting and Data Services,
Office of Institutional Analysis and Effectiveness, effective
November 18, 2013

B.S., Beijing University of Technology, Beijing, China, 1994
M.S., Bowling Green State University, 2007

Grand Canyon University
Institutional Research Specialist, 2007-2013

APRIL J. PALMER, Area Director, Office of Residence Life, effective
October 25, 2013

B.A. (2003); M.Ed. (2005), Clemson University

Newberry College
Assistant Dean of Students, 2012-2013

Coker College
Director of Residence Life, 2010-2012

University of South Carolina Upstate
Resident Manager, 2009-2010
Assistant Director of Student Life, 2006-2009

JESSICA RAYMOND, Assistant Director for Community Development,
Office of Residence Life, effective October 10, 2013

B.A., Ferrum College, 1996
M.A., Virginia Polytechnic Institute and State University, 1998

College of William & Mary
Assignments Specialist, Office of Residence Life, 2010-2013
Area Director, Office of Residence Life, 1999-2006

Ann Taylor Loft
Sales Lead/Assistant Manager, 2010
Associate, 2009-2010

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

JESSICA RAYMOND, **cont'd.**

University of Central Florida
Assistant Director, Housing and Residence Life, 2006-2009

Virginia Polytechnic Institute and State University
Residence Director, 1998-1999

JULIE G. SUMMS, Director of Economic Development and Business
Innovation, effective January 10, 2014

B.A., College of William & Mary, 1992
M.U.R.P., Virginia Commonwealth University, 1997

Orange County, Virginia
County Administrator, 2009-2013
Acting County Administrator, 2009-2010
Assistant County Administrator, 2007-2009
Director of Economic Development, 2005-2009

inge-glas, USA, LLC
Chief Executive Officer, 2002-2004
Vice President, 2000-2002

Virginia Economic Development Partnership
Associate Manager, 1999-2000
Strategic Analyst, Legislative, 1999
Strategic Analyst, Executive, 1998-1999
Project Research Associate, 1997-1998
Administrative Staff Specialist, 1994-1997

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

ANNA C. UMBREIT, Assistant Director, Internship Coordinator and
Liaison to the Center for Student Diversity, Cohen Career Center, effective
November 18, 2013

B.A. (2002); M.S. (2004), Shippensburg University

Emerson College

Assistant Director for the School of the Arts, Career Services, 2007-2013

Assistant Director/Internship Coordinator, Career Services, 2007-2011

James Madison University

Academic and Career Advisor, Career and Academic

Planning, 2005-2007

MARK C. WESTON, Assistant Director for Student Conduct, Office
of the Dean of Students, effective October 16, 2013

B.A., Mississippi College, 2006

M.Div., Duke University, 2009

Duke University

Residence Coordinator, Housing, Dining and Residence Life, 2010-2013

Research Aide, Center for Child and Family Policy, 2009-2010

Graduate Assistant, Office of Student Conduct, 2006-2009

COLLEGE OF WILLIAM AND MARY
FACULTY LEAVES OF ABSENCE

The following faculty members have requested leaves of absence without pay or with partial pay during the 2013-14 academic year for the reasons given.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves these leaves of absence:

ALAN C. BRADDOCK, Ralph H. Wark Associate Professor of Art and Art History and American Studies, to accept an appointment at Princeton University as a visiting associate professor.

SARAH L. DAY, Associate Professor of Mathematics, to participate in a thematic year program on Scientific and Engineering Applications of Algebraic Topology at the Institute for Mathematics and its Applications.

MAX G. KATZ, Assistant Professor of Ethnomusicology, to focus on research.

CHI-KWONG LI, Ferguson Professor of Mathematics, to participate in research opportunities with the Polytechnic University of Hong Kong and the Institute of Quantum Computing in Waterloo, Canada.

COLLEGE OF WILLIAM AND MARY
RETIREMENT OF STEPHEN L. KAATTARI
SCHOOL OF MARINE SCIENCE

Stephen L. Kaattari joined the faculty of the College of William & Mary in 1993 as a Professor in the School of Marine Science/Virginia Institute of Marine Science. In 2001, he was named the CSX Professor and has deservedly held the title ever since. Dr. Kaattari served as Department Chair of the Department of Environmental and Aquatic Animal Health from 2002 to 2004. Prior to joining the College, he was Professor of Microbiology at Oregon State University where he served on the faculty for ten years.

Professor Kaattari received both his B.S. in Bacteriology in 1973 and his Ph.D. in Microbiology in 1979 from the University of California, Davis. He served as a post-doctoral research associate from 1979-1982 at the Oregon Health and Science University.

Professor Kaattari's productive and creative research program has melded basic research in immunology with applied end goals to provide innovative and practical new tools for the scientific community and the public. His research has provided new understanding of basic immune function, produced vaccines to protect aquaculture organisms from disease, and created immunological-based analytical methods that are now being used routinely to analyze pollutants in the Chesapeake Bay. Products from his research have resulted in new patents in the United States and Britain and have led to new areas of research that continue today. Throughout his career Professor Kaattari has emphasized collaboration and has been a valued mentor to students, fellow faculty and collaborators around the world. He has advised 20 graduate students, 11 postdoctoral trainees and served on over 75 graduate student committees.

Professor Kaattari has excelled at securing numerous competitive research grants from highly competitive federal and state agencies that enabled him to develop an internationally recognized, highly productive research program in immunology. During his time at the Virginia Institute of Marine Science, he has been principal investigator or co-principal investigator on extramural research grants totaling over \$8 million. He has authored or co-authored over 90 technical articles and books. As a well-respected researcher he is sought out as a reviewer of proposals, scientific papers and science programs. Professor Kaattari has reviewed over 350 proposals and more than 400 manuscripts for the scientific community and has served on numerous advisory committees for professional societies. He was awarded a special achievement award by the American Fisheries Society in 2004.

Professor Kaattari is highly respected as a researcher internationally, is an extraordinary mentor and teacher and has provided leadership and governance service to VIMS, the Commonwealth of Virginia and the international community. Overall, he has fully demonstrated the valuable and varied qualities of a William & Mary faculty member. He is highly respected by students, post-doctoral researchers, fellow faculty members, administrators, regulatory agencies, and particularly by the international scientific community.

BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of CSX Professor Stephen L. Kaattari; expresses its appreciation to him for the many contributions he has made to the College of William & Mary; and approves, with deep gratitude for his 20 years of devoted service to the University, a change in status from CSX Professor of Marine Science to CSX Professor of Marine Science, Emeritus.

BE IT FURTHER RESOLVED, That this resolution be spread upon the minutes of the Board and a copy of the same be delivered to Professor Stephen L. Kaattari with best wishes for continuing and creative work in the years ahead.

COLLEGE OF WILLIAM AND MARY
RETIREMENT OF PETER A. VAN VELD
SCHOOL OF MARINE SCIENCE

Peter A. Van Veld joined the faculty of the College of William & Mary in 1989 as an Assistant Professor in the School of Marine Science. He was promoted to Associate Professor in 1995. He received his B.S. in Biology in 1975 from the University of North Carolina, Chapel Hill, his M.S. in Marine Science in 1980 from the College of William & Mary, and his Ph.D. in Environmental Toxicology in 1987 from the University of Georgia. From 1987 to 1989 Professor Van Veld was an NIH Postdoctoral Fellow at the Roswell Park Cancer Institute in Buffalo, New York.

Professor Van Veld's research has focused broadly in the field of Aquatic Toxicology, and specifically on the biochemical mechanisms of contaminant exposure. He has published over 50 peer-reviewed papers and book chapters during his career, and has been associated as Principal or Co-Principal Investigator in securing over \$3 million in grant funding while at VIMS.

A significant portion of his research has focused on the relationship between cancer development and creosote exposure in a small minnow-like fish (the mummichog) living in polluted habitats in the Elizabeth River, Virginia. He has published numerous seminal scientific articles on biochemical mechanisms, specifically cytochrome P450 induction, involved in liver carcinogenesis in this system. Results of these studies have been published in top journals such as *Cancer Research*, *Carcinogenesis*, *Toxicology and Applied Pharmacology*, *Aquatic Toxicology*, *Infection and Immunity* and *Science of the Total Environment*. Additionally, he has conducted and published research on induction of metallothionein mRNA following dietary exposure to cadmium and benzo(a)pyrene, endocrine disruption mechanisms following poultry litter leachate and PCB exposures, and CYP1A induction and DNA damage following exposures to biosolids. For many years he was funded to conduct biomarker studies in fishes exposed to kraft pulp mill effluents. He has thus made significant contributions to our understanding of the adverse impacts on the health of fishes incurred by chemical exposure and how the xenobiotic metabolizing enzyme systems of the liver modulate the chronic disease process.

Professor Van Veld has made important contributions to graduate education in the School of Marine Science through teaching and mentoring. He co-taught the School's "Fundamentals of Environmental Chemistry, Toxicology and Pathology" course

for six years and taught the "Aquatic Toxicology" course for seventeen years. Other courses he taught included "Protein Biochemistry in Marine Organisms," "Biochemical Responses of Marine Organisms to Pollutants," "Algal Toxins in the Marine Environment," "Biochemistry and Molecular Biology of Marine Organisms," "Endocrine Effects in Aquatic Organisms" and "Experimental Design in the Marine Science Laboratory." He served as major advisor to seven masters and three doctoral students. His students have secured positions in prestigious academic and government institutions. In addition, his generosity and knowledge of aquatic biochemistry and toxicology resulted in him being selected to serve on almost fifty graduate student advisory committees. Professor Van Veld also has been a selfless contributor to University governance, having served on the Institutional Animal Care and Use Committee, Academic Council, as chair of the Academic Status and Degrees Committee, the Faculty Status and Tenure Review Committee, the Admissions Committee and as an Exam Moderator for Graduate Student Committees, as well as many awards and faculty search committees.

BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of Professor Peter A. Van Veld; expresses its appreciation to him for the many contributions he has made to the College of William & Mary; and approves, with deep gratitude for his 24 years of devoted service to the University, a change in status from Associate Professor of Marine Science to Associate Professor of Marine Science, Emeritus.

BE IT FURTHER RESOLVED, That this resolution be spread upon the minutes of the Board and a copy of the same be delivered to Professor Van Veld with best wishes for continuing and creative work in the years ahead.

COMMITTEE ON ADMINISTRATION, BUILDINGS AND GROUNDS

November 21, 2013

10:00 – 11:00 a.m.

Board Conference Room - Blow Memorial Hall

Ann Green Baise, Chair
John Charles Thomas, Vice Chair

- I. Introductory Remarks – Ms. Baise
- II. Approval of Minutes – September 26, 2013
- III. Report from Building Official. Enclosure D.
- IV. Report from Virginia Institute of Marine Science – Dean/Director John T. Wells
 - A. Capital Outlay Project Progress Report. Enclosure E.
 - B. Resolution to Demolish Moxley House. **Resolution 7**.
- V. Report from Vice President for Administration - Anna B. Martin
 - A. Capital Outlay Project Progress Report. Enclosure F.
- VI. Closed Session (if necessary)
- VII. Tour of One Tribe Place
- IX. Adjourn

COMMITTEE ON ADMINISTRATION,
BUILDINGS AND GROUNDS

MINUTES – SEPTEMBER 26, 2013

MINUTES
Committee on Administration, Buildings and Grounds
September 26, 2013
Board Conference Room – Blow Memorial Hall

Attendees: Ann Green Baise, Chair; Vice Chair John Charles Thomas, L. Clifford Schroeder, Sr., DeRonda M. Short, and Peter A. Snyder. Others present: Dean John T. Wells, Vice President Anna B. Martin, Vice President Virginia A. Ambler; Vice President Samuel E. Jones, University Counsel Deborah A. Love, Chief Information Officer Courtney Carpenter, Building Code Official, Robert A. Dillman and other College staff.

Chair Ann Green Baise called the meeting to order at 9:40 am. As a matter of introduction in her first meeting as chair, Ms. Baise asked all non-Board members to identify themselves. Recognizing that a quorum was present, Ms. Baise requested a motion to approve the minutes of the April 18, 2013, meeting of the Committee on Administration, Buildings and Grounds. The motion was made by Mr. Thomas, seconded by Mr. Snyder, and approved by voice vote of the Committee.

Mr. Dillman gave his report on the summer 2013 capital projects. No issues were identified; however, the work-load for the entire Facilities Management staff was significant. Mr. Dillman noted that the building code official duties for the Richard Bland campus were successfully transferred back to the Commonwealth, effective July 1, 2013. He also reviewed those projects that received fire safety improvements over the summer.

Ms. Baise stated that she would like to conduct building/capital project tours during FY 2013-2014 for all interested Board members, starting in November 2013.

Dean Wells presented highlights from the VIMS written report, as detailed in Enclosure D. He reviewed the campus map and gave statistics for each campus location, including Wachapreague and Topping. He reported the details of VIMS' work with naval architects JMS to design from scratch a new 75'-80' research vessel to replace the aged Bay Eagle. The new ship is scheduled for delivery in early 2016.

In an overview for new members of the committee, Vice President Martin reviewed the missions and responsibilities of the combined Administration and the Buildings and Grounds committees, along with duties under the 2006 restructuring legislation.

Ms. Martin reported on progress and savings made in the area of energy management, since adding a utility expert to the staff of Facilities Management several years ago. In her PowerPoint presentation, Ms. Martin reviewed statistics on uses and types of energy, demonstrating that despite the renovation and addition of 1.5M gross square feet on campus, energy usage has decreased by 27%. Using multiple fund sources, and employing campus technical (construction and renovation) standards, along with leveraging strategies for improvements and efficiencies, the College has worked on several different fronts to achieve decreases in energy consumption and emissions. The College's energy manager, Dan Patterson, gave more details regarding

Committee on Administration, Buildings and Grounds
MINUTES
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energy devices used to capture savings. The Committee asked various questions. Chief Technology Officer Courtney Carpenter reported that over 30,000 student electronic devices are plugged into the College's network each year. Mr. Patterson offered that although not included in the report, water usage has dropped 50% as well, due to low-flow devices used in all renovations and new construction.

Vice President Martin gave her report on highlights from the College's written report, as detailed in Enclosure E, and showed many supporting photographs. The summer of 2013 was extremely challenging due to multiple projects that had to be open and operating by August 28: the Brafferton, Tucker Hall, eleven Fraternity Houses, One Tribe Place, and the Sadler Center Dining Hall. Staff worked six- and seven-day weeks, 10 to 15 hours a day to achieve this. Ms. Baise commended the Facilities, Code Review and Capital staffs for their tremendous effort.

Ms. Martin reviewed several future projects, including Tyler Hall renovation, the Law school expansion, the Integrated Science Center Phase 3, and a potential Alumni Center expansion.

Ms. Martin presented **Resolution 4**, Resolution of the Board of Visitors of the College of William and Mary - 9(D) Pooled Bond Program: Improve Athletic Facilities, Improve Auxiliary Facilities, Improve Marshall-Wythe School of Law and Acquire Property & Repair Requirements; **Resolution 5**, Resolution of the Rector and the Board of Visitors of the College of William and Mary - 9(C) Revenue Bond Program: Renovate Dormitories; and **Resolution 6**, Resolution of the Board of Visitors of the College of William and Mary Declaring the Intention to Reimburse the Cost of Certain Expenditures. Noting their pro-forma nature, Ms. Baise requested a motion to approve Resolutions 4, 5 and 6, as a block. Motion was made by Mr. Thomas, seconded by Mr. Snyder, and approved by voice vote of the Committee.

The reports completed, and there being no further business, the Committee moved to adjourn at 11:45 a.m.

Board of Visitors

Enclosure D

November 20-22, 2014

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The College of
WILLIAM & MARY

Interdepartmental Communication

Department of Facilities Management

To: Ann Green Baise, Chair, Committee on Administration, Buildings and Grounds

From: Robert P. Dillman, PE, College Building Official

Date: November 20, 2013

Re: College Building Official Report/November 2013

Since the previous Board meeting in September, 2013, we have completed Code reviews of construction documents and issued a permit for demolition work precedent to Repairs to the Lower Level and Red and Green Garages of One Tribe Place. Demolition began in late September. We also issued final construction completion documents for fire alarm upgrades in Reves Hall and Blow Hall.

All business has been routine and is proceeding smoothly; there are no significant issues to report.

cc: Anna Martin, Vice President for Administration

November 20-22, 2013

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VIRGINIA INSTITUTE OF MARINE SCIENCE CAPITAL OUTLAY PROJECT PROGRESS REPORT

268-18088 Facilities Management Building

Appropriation Amount: \$250,000

Design Team: TBD

Fund Sources: Central Capital Planning Fund

Biennium: 2014-2016

Obligated to Date: \$0

Contractor: TBD

This appropriation funds the preplanning of a new 15,000 square-foot building to provide space for the Facilities Management Department including administrative offices, trade shops, vehicle repair, grounds, housekeeping, storage, and shipping and receiving. Planning is expected to be underway Winter 2014.

268-17950 Research Vessel

Appropriation Amount: \$8,050,000

Design Team: JMS Naval Architects

Fund Sources: VCBA Bonds

Biennium: 2012-2014

Obligated to Date: \$630,108

Contractor: TBD

This appropriation funds the planning and construction of a new custom designed research vessel to replace the R/V Bay Eagle. A contract has been awarded to JMS Naval Architects for the concept and preliminary design. Concept designs are scheduled to be completed in December 2013.

268-17993 Consolidated Scientific Research Facility

Appropriation Amount: \$823,438

Design Team: TBD

Fund Sources: Central Capital Planning Fund
Higher Education Operating

Biennium: 2012-2014

Obligated to Date: \$0

Contractor: TBD

This appropriation funds the planning of a new 32,000 square-foot building to provide research, study, office and technology space for the following units: Information Technology, Marine Advisory Services, Virginia Sea Grant, Center for Coastal Resources Management, and the Publications/Communications Center in a single facility. The Building Committee was formed and had its kickoff meeting in September 2013. VIMS advertised for RFPs from architectural firms in October and the committee is in the process of selecting a firm. Schematic planning is scheduled to begin in January 2014.

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Page 2 of 2**268-16634 Property Acquisition: VA-NERRS**

Appropriation Amount: \$350,000

Biennium: 2000-2002

Fund Source: Federal Funds

Obligated to Date: \$193,000

This appropriation funds the purchase of properties by the Virginia Estuarine & Coastal Research Reserve System using federal grants. 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: \$1,099,331

Higher Education Operating

This appropriation funds the purchase of properties contiguous to the Gloucester Point campus. VIMS purchased the Abrahamson property in June 2013 and 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 funds the purchase of properties contiguous to 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	\$442,895	June 30, 2012 Balance
	\$193,060	2013
	\$193,060	2014

Current Maintenance Reserve projects under construction:

- Replace Boilers in Chesapeake Bay Hall and Andrews Hall
- Replace Roof on the CBNERRVA Water Quality Facility

**VIRGINIA INSTITUTE OF MARINE SCIENCE
RESOLUTION TO DEMOLISH
MOXLEY HOUSE**

WHEREAS, the Virginia Institute of Marine Science requests Board of Visitors' approval to demolish one building, the Moxley House, to allow for future development on the Gloucester Point Campus. This building is in very poor condition and not suitable for renovation and reuse; and

WHEREAS, the College and the Commonwealth entered into a 2006 Management Agreement (the "Agreement"), governed by the restructured Higher Education Financial and Administrative Operations Act of 2005, Chapter 4.10 of the Title 23 of the *Code of Virginia*; and

WHEREAS, the Agreement was renewed in 2009; and

WHEREAS the Agreement authorizes the College's Board of Visitors to approve demolition of buildings subject to review by the Art and Architectural Review Board and the Department of Historic Resources; and

WHEREAS, the Virginia Institute of Marine Science will follow established policies and procedures for each demolition; thus,

THEREFORE, BE IT RESOLVED, by the Rector and the Board of Visitors of The College of William and Mary in Virginia, that approval is given to the Virginia Institute of Marine Science to demolish the Moxley House (268-00B05) in accordance with all authorities, policies, and procedures in force and necessary to accomplish same; and

BE IT FURTHER RESOLVED, That the Vice President of Administration, the VIMS Chief Operations Officer, and the College Building Official are authorized to execute any and all documents pertaining to the removal of said building.

**COLLEGE OF WILLIAM AND MARY
CAPITAL OUTLAY PROJECT PROGRESS REPORT**

204-17650 Construct: Integrated Science Center Ph 3

Design Team: EYP

Biennium: 2008-2010

Budget: \$85 million (\$74.18 proposed by BCOM)

Contractor: Whiting Turner

Funding Source: VCBA

Obligated to date: \$8,555,897

Description: The project constructs a 113,000 GSF facility, designed for scientific research in existing applications (applied science, biology, chemistry, and psychology), future inter-disciplinary programs (STEM), and computer modeling. The project is included in the Commonwealth's VCBA pooled project program.

Progress: Cost data submitted to BCOM on November 9th yielded a Dec 13th (2012) Funding Report recommending \$74.180M in lieu of the \$85.0 M requested. The Project Team conducted a face to face meeting with BCOM on March 4th (2013) to discuss researched design changes that can be made without impacting program. The College together with the architects has gone through a rigorous exercise to reduce the budget without damaging the program. While BCOM insists the \$74.180M project budget is sufficient, there remains a \$3.7 million gap with the minimum College requirements. The College is proceeding with development of construction drawings for November code and cost review, at a budget of \$77.889M.

204-17809 Improve: Athletic Facilities (Umbrella)

Design Team: Multiple

Biennia: 2012-2014

Budget: \$2,589,437 (\$6.5M in authority)

Contractor: Multiple

Funding Source: 9d bonds

Obligated to Date: \$1,853,577

Description: Three sub-projects (William & Mary Hall Roof Replacement, Busch Field Lighting Repairs, and Zable Stadium Window Replacement) addressed long-standing athletic facility deficiencies. The sub-projects are complete and project savings have allowed three additional sub-projects: W&M Hall HVAC Controls, W&M Hall Fall Protection (cable/harness/catwalks system for above ceiling work), and W&M Hall Ceiling Cleaning.

Progress: HVAC Controls replacement has started installation. Completion is scheduled for January. Design for Fall Protection is underway to support a Spring 2014 installation. A vendor has been selected for the Ceiling Cleaning, which will take place during Summer 2014.

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204 – 17994 Renovate: Tyler Hall

Design Team: Mitchell-Matthews

Budget: \$16.36M (\$15.2 proposed by BCOM)

Funding Source: VCBA (state)

Biennium: 2012-2014

Contractor: W.M. Jordan

Obligated to date: \$1,394,790

Description: The project will reconfigure and improve the 1909 era Tyler Hall, last upgraded in 1980. Building systems, instructional space, and technology will be modernized. The attic level will be built-out as faculty office space.

Progress: The College met with the BCOM cost reviewer on March 4th to review the College analysis of BCOM suggested scope reductions. Based on this discussion, the College is proceeding with preliminary design using a budget of \$15.96M. Preliminary design drawings were submitted to BCOM for code and cost review on October 14th. Completion of construction drawings is estimated for April, 2014. Construction will commence in August, 2014, after final funding is approved. Substantial and final completion are scheduled for September and November, 2015, respectively.

204 – 18002 Improve: Accessibility Infrastructure

Design Team: Clark-Nexsen

Budget: \$3,000,000

Funding Source: \$1.4M GF/\$1.6M VCBA

Biennium: 2012-2014

Contractor: TBD

Obligated to date: \$370,873

Description: Study to examine and improve accessibility issues at facilities not currently targeted for renovation within the next decade, and to assess and improve various campus pathway conditions.

Progress: Design is underway for ten projects including installation of an Adair Hall elevator and restrooms, improvement of campus pathways and construction of two access ramps. Construction is scheduled to start in Summer, 2014.

204 – 18003 Improve: Lake Matoaka Dam Spillway

Design Team: Draper Aden

Budget: \$3,169,182

Funding Source: VCBA

Biennium: 2012-2014

Contractor: TBD

Obligated to date: \$236,500

Description: State Dam Safety Regulations now require that the spillways at all high hazard dams must pass 90% of the probable maximum flood (PMF) and/or withstand overtopping. An "Evaluation of Alternatives to Address Deficiencies at Lake Matoaka Dam" recommended three potential options to harden the downstream face of the dam against overtopping – articulated concrete block (ACB) armoring, roller compacted concrete (RCC) armoring, and spillway replacement. The alternatives are listed in the order of increasing design/construction complexity and cost.

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Progress: Analysis of the preferred alternative of cladding the downstream face with articulated concrete blocks (ACB) proved technically unfeasible as modeling has determined that ACB cannot withstand the hydraulic force and pressure created by overtopping. The Department of Conservation and Recreation (DCR) Division of Dam Safety has approved a change in the method of slope stabilization to use roller compacted concrete facing on the downstream face of the dam. Based on a cost estimate received on Nov 1st, this alternative is more expensive and will require additional state funds from the 2014 General Assembly.

204 – 18004 Improve: Campus Stormwater Infrastructure

Design Team: Draper Aden

Biennium: 2012-2014

Budget: \$3,391,198

Contractor: TBD

Funding Source: VCBA

Obligated to date: \$254,902

Description: The College will create a new Stormwater Management Plan to achieve compliance with new state stormwater regulations and emerging federal Total Maximum Daily Limit (TMDL) pollutant guidelines for the protection of the Chesapeake Bay. Planning will include inventory of existing stormwater structures, determination of existing stormwater flow and associated contaminant loadings, and the identification, prioritization and sequencing of projects required to achieve regulatory compliance. The College must achieve 5% of required contaminant reduction during 2013 – 2018, 40% during 2019 – 2024 and 100% during 2025 – 2030.

Progress: The study has determined contaminant reduction requirements based upon existing conditions and planned campus growth. Development of compliance strategy alternatives capable of satisfying regulatory requirements is in progress. The evaluation phase will continue through 2013 to enable the finalization of emerging state guidance, selection of a compliance strategy and the identification, prioritization, sequencing and pricing of compliance projects. This analysis, strategy development and project identification will be codified into a Campus Stormwater Management Plan during spring 2014 to guide downstream design and construction of compliance projects.

204 – 18005 Construct: Cooling Plant and Replace Utilities, Phase IV

Design Team: RMF

Biennium: 2012-2014

Budget: \$3,500,000

Contractor: TBD

Funding Source: VCBA

Obligated to date: \$276,638

Description: Fit out of the Power Plant cooling addition with a 400 ton thermal storage "ice" plant to provide "peak shaving" capability during periods of peak power demand for campus cooling. The Thermal Storage will also provide operating redundancy for the three existing 900 ton chillers.

November 20 - 22, 2013

Page 4 of 7

Progress: Preliminary design and associated code review are complete. BCOM approved the release of funds for construction drawing development and construction funding on Aug 19th, 2013. Construction drawings are complete and have been submitted for code review. Resolution of code comments not later than January, 2014, will enable a spring 2014 start. Estimated construction duration is six months.

204-17555 Improve: Dormitory Renovations

Design Team: Multiple

Budget: \$2.5M

Funding Source: 9c bonds

Biennium: 2008-2010

Contractor: Multiple

Obligated to Date: \$2,420,178

Description: The last project is design of Barrett Hall window replacement and chilled water piping to accommodate future air-conditioning.

Progress: Design, code review, and bidding are complete. Window replacement is complete. Chilled water piping connections will be installed in summer 2014.

204-17808 Construct: New Fraternity Housing

Design Team: Moseley-Treanor Associates

Budget: \$26.8M

Funding Source: 9c Bonds

Biennium: 2010-2012

Contractor: WM Jordan

Obligated to date: \$25,926,541

Description: Design of a Fraternity Complex consisting of eleven 17-bed fraternity houses (total bedspaces: 187) and a community building.

Progress: All houses are complete and were occupied during the week of Aug 20th. Final testing and turnover of the Community Building was completed on Nov 8th. Punch list work and project close-out are in progress.

204-17811 Improve: Dormitory Renovations (Umbrella)

Design Team: Multiple

Budget: \$4.5M

Funding Source: 9c bonds

Biennium: 2010-2012

Contractor: Multiple

Obligated to Date: \$4,026,666

Description: Final project: Reves Hall Fire Alarm/HVAC modifications.

Progress: Reves Fire Alarm construction is complete. HVAC design to eliminate condensation issues is complete, and is in code review. The project is on schedule for Summer, 2014, construction.

November 20 - 22, 2013

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204-17933-01 Renovate: Chandler Hall

Design Team: Boynton-Rothschild-Rowland

Budget: \$10,497,734

Funding Source: 9c bonds

Biennium: 2012-2014

Contractor: Clancy & Theys

Obligated to date: \$8,418,188

Description: A full interior & exterior renovation of the 151 bed Chandler Hall, including roof replacement, window replacement, building systems replacement, and interior finishes.

Progress: Construction drawings have been reviewed for code compliance. Final revisions are in progress in parallel with Construction Manager final GMP development. Construction is scheduled to start after commencement 2014, and will be complete by July, 2015.

204- 18046 Construct: Law School Expansion

Design Team: VMDO

Budget: \$14.0M

Funding Source: 0302; 9(d) debt

Biennium: 2014-2016

Contractor: Gilbane Construction

Obligated to date: \$1,635,195

Description: Proposed project includes expansion and renovation to accommodate law practicums/legal clinics, seminar space, faculty offices, and food & dining for students. Despite national trends, enrollment has grown nearly 20%, and the demand for additional programming & support space along with it.

Progress: The 2013 General Assembly approved non-general fund support, with authorization to issue \$12.0M in debt, which will be supported by student fees. A project feasibility study to reconcile scope and cost was completed in April, 2013. As a result of the study, an increase in project funding to \$18.5M will be submitted to the 2014 General Assembly. Design is in progress and schematic design is complete. Design and construction are estimated to take 12 and 18 months, respectively, to enable the start of construction in Summer, 2014 and completion in Winter, 2016.

204 - 00019 - 001 - 13 Performing Arts Quarter Feasibility Study

Design Team: Moseley/HGA

Budget: \$239,438

Funding Source: HEO/0306

Biennium: 2012-2014

Contractor: TBD

Obligated to Date: \$202,863

Description: Using data from previous studies, the study will develop options for the adaptive reuse of PBK Hall in conjunction with the construction of new space to the south and east of PBK to house Music, Theater and Dance.

Progress: The A/E team of Moseley/Hammel Green Abrahamson (HGA) was selected in December, 2012, and following three intensive on-campus workshops, developed

November 20 - 22, 2013

Page 6 of 7

and refined the space program and associated costs to support a phased, three-project/ three- biennia program to address facility needs in Music; Theater, Speech and Dance; and Art and Art History, in that order. The final study was completed in July, 2013, and submitted to BCOM in support of the 2014 - 2020 Capital Plan.

204 - 0000 - 003 - 13 Campus Master Plan

Design Team: Cannon Design

Biennium: 2012-2014

Budget: \$100,000 (FY 13)

Contractor: N/A

Funding Source: College O&M

Obligated to date: \$100,000

Description: A Campus Master Plan will be created to replace the plan developed in 1987 and updated in 2003. The plan will develop a long range vision for growth and renewal strategies, including land use development, facility programming, sustainability, infrastructure development, real estate, transportation, and parking strategies. The plan will comply with state guidelines established in the 2004 Virginia Construction and Professional Services Manual, Chapter 13: Site and Utility Plans, and the College's 2006 Restructuring Management Agreement.

Progress: Cannon Design was selected to perform the study. The study features five phases:

- Phase 1 – Investigation and Research (Summer/Fall, 2013)
- Phase 2 – Condition Assessment (Fall, 2013)
- Phase 3 – Concept Alternative Development (Winter, 2014)
- Phase 4 – Recommended Plan Development (Spring/Summer, 2014)
- Phase 5 – Plan Documentation (Summer/Fall, 2014)

Working group meetings were held each month from Aug-Nov across 9 functional areas in order to determine campus context, condition assessment, utilization, and current issues & future needs. The final plan will be complete no later than Fall, 2014, in order to support development of the 2016 – 2022 Six Year Plan.

November 20 - 22, 2013

Page 7 of 7 **2012 – 2014 Major Repair and Maintenance Reserve**2013 Appropriation: \$1,412,8172014 Appropriation: \$1,412,817**Grand Total: \$2,825,634****2012 – 2014**

Projects Completed: \$ 1,350,314

- 204 – 00050 Replace: Halon Systems (Blow Hall)
- 204 – 00073 - 2 Hoke House Addition Repairs
- 204 – 00075 Storm Water System Repairs
- 204 – 00076 Monroe Walkway Repairs
- 204 – 13004 -1 Muscarelle Fire Alarm/Fire Sprinkler Repl
- 204 – 13009 Old Dominion HVAC Controls

Projects in design: \$1,157,957

- 204 – 00007 - 1 ADA Accessibility (Jones Hall Elevator)
- 204 – 00009 - 5 McGlothlin Utility Tunnel Repair
- 204 – 00009 - 6 W&M Hall Area Street Lighting Repairs
- 204 – 00009 - 7 Ewell Sanitary Sewer Relining
- 204 – 13005 Swem Pavilion A&B Roof Repair
- 204 – XXXXX Mule Barn Structural Repair
- 204 – XXXXX Campus Police FA Receiver

Project in construction: \$ 250,000

- 204 – 00078 Classroom Renovations
- 204 – 06014 Jones Hall DDC Controls

Remaining Funds: \$ 67,417**Grand Total: \$ 2,825,634**

COMMITTEE ON DEVELOPMENT

November 21, 2013

11:00 a.m. – 12:00 noon

Board Room - Blow Memorial Hall

Sue H. Gerdelman, Chair

Lynn M. Dillon, Vice Chair

L. Clifford Schroeder, Sr., Vice Chair

H. Thomas Watkins, III, Vice Chair

- I. Opening Remarks – Ms. Gerdelman
- II. Approval of Minutes - September 26, 2013
- III. University Development Report – Vice President Matthew T. Lambert
- IV. Closed Session (if necessary)
- V. Discussion
- VI. Adjourn

COMMITTEE ON DEVELOPMENT

MINUTES – SEPTEMBER 26, 2013

MINUTES
Committee on Development
September 26, 2013
Board Room - Blow Memorial Hall

Attendees: Sue H. Gerdelman, Chair; Lynn M. Dillon, Vice Chair, L. Clifford Schroeder, Sr., Vice Chair, H. Thomas Watkins, III, Vice Chair. Board members present: Rector Todd A. Stottlemeyer, Kendrick F. Ashton, Jr., Ann G. Baise, Charles A. Banks, III, Keith S. Fimian, Thomas R. Frantz, John E. Littel, Leigh A. Pence, DeRonda M. Short, Peter A. Snyder, John Charles Thomas; Faculty Representative William J. Hausman and Student Representative Chase B. Koontz. Others attending: President W. Taylor Reveley III, Provost Michael R. Halleran, Virginia M. Ambler, Francis C. Bradford, Henry R. Broaddus, Kate Conley, Carrie L. Cooper, Karen R. Cottrell, Davison M. Douglas, Edward C. Driscoll, Jr., Daniel H. Frezza, Lee J. Foster, Michael J. Fox, W. Fanchon Glover, James R. Golden, Earl T. Granger, III., Kristen A. Heller, Samuel E. Jones, John S. Kane, Matthew T. Lambert, Anna B. Martin, Jennifer J. Morgan, Teresa L. Munford, Jake A. Perez, Lee G. Walsh, John T. Wells, Brian W. Whitson, Sandra J. Wilms and other College staff.

Chair Sue H. Gerdelman called the meeting to order at 10:44 a.m., thanked all for attending and introduced Vice President Matthew T. Lambert.

Mr. Lambert reviewed **Resolution 13**, Establishment of the Marjorie A. Colman Quasi-Endowment; **Resolution 14**, Establishment of the Nancy D. Kane Scholarship Quasi-Endowment; and **Resolution 15**, Establishment of the Ronald Hoffman Fund for the Omohundro Institute of Early American History and Culture One-Year Postdoctoral Research Fellowship. Following brief discussion, Ms. Gerdelman asked for a motion to adopt the resolutions as a block. Motion was made by Mr. Littel, seconded by Mr. Frantz and approved by voice vote.

Recognizing that a quorum was present, Ms. Gerdelman asked for a motion to approve the minutes of the meeting of April 18, 2013. Motion was made by Mr. Frantz, seconded by Mr. Schroeder and approved by voice vote.

Ms. Gerdelman moved that the Committee on Development convene in closed session to discuss specific recommendations related to fundraising initiatives, priorities and strategies as well as current development activities, gifts and bequests, as provided for in Section 2.2-3711.A.8., of the Code of Virginia. Motion was seconded by Mr. Ashton and approved by voice vote. The observers were asked to leave the room and the Committee went into closed session at 10:47 a.m.

The Committee reconvened in open session at 11:51 a.m. Ms. Gerdelman reviewed the topics discussed during closed session for the benefit of the observers, then moved to adopt the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Frantz 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 11:52 a.m.

September 26, 2013

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Development 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;

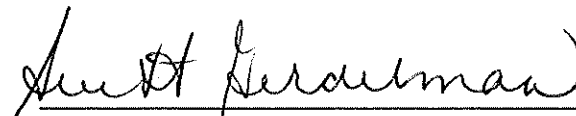
NOW, THEREFORE, BE IT RESOLVED, That the Committee on Development, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which 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: 15

NAYS: 0

ABSENT DURING CLOSED SESSION:



Sue H. Gerdelman

Chair

Committee on Development

COMMITTEE ON STUDENT AFFAIRS

November 21, 2013

2:15 – 3:00 p.m.

Board Room - Blow Memorial Hall

Leigh A. Pence, Chair

Keith S. Fimian, Vice Chair

Peter A. Snyder, Vice Chair

- I. Introductory Remarks - Ms. Pence

- II. Report from Vice President for Student Affairs – Virginia M. Ambler
 - A. Career Development at William and Mary

- III. Report from Student Liaisons

- IV. Discussion

- V. Adjourn

COMMITTEE ON FINANCIAL AFFAIRS

November 21, 2013

3:00 – 4:15 p.m.

Board Room - Blow Memorial Hall

Todd A. Stottlemeyer, Chair

John E. Littel, Vice Chair

Charles A. Banks III, Vice Chair

Edward L. Flippen, Vice Chair

- I. Introductory Remarks - Mr. Stottlemeyer
- II. Approval of Minutes - September 27, 2013
- III. 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, 2013 (*joint with Richard Bland College*). **Resolution 8**.
 - C. Receipt of the Financial Report of the Intercollegiate Athletic Department for the Fiscal Year Ended June 30, 2013. **Resolution 9**.
 - D. Peer Comparison: Tuition and Fees.
 - E. FY 2013-2014 Operating Budget Summary. Enclosure G.
- IV. Report from Virginia Institute of Marine Science Dean John T. Wells
 - A. FY 2013-2014 Operating Budget Summary. Enclosure H.
- V. Investment Portfolio Evaluation Overview - Joseph W. Montgomery, Wells Fargo Advisors
 - A. Investment Update for Period Ending September 30, 2013.
Enclosure I. (*see separate booklet*)
- VI. Closed Session (if necessary)
- VII. Discussion
- VIII. Adjourn

COMMITTEE ON FINANCIAL AFFAIRS

MINUTES – SEPTEMBER 27, 2013

MINUTES
Committee on Financial Affairs
September 27, 2013
Board Room - Blow Memorial Hall

Attendees: Kendrick F. Ashton, Jr., Chair; John E. Littel, Vice Chair; Charles A. Banks III, Vice Chair; Edward L. Flippen, Vice Chair; Thomas R. Frantz; and H. Thomas Watkins III. Board members present: Rector Todd A. Stottlemeyer; Ann Green Baise; Lynn M. Dillon; Keith S. Fimian; Sue H. Gerdelman; Leigh A. Pence; L. Clifford Schroeder, Sr.; DeRhonda M. Short; Peter A. Snyder; John Charles Thomas; faculty representative William Hausman; and student representative Chase Koontz. Others in attendance: University Counsel Deborah Love; President W. Taylor Reveley III; Provost Michael R. Halleran; Virginia M. Ambler; Karen R. Cottrell; James R. Golden; Samuel E. Jones; Anna B Martin; 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.

Chair Kendrick Ashton convened the Committee on Financial Affairs at 8:30 a.m. Recognizing that a quorum was present, Mr. Ashton requested a motion to approve the minutes of the April 19, 2013 meeting and the minutes of the April 17, 2013 meeting of the Investments Subcommittee. Motion was made by Mr. Banks, seconded by Mr. Flippen and approved by voice vote of the Committee.

Special guests, Paula Fisher, College Access Grant Director and Sr. Associate for Academic Affairs with the State Council of Higher Education of Virginia and Bettsey Heggie, Chief Executive Officer of the Great Aspirations Scholarship Program, Inc. (GRASP) were invited by Mr. Flippen to share information on their programs.

The College Access Challenge Grant Program is designed to increase awareness and knowledge of educational opportunities following high school by providing information and resources to students and their families on the college enrollment and financial aid processes, and reinforcing the message that college is within reach for all Virginians. Approximately 20,000 students have been served through this program and 90% of those assisted have gone on to college.

GRASP is a non-profit charitable education organization which provides in-school advisory services, at no charge, to Virginia high school students and their families, helping them to establish a plan for higher education by assisting in the process of identifying, applying for, and obtaining scholarships and other financial aid. During the 2012-13 school years, 45 advisors served 67 Virginia schools assisting over 6000 students.

Following a short break, the Committee on Financial Affairs was reconvened at 9:47 a.m. by the Chair.

Mr. Ashton called on T.C. Wilson and staff from Wells Fargo Advisors, the College's investment consultants, to report on investment performance. Mr. Wilson reviewed the evolution of the Board of Visitors' investments from 1996 to the present, reflecting how a diversified portfolio and

Committee on Financial Affairs
MINUTES
Page 2

additional enhancements have increased the rate of return, with an average gain of 8.2% per year since 2002. The value of the Board of Visitors' portfolio, as of September 23, 2013, was \$75.3 million.

Vice President Jones presented an overview of the update to the College's Six Year Plan (as mandated by the Higher Education Opportunity Act of 2011), highlighting the progress made on existing strategies in the 2012-14 biennium and outlining goals for the 2014-2020 Six Year Plan. Many elements of the initial plan, which incorporated the goals set in the College's Strategic Plan and are now reflected in the William & Mary Promise, continue in the 2014-2020 Plan,

Vice President Jones then reviewed the following 2014-16 Operating Budget Requests for consideration by the Governor.

		<u>FY2014-15</u>	<u>FY 2015-16</u>
Priority 1	Undergraduate Enrollment	\$400,000 GF	\$825,000 GF
Priority 2	eLearning Platform	\$400,000 GF	\$600,000 GF
Priority 3	Graduate Financial Aid	\$500,000 GF	\$1,000,000 GF
Priority 4	Base Operations	\$733,500 GF	\$1,450,500 GF
Priority 5	Puller Veterans Benefit Clinic	\$333,500 GF	\$349,000 GF

Mr. Ashton asked for a motion to approve **Resolution 16**, 2014-2020 Six Year Plan and **Resolution 17**, 2014-2016 Operating Budget Requests. Motion was made by Mr. Frantz, seconded by Mr. Flippen, and approved by voice vote of the Committee.

John Wells, Dean and Director of the Virginia Institute of Marine Science, presented to the Committee the updated Six-Year Plan for VIMS for 2014-2020, outlining strategies, and reviewing progress for the 2012-14 biennium.

Mr. Wells then reviewed the following FY 2014-16 Operating Budget Requests for VIMS, to be presented to the Governor for consideration.

	<u>FY2014-15</u>	<u>FY2015-16</u>
Graduate Financial Aid	\$496,987 GF 0.0 FTE	\$496,987 GF 0.0 FTE
Chesapeake Bay Water Quality Modeling & Monitoring	\$873,797 GF 3.0 FTE	\$1,525,896 GF 5.0 FTE
Chesapeake Bay Fish and Shellfish Surveys	\$470,579 GF 3.30 FTE	\$476,862 GF 3.30 FTE
Base Operating Support	\$619,094 GF 4.0 FTE	\$645,375 GF 4.0 FTE
Commonwealth Coastal & Marine Fellowship Program	\$203,792 GF 1.0 FTE	\$207,495 GF 1.0 FTE

Ms. Baise brought to the Committee's attention that the dollar amounts as presented in the PowerPoint were inconsistent with those listed in **Resolution 19** in the agenda book. The resolution will be amended to reflect the correct numbers.

Committee on Financial Affairs
MINUTES
Page 3

Mr Ashton called for a motion to approve **Resolution 18**, 2014-2020 Six Year Plan; **Resolution 19**, 2014-2016 Operating Budget Requests, as amended; and **Resolution 20**, Establishment of the Virginia Institute of Marine Science Equipment Quasi-Endowment. Motion was made by Mr. Stottlemeyer, seconded by Mr. Watkins, and approved by voice vote of the Committee (**Resolution 19(R)** is appended).

There being no further business, the Committee on Financial Affairs adjourned at 10:40 a.m.

VIRGINIA INSTITUTE OF MARINE SCIENCE

FY 2014-16 OPERATING BUDGET REQUESTS

The Virginia Institute of Marine Science has developed operating budget requests as part of the Commonwealth's 2014-16 budget development process consistent with the guidance set forth by the Governor's Office, the Secretary of Education, and the State's Department of Planning and Budget. All of the requests are included in the Institute's Six Year Plan.

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 2014-16 budget development process.

VIRGINIA INSTITUTE OF MARINE SCIENCE**FY 2014-16 OPERATING BUDGET REQUESTS**

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Graduate Financial Aid	\$496,987 GF 0.0 FTE	\$496,987 GF 0.0 FTE

This initiative requests funds to support the Graduate Program at VIMS. VIMS and its faculty provide tuition, stipend and basic health insurance coverage for all graduate students who are in good academic standing and making satisfactory progress in their research. Without this commitment, VIMS would not be competitive for top-tier students. It is critical to note that virtually all graduate programs in marine science with which VIMS competes for top students provide full tuition and stipend, and many also provide health insurance coverage. This is the norm in graduate level science education in the U.S. and is a model that has been widely emulated worldwide because it is a proven path to innovation and impact. These funds are not only crucial to maintaining VIMS' competitiveness with others, but will in fact assist VIMS with increasing its enrollment growth by 25% in STEM fields, a major objective of the Higher Education Opportunity Act.

Chesapeake Bay Water Quality Modeling & Monitoring	\$873,797 GF 3.0 FTE	\$1,525,896 GF 5.0 FTE
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This initiative requests funds to enhance the water quality modeling and monitoring in Virginia's tributaries to support efforts by the state and local governments to meet state and federally-mandated water quality goals. The need to assess and verify the effectiveness of public fund expenditures to restore water quality in Chesapeake Bay is critically important. Currently, the Commonwealth is largely dependent upon the EPA Chesapeake Bay Program's model and monitoring data to assess progress towards meeting established Bay water quality goals. VIMS is uniquely positioned with its expertise, state-of-the-art modeling capabilities, advanced monitoring technologies and mandated role as the scientific advisor to the Commonwealth on marine and coastal natural resource issues to provide this critical need. The proposed program would build on these strengths to develop and utilize models that more accurately represent conditions in Virginia waters and to couple these models with real-time water quality data to provide a comprehensive, high-resolution view of water quality that far exceeds the spatial extent, temporal coverage, and accuracy of the current monitoring program. This program would establish a Commonwealth Chesapeake Bay Observing System and leverage further support from the Chesapeake Bay National Estuarine Research Reserve Program housed at VIMS. Such information would furnish decision makers with the information necessary to make more informed decisions related to Bay restoration and TMDL (Total Maximum Daily Load) implementation.

Chesapeake Bay Fish and Shellfish Surveys	\$470,579 GF	\$476,862 GF
	3.30 FTE	3.30 FTE

This proposal requests supplemental state support to continue long-term monitoring of fish and oyster 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.

Base Operating Support	\$619,094 GF	\$645,375 GF
	4.0 FTE	4.0 FTE

This proposal requests funds for research and academic support operational items such as service contracts for sophisticated scientific equipment purchased by the Equipment Trust Fund, increased library journal subscriptions, and staffing needs in selected academic and research program support areas. VIMS does not receive "Base Adequacy" funds due to the framework of the current model for allocations. Therefore, it is essential for the Commonwealth to maintain basic operational funding for VIMS to ensure high quality and uninterrupted services as outlined in more than 30 sections of the *Code of Virginia*.

Commonwealth Coastal & Marine Fellowship Program	\$203,792 GF	\$207,495 GF
	1.0 FTE	1.0 FTE

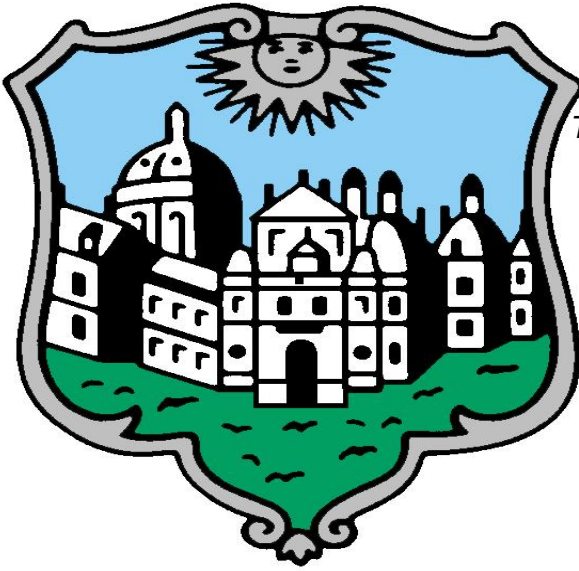
This initiative requests funds to support three 12-month post-graduate fellowships in coastal and marine science policy and management. The proposed program would be modeled after the highly successful national Sea Grant Knauss Marine Policy Fellowship and similar state fellowship programs operated by state Sea Grant programs in Washington and California. Commonwealth Fellows would be placed with host offices in relevant state coastal and marine resource agencies in Virginia, such as the Virginia Marine Resources Commission and Department of Environmental Quality. The program would provide "on the job" experience in the integration of coastal and marine resource science, policy and management.

**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, 2013**

The Consolidated Financial Report of The College of William and Mary in Virginia and Richard Bland College for the fiscal year ended June 30, 2013, 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 2012-2013. 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 the Year Ended June 30, 2013 (*see separate booklet*) for 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



Richard Bland College
OF THE COLLEGE OF WILLIAM AND MARY

**UNAUDITED
CONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2013**

2012-2013 CONSOLIDATED FINANCIAL REPORT
FOR
THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA
AND
RICHARD BLAND COLLEGE

November 4, 2013

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

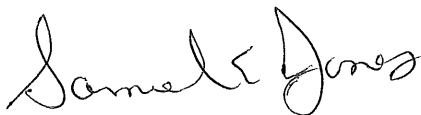
We are pleased to submit the following consolidated annual financial report for The College of William and Mary and Richard Bland College for the fiscal year ended June 30, 2013. Financial management has prepared and is responsible for the consolidated financial statements and all information in the 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 2012-13 and the balances available for the future.

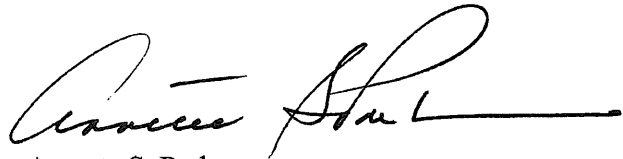
Management believes that the current internal control systems provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets. These statements 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



Annette S. Parker
Vice President, Finance and Administration
Richard Bland College

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

June 30, 2013

The Board of Visitors

Jeffrey B. Trammell - Rector
Charles A. Banks III - Vice Rector
Dennis H. Liberson - Secretary

Kendrick F. Ashton, Jr.
Ann Green Baise
Keith S. Fimian
Edward L. Flippen
Thomas R. Frantz
Sue H. Gerdelman
John E. Littel
Leigh A. Pence
L. Clifford Schroeder, Sr.
Robert E. Scott
Peter A. Snyder
Todd A. Stottlemeyer
Michael Tang
John Charles Thomas

Student Representatives

Curtis A. Mills - College of William and Mary
Jessica C. Salazar - Richard Bland College

Faculty Representatives

William J. Hausman - College of William and Mary
Barbara M. Morgan - Richard Bland College

Staff Liaison

Lydia C. Whitaker – College of William and Mary

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
Matthew T. Lambert, Vice President for Development

Richard Bland College

Debbie L. Sydow, President

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

ANNUAL FINANCIAL REPORT 2012 - 2013

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

This Management's Discussion and Analysis (MD&A) is a supplement to the College's financial statements 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, 2013 and the prior year ending June 30, 2012. 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 2013. 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, and GASB Statement 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Accordingly, the three financial statements required are the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, 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 (RBC). 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 "Colleges" 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". 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. The ninth foundation, Intellectual Properties, was established in fiscal year 2008 and is presented blended in the College column as required by GASB 14 because the College has a voting majority of the board.

Financial Summary

Statement of Net Position

The Statement of Net Position provides a snapshot of the College's financial position, specifically the assets, liabilities and resulting net position as of June 30, 2013. 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) Net Investment 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 Position

	<u>FY 2013</u>	<u>FY 2012</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<u>Assets:</u>				
Current	\$ 68,593,035	\$70,928,235	(\$2,335,200)	-3.29%
Capital, net of accumulated depreciation	747,281,593	697,430,099	49,851,494	7.15%
Other non-current	126,153,495	120,267,473	5,886,022	4.89%
Total assets	<u>942,028,123</u>	<u>888,625,807</u>	<u>53,402,316</u>	<u>6.01%</u>
<u>Liabilities:</u>				
Current	99,669,758	75,653,171	24,016,587	31.75%
Non-current	228,855,568	222,795,181	6,060,387	2.72%
Total liabilities	<u>328,525,326</u>	<u>298,448,352</u>	<u>30,076,974</u>	<u>10.08%</u>
<u>Net Position:</u>				
Net investment in capital assets	501,345,570	480,280,728	21,064,842	4.39%
Restricted	84,049,827	79,625,109	4,424,718	5.56%
Unrestricted	28,107,400	30,271,618	(2,164,218)	-7.15%
Total net position	<u>\$613,502,797</u>	<u>\$590,177,455</u>	<u>\$23,325,342</u>	<u>3.95%</u>

The overall result of the College’s fiscal year 2013 operations was an increase in net position of approximately \$23.3 million or 3.95 percent to \$613.5 million. The increase in net position occurred in the categories of restricted (\$4.4 million) and net investment in capital assets (\$21.1 million) net position. In addition to the College’s net position as shown above, net position for the College’s affiliated foundations totaled \$724.6 million.

Current Assets decreased by \$2.3 million primarily as a result of an overall decrease in cash and cash equivalents partially offset by increases in investments, amounts due from the Commonwealth of Virginia and net receivables. The amounts due from the Commonwealth reflect routine and recurring requests for bond proceeds for capital construction. The increase in Other Non-Current Assets reflects the net increase in long-term investments.

Total liabilities increased significantly due to Advances from the Treasurer of Virginia. The College obtained a treasury loan from the Commonwealth in the amount of \$20,500,000 to purchase the Williamsburg Hospitality House to be used by the College as a dormitory, One Tribe Place. This loan will be repaid during FY14 and replaced with long term bonds. There were also increases in long-term liabilities and accounts payable and accrued expenses. See footnote 7 for the details of the accounts payable and accrued expenses, footnote 9 for the long-term debt details and footnote 11 for the details of advances from the Treasurer of Virginia.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position 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 Position

	<u>FY 2013</u>	<u>FY 2012</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Operating revenues	\$ 277,826,104	\$ 270,401,471	\$7,424,633	2.75%
Operating expenses	<u>374,706,717</u>	<u>356,429,081</u>	<u>18,277,636</u>	5.13%
Operating gain/(loss)	(96,880,613)	(86,027,610)	(10,853,003)	-12.62%
Net Non-operating revenues	<u>94,558,986</u>	<u>86,811,719</u>	<u>7,747,267</u>	8.92%
Income/(Loss) before other revenues	(2,321,627)	784,109	(3,105,736)	396.08%
Net other revenues	<u>25,646,969</u>	<u>20,555,531</u>	<u>5,091,438</u>	24.77%
Increase in net position	<u>\$23,325,342</u>	<u>\$21,339,640</u>	<u>\$1,985,702</u>	9.31%

Overall, the result from operations was an increase in net position of \$23.3 million. This increase was attributable to increases in all categories of revenues offset by an increase in operating expenses.

The increase in operating revenues was driven primarily by an increase in tuition and fees, grants and contracts as well as auxiliary enterprise. See the following section of Summary of Revenues for further details.

Operating expenses increased notably in the four programs of Student Aid, Instruction, Institutional Support and Operation and Maintenance of Plant. 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.

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

	<u>Summary of Revenues</u>			<u>Percent</u>
	<u>FY2013</u>	<u>FY2012</u>	<u>Dollar Change</u>	<u>Change</u>
Operating Revenues:				
Student Tuition and Fees, net of scholarship allowances	\$ 141,080,380	\$ 139,365,551	\$ 1,714,829	1.23%
Federal, State, Local and Non-governmental grants and contracts	45,931,705	45,702,027	229,678	0.50%
Auxiliary Enterprise, net of scholarship allowances	82,609,517	79,401,760	3,207,757	4.04%
Other	8,204,502	5,932,133	2,272,369	38.31%
Total Operating Revenues	<u>277,826,104</u>	<u>270,401,471</u>	<u>7,424,633</u>	<u>2.75%</u>
Non-Operating:				
State Appropriations	66,457,428	62,652,180	3,805,248	6.07%
Gifts, Investment Income and other income and expenses	28,101,558	24,159,539	3,942,019	16.32%
Total Non-Operating	<u>94,558,986</u>	<u>86,811,719</u>	<u>7,747,267</u>	<u>8.92%</u>
Capital Revenues, Gains and (Losses):				
Capital Appropriations	15,528,112	9,902,380	5,625,732	56.81%
Capital Grants and Gifts	10,118,857	10,653,151	(534,294)	-5.02%
Total Capital Revenues, Gains and (Losses)	<u>25,646,969</u>	<u>20,555,531</u>	<u>5,091,438</u>	<u>24.77%</u>
Total Revenues	<u>\$ 398,032,059</u>	<u>\$ 377,768,721</u>	<u>\$ 20,263,338</u>	<u>5.36%</u>

Within the operating revenue category, student tuition and fees increased \$1.7 million, net of scholarship allowances. An increase in State, Local, and non-governmental grants was offset by a reduction in Federal funding for research for a slight overall increase in revenues. The increase in Auxiliary Enterprise revenues is attributable to the Board approved fee increases and increased sales.

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

Summary of Operating Expenses

	<u>FY 2013</u>	<u>FY 2012</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Operating Expenses:				
Instruction	\$104,308,353	\$97,989,332	\$6,319,021	6.45%
Research	48,845,335	48,221,990	623,345	1.29%
Public Service	52,111	68,442	-16,331	-23.86%
Academic Support	30,448,213	29,626,975	821,238	2.77%
Student Services	13,160,781	13,994,086	-833,305	-5.95%
Institutional Support	29,213,009	27,166,785	2,046,224	7.53%
Operation and Maintenance of Plant	27,108,800	23,472,575	3,636,225	15.49%
Student Aid	36,300,527	33,246,613	3,053,914	9.19%
Auxiliary Enterprise	59,614,651	57,826,571	1,788,080	3.09%
Depreciation	25,119,437	23,761,878	1,357,559	5.71%
Other Operating Expenses	535,500	1,053,834	-518,334	-49.19%
Total Operating Expenses	<u>\$374,706,717</u>	<u>\$356,429,081</u>	<u>\$18,277,636</u>	<u>5.13%</u>

For fiscal year 2013, operating expenses increased notably in the four programs; Student Aid, Instruction, Institutional Support and Operation and Maintenance of Plant.

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.

Summary Statement of Cash Flows

	<u>FY2013</u>	<u>FY 2012</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<u>Cash Flows from:</u>				
Operating Activities	\$ (74,276,056)	\$ (59,927,275)	(\$14,348,781)	-23.94%
Non-capital Financing	95,179,758	96,759,485	(1,579,727)	-1.63%
Capital Financing	(28,845,251)	(11,021,124)	(17,824,127)	-161.73%
Investing Activities	(32,475,057)	6,265,688	(38,740,745)	618.30%
Net Increase in Cash	<u>\$ (40,416,606)</u>	<u>\$ 32,076,774</u>	<u>\$ (72,493,380)</u>	<u>226.00%</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 2013 were tuition and fees - \$139.5 million, auxiliary enterprise revenues \$81.8 million, state appropriations - \$66.5 million, and research grants and contracts - \$41.9 million.

The primary uses of operating cash in fiscal year 2013 were payments to employees - \$203.8 million representing salaries, wages and fringe benefits and payments to suppliers of goods and services - \$103.8 million. The increase in cash used by operating activities in FY13 was primarily due to payments to employees and payments to suppliers. Included in payments to employees was a 3% bonus paid in November 2012.

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 2013 were proceeds from capital appropriations - \$15.0 million, bond sales - \$27.8 million, capital grants and gifts - \$9.6 million and advances from the Treasurer of Virginia - \$20.6 million. The primary uses of cash were for debt payments - \$30.8 million and capital expenditures - \$71.8 million. The acquisition of the Williamsburg Hospitality House for use by the College as a dormitory, One Tribe Place, is the cause of the increase in cash used by capital financing activities. The College obtained a treasury loan from the Commonwealth in the amount of \$20,500,000 for the purchase. The loan will be repaid during FY14 and replaced with long term bonds.

The change in cash flows from investing activities is due to purchases of investments. At June 30, 2013 the College had significantly more holdings in investments as opposed to cash and cash equivalents at June 30, 2012. The College had a record-breaking fundraising year in FY13 which contributed to the cash available for investment.

Capital Asset and Debt Administration

The College of William & Mary

General – As the impact of the recession appears to be slowing receding, 2013 marks the start of a cautious recovery in design and construction. While primary academic facilities remain the focus, a shift is underway from new construction to renovation/retrofit of existing facilities and supporting infrastructure. The same is true of auxiliary functions as three-fourths of projects in progress involve additions / renovations to existing facilities.

Completed Projects – Thirty-one projects are listed as having been placed into service prior to FY13. Residual funds in each budget have been used to restore items deleted from project scopes during design to reduce estimated costs prior to contract bid/negotiation and/or to purchase equipment required to optimize facility functionality. These projects will be closed as rapidly as possible.

Projects in Progress – Twelve projects are currently in design (7) and construction (5).

Design – Two designs are focused on teaching facilities, one on a dormitory renovation and four on analysis and improvement/modification of infrastructure facilities. Instructional facility work includes construction of the third phase of the Integrated Science Complex, and the renovation of the 1927 era Tyler Hall classroom building which will become home to three departments and the Institute of International Relations. Dormitory construction features the renovation of Chandler Hall which was built in 1931. The Chandler Project is significant since it marks the first time in recent history that a dorm will be taken off line for an entire academic year to allow a comprehensive renovation of all building systems in addition to updating of interior fixtures and finishes. Remaining projects will address regulatory/capacity shortfalls of supporting systems and facilities – accessibility, storm water, Lake Matoaka earth fill dam, and the construction of an “ice plant” within the Power Plant Cooling Addition. The ice plant is significant since it will enable a significant annual energy cost savings via “peak shaving” when cold brine created by the plant during non-peak periods is used to chill cooling water during peak demand. Since annual rates for power are set during the peak fifteen minutes of demand each year, lower rates can be achieved.

Construction – Five projects are in construction. Two support education and general requirements and three support auxiliary functions. Two projects renovate existing facilities. The first provides a 1723 era administration building on the National Historic Record with state of the art building systems and achieves code compliance while minimizing disturbance of original building fabric. A second executes a “gut” renovation of the 1908 era Tucker Hall (home to the Department of English) to enable state of the art instructional methods, modernization of building systems, code compliance and development of organizational coherence in a three story facility which boasts six different floor levels created by previous additions to the 1908 core facility.

Residence Life – Two projects increase bed space on a residential campus. The first project creates new Greek housing via eleven 17 bed houses (nine fraternities and two houses assigned to women) and a Community

Building which will house the Assistant Director for Fraternities and Sororities, Greek Life Council space and supporting facilities management space. The second acquires and repairs a commercial hotel to provide a 400 plus bed augmentation immediately adjacent to campus.

Dining Services – A 300 seat addition to an existing dining facility, a “refresh” of the existing seating space and complete renovation of the kitchen increases seating capacity and throughput capacity in support of a newly instituted mandatory meal plan program.

A new Six Year Plan for the 2014 – 2020 period was approved in May 2013. As noted in the 2012 report, the plan marks a significant transition functionally and fiscally. New construction will feature a shift in focus to support the arts, information technology and the renovation of existing academic facilities and dormitories. Funding support will continue to rely heavily on College and donor support in anticipation of a gradual restoration of state funding during this period for gradual recovery from the fiscal recession.

Virginia Institute of Marine Science

The Property Acquisitions have three appropriations for purchasing property at the Gloucester Point and Wachapreague campuses, and for the Virginia Estuarine & Coastal Research Reserve. VIMS procured two properties for its Gloucester Point campus in December 2012 and June 2013. While there were no property purchases for the Wachapreague campus or for the Virginia Estuarine & Coastal Research Reserve during fiscal year 2013, the appropriations remain open in the event property becomes available in the future.

The Improvement Project of Electrical Upgrades involved upgrading the electrical distribution system in Chesapeake Bay Hall. The building’s present 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, improvements to the grounding system, a second emergency generator, and UPS systems in various laboratories. The project was completed in April 2013.

The Eastern Shore Seawater Laboratory Replacement project involved 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 project was completed in November 2012.

The Research Vessel project involves the planning and construction of a new custom designed research vessel to replace the R/V Bay Eagle. We are in negotiations with a naval architectural firm to provide concept and preliminary designs, bidding assistances, and construction services.

The Consolidated Scientific Research Facility project involves the planning of a new 32,000 square-foot building to provide research, study, office and technology space for Information Technology, Marine Advisory Services, the Center for Resource Management (CCRM), and the Publication/Communication Center in a single facility. Planning is expected to be underway summer 2013.

Richard Bland College

The Student Commons Renovation project was completed in the fall of 2012. The project primarily involved code upgrades and replacement in kind of mechanical systems.

The President’s Residence project was completed in August of 2012 in preparation for Dr. Sydow’s arrival. The project primarily involved repairs and cosmetic work to include porch replacement, plumbing replacement from the basement to the 2nd floor bathroom, window replacement, painting the interior and replacement of some kitchen appliances.

The Ernst Hall Renovation project is in planning and design. In March of 2013, an architecture firm was hired for the detailed planning.

Debt Activity

The College's long-term debt is comprised of bonds payable, notes payable, capital lease 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, 2013 the College has outstanding balances for Section 9(c) bonds and Section 9(d) bonds of \$64.3 million and \$147.7 million respectively.

The outstanding balance of 9(c) bonds can be summarized in five major categories as follows: (1) Renovation of Dormitories - \$22.2 million, (2) Commons Dining Hall - \$7.2 million, (3) Other housing / residence - \$5.3 million, (4) New Dormitory - \$24.4 million, and (5) Underground Utility - \$0.9 million. The majority of the 9(d) balance at June 30, 2013 is related to the Miller Hall School of Business - \$34.3 million, the Barksdale dormitories - \$20.0 million, Cooling Plant - \$21.0 million, Integrated Science Center - \$16.2 million, the Parking Deck - \$8.9 million, Recreation Sports Center - \$7.8 million, Marshall-Wythe Law School Library - \$4.7 million and Expand Sadler Center - \$7.2 million.

Economic Outlook

The College's economic health reflects our ability to recruit students, our status as a public institution within the Commonwealth of Virginia's higher education system, our ability to raise revenue through tuition and fees, grants and contracts and private funds, and our ability to reallocate funds in support of higher priorities.

William & Mary continues to recruit, admit and retain top-caliber students 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 14,047 for Fall 2013. The credentials of our admitted students remain strong, 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 began in FY 2010 and continued through FY 2013. By June 30, 2013, the consolidated value of endowments held by all of the various entities supporting the College and its programs totaled \$697.7 million, an increase of 8.3% over the June 30, 2012 value and a record high for the College. Strong investment performance by both the Board of Visitors and College of William and Mary Foundation endowments combined with increasing gift flow support this increase. The Board of Visitors' endowment and the Foundation's William and Mary Investment Trust, the largest of the College's investment portfolios, remain highly diversified across asset classes.

Facilities activity remains brisk on campus. On the academic side, the newly renovated Tucker Hall opened for the Fall 2013 semester, allowing the English department to return to its home facility. Planning is well under way for the final phase of the Integrated Science Center and the renovation of Tyler Hall. Since the ISC 3 and Tyler Hall projects have been authorized by the State, the College will move forward with construction as soon as planning is complete. On the non-academic side, construction of the new fraternity houses is complete. These houses not only dramatically improve fraternity housing, but add an additional 187 beds to our on-campus inventory. To further support the College's housing program, the College also purchased the Hospitality House, a hotel right across the street from campus. Renamed One Tribe Place, students moved into a portion of the building in Fall 2013. Planning continues regarding the long-term use of conference, restaurant, and other space available in the building. Finally, the College completed an expansion of the dining facility in the Sadler Center to provide better service as well as a late night dining option for our students.

Recognizing the need for additional investment in the College, on April 19, 2013, William & Mary's Board of Visitors approved "The William & Mary Promise," a new operating model that provides vitally needed resources to secure the future of Virginia's distinctive "public ivy" while markedly enhancing predictability, affordability and access for Virginia students. Elements of the Promise include:

Predictability:

- **Four-year tuition guarantee:** Provides Virginia families with financial predictability through a commitment to incoming in-state students that tuition will remain constant through all four years of their undergraduate study. Beginning Fall 2013, entering Virginia students will know exactly what their tuition costs will be for all four years at William & Mary, and those costs will not rise from year to year. In April 2013, the Board of Visitors set tuition for classes entering in the fall of 2013, 2014 and 2015. Virginia undergraduate students in each entering class will see a one-time step increase their freshman year: to \$10,428 for the 2013-14 academic year, \$12,428 for 2014-2015, and \$13,978 for 2015-2016. For each entering class, tuition will be frozen at that level for all four years.
- **Tuition capped at CPI for returning Virginia undergraduates:** For in-state undergraduate students enrolled at William & Mary before adoption of the new model, annual tuition increases will be held to no greater than the rate of inflation.

Affordability:

- **Relief for middle-income families:** Reduces the “net tuition” paid by middle-income families, as defined by the state’s Higher Education Advisory Committee (HEAC). More than 70% of Virginia households qualify as “middle income” under the HEAC definition. Under the William & Mary Promise, students from middle-income families who qualify for need-based financial aid will pay no more “net tuition” (tuition less financial aid) than under the current model. Under this new model the College will increase the amount of need-based financial aid it provides to in-state students by 50 percent over the four-year period. Most of the increased aid will be used to provide grants in lieu of loans, thereby reducing student debt.
- **Less debt for W&M graduates:** Reduces by up to \$8,000 the loan burden for middle-income in-state undergraduate students who have demonstrated financial need. The William & Mary Promise will lower the average annual borrowing and four-year cumulative debt average for Virginia undergraduates with demonstrated need as determined by the financial aid office. The plan will lower the maximum amount of loans included with an in-state financial aid package by 36% (\$2,000 annually) for families with an income between \$40,000 and \$60,000, and by 18% (\$1,000 annually) for all other families with demonstrated financial need. Students from Virginia families with a household income of less than \$40,000 will continue to receive financial aid that covers 100% of their need with grants.

Accessibility:

- **Additional Virginia students:** Provides for 150 additional in-state students to be enrolled to William & Mary over the next four years, which combined with the 2010 commitment of 150 in-state students represents an 8% increase since 2010.

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Consolidated Financial Statements

**The College of William and Mary in Virginia
and Richard Bland College - Consolidated Report
Statement of Net Position
As of June 30, 2013**

	ASSETS	Colleges	Component Units
Current assets:			
Cash and cash equivalents (Note 3)		\$ 25,036,099	\$ 30,507,261
Investments (Note 3)		21,875,967	4,606,713
Appropriation available		700,054	-
Receivables, net of allowance for doubtful accounts (Note 5)		16,516,197	5,081,039
Due from commonwealth		2,180,405	-
Inventories		706,231	49,830
Pledges receivable		-	11,304,803
Prepaid expenses		1,452,900	653,474
Other assets		125,182	218,028
Total current assets		<u>68,593,035</u>	<u>52,421,148</u>
Non-current assets:			
Restricted cash and cash equivalents (Note 3)		27,968,128	24,395,583
Restricted investments (Note 3)		79,234,716	490,914,885
Investments (Note 3)		16,095,399	11,426,602
Receivables		-	23,856,057
Notes receivable, net of allowance for doubtful accounts (Note 5)		2,855,252	-
Pledges receivable		-	18,700,987
Capital assets, nondepreciable (Note 6)		174,128,791	12,343,232
Capital assets, depreciable net of accumulated depreciation of \$349,972,160 (Note 6)		573,152,802	18,104,242
Other assets		-	1,801,143
Other restricted assets		-	142,032,362
Total non-current assets		<u>873,435,088</u>	<u>743,575,093</u>
Total assets		<u>942,028,123</u>	<u>795,996,241</u>
	LIABILITIES		
Current liabilities:			
Accounts payable and accrued expenses (Note 7)		38,311,324	1,945,596
Unearned revenue		13,986,258	1,981,663
Deposits held in custody for others		1,998,241	19,655
Advance from the Treasurer of Virginia (Note 11)		20,629,092	-
Obligations under securities lending program		115,814	-
Long-term liabilities-current portion (Note 9)		24,168,305	2,055,974
Short term debt		-	2,635,000
Other liabilities		460,724	6,736
Total current liabilities		<u>99,669,758</u>	<u>8,644,624</u>
Long-term liabilities-non-current portion (Note 9)		<u>228,855,568</u>	<u>62,736,612</u>
Total liabilities		<u>328,525,326</u>	<u>71,381,236</u>
	NET POSITION		
Net investment in capital assets		501,345,570	11,760,452
Restricted for:			
Nonexpendable:			
Scholarships and fellowships		19,022,190	105,907,276
Research		-	6,217,535
Loans		-	24,230
Departmental uses		28,543,955	130,278,775
Other		-	187,692,231
Expendable:			
Scholarships and fellowships		8,094,139	77,002,934
Research		-	2,834,111
Debt service		759,709	-
Capital projects		1,126,641	21,889,209
Loans		746,643	57,421
Departmental uses		25,756,550	117,238,861
Other		-	17,947,813
Unrestricted		<u>28,107,400</u>	<u>45,764,157</u>
Total net position		<u>\$ 613,502,797</u>	<u>\$ 724,615,005</u>

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 Position
For the Year Ended June 30, 2013**

	Colleges	Component Units
Operating revenues:		
Student tuition and fees, net of scholarship allowances of \$26,450,838	\$ 141,080,380	\$ -
Gifts and contributions	-	29,085,633
Federal grants and contracts	37,715,008	-
State grants and contracts	2,998,459	-
Local grants and contracts	884,845	-
Nongovernmental grants and contracts	4,333,393	-
Auxiliary enterprises, net of scholarship allowances of \$11,652,408	82,609,517	-
Other	8,204,502	12,583,030
	<hr/>	<hr/>
Total operating revenues	277,826,104	41,668,663
	<hr/>	<hr/>
Operating expenses: (Note 12)		
Instruction	104,308,353	4,498,799
Research	48,845,335	656,567
Public service	52,111	991,842
Academic support	30,448,213	5,739,254
Student services	13,160,781	1,271,522
Institutional support	29,213,009	13,259,717
Operation and maintenance of plant	27,108,800	618,074
Student aid	36,300,527	6,481,172
Auxiliary enterprises	59,614,651	870,045
Depreciation	25,119,437	787,408
Other	535,500	7,579,866
	<hr/>	<hr/>
Total operating expenses	374,706,717	42,754,266
	<hr/>	<hr/>
Operating loss	(96,880,613)	(1,085,603)
	<hr/>	<hr/>
Non-operating revenues/(expenses):		
State appropriations (Note 13)	66,457,428	-
Gifts	23,177,388	-
Net investment revenue	8,807,258	45,202,774
Pell grant revenue	5,280,793	-
Interest on capital asset related debt	(8,419,128)	(285,247)
Other non-operating revenue	2,532,709	6,800,361
Other non-operating expense	(3,277,462)	(5,162,507)
	<hr/>	<hr/>
Net non-operating revenues	94,558,986	46,555,381
	<hr/>	<hr/>
Income/(loss) before other revenues, expenses, gains or losses	(2,321,627)	45,469,778
	<hr/>	<hr/>
Capital appropriations	15,528,112	-
Capital grants and contributions	10,118,857	11,791,922
Additions to permanent endowments	-	32,107,459
	<hr/>	<hr/>
Net other revenues, expenses, gains or losses	25,646,969	43,899,381
	<hr/>	<hr/>
Increase in net position	23,325,342	89,369,159
	<hr/>	<hr/>
Net position - beginning of year, restated (Note 2)	590,177,455	635,245,846
	<hr/>	<hr/>
Net position - end of year	<u>\$ 613,502,797</u>	<u>\$ 724,615,005</u>

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, 2013**

Cash flows from operating activities:	
Tuition and fees	\$ 139,464,282
Scholarships	(26,567,495)
Research grants and contracts	41,908,296
Auxiliary enterprise charges	81,886,519
Payments to suppliers	(103,839,474)
Payments to employees	(203,837,553)
Payments for operation and maintenance of facilities	(10,496,189)
Loans issued to students and employees	(292,937)
Collection of loans to students and employees	509,410
Other receipts	6,871,535
Other payments	117,550
	<hr/>
Net cash used by operating activities	(74,276,056)
	<hr/>
Cash flows from noncapital financing activities:	
State appropriations	66,457,428
Gifts	23,177,388
Agency receipts	7,732,351
Agency payments	(6,123,922)
Direct Loan receipts	44,034,543
Direct Loan disbursements	(44,034,543)
Other non-operating receipts	6,956,977
Other non-operating disbursements	(3,020,464)
	<hr/>
Net cash provided by noncapital financing activities	95,179,758
	<hr/>
Cash flows from capital financing activities:	
Proceeds from issuance of capital debt	27,784,037
Capital appropriations	14,976,683
Capital grants and contributions	9,559,671
Advance from the Treasurer of Virginia	20,629,092
Insurance payments	747,631
Capital expenditures	(71,827,690)
Principal paid on capital-related debt	(21,617,740)
Interest paid on capital-related debt	(9,163,483)
Proceeds from sale of capital assets	66,548
	<hr/>
Net cash used by capital and related financing activities	(28,845,251)
	<hr/>
Cash flows from investing activities:	
Investment income	8,640,793
Investments	(41,115,850)
	<hr/>
Net cash provided by investing activities	(32,475,057)
	<hr/>
Net increase/(decrease) in cash	(40,416,606)
	<hr/>
Cash-beginning of year*	93,310,944
	<hr/>
Cash-end of year	\$ 52,894,338
	<hr/>

**The College of William and Mary in Virginia
and Richard Bland College - Consolidated Report
Statement of Cash Flows
For the Year Ended June 30, 2013**

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

Statement of Net Position

Cash and cash equivalents	\$ 25,036,099
Restricted cash and cash equivalents	27,968,128
Less: Securities lending -Treasurer of Virginia	<u>(109,889)</u>

Net cash and cash equivalents	<u><u>\$ 52,894,338</u></u>
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Reconciliation of net operating expenses to net cash used by operating activities:

Net operating loss	\$ (96,880,613)
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Adjustments to reconcile net operating expenses to cash used by operating activities:

Depreciation expense	25,119,437
Changes in assets and liabilities:	
Receivables-net	(2,246,868)
Inventories	101,693
Prepaid expense	(24,976)
Accounts payable	(812,167)
Unearned revenue	302,168
Deposit held for others	(92,033)
Compensated absences	139,753
Other liability	<u>117,550</u>

Net cash used in operating activities	<u><u>\$ (74,276,056)</u></u>
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**NONCASH INVESTING, NONCAPITAL FINANCING, AND CAPITAL
AND RELATED FINANCING TRANSACTIONS**

Amortization of a deferred loss	\$ 316,105
Donated capital assets	\$ 559,186
Reduction/amortization of bond premium and debt issuance costs	\$ 1,478,672

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, 2013**

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 14.

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 with the exception of the Intellectual Property Foundation. The Intellectual Property Foundation is presented blended in the College column because the College has a voting majority of the governing board of the Foundation.

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 Intellectual Property Foundation is presented blended with the College because the College has a voting majority of the board. 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. OIEAHC is treated as a joint venture with the College's portion of support to the Institute blended in the College column on the financial statements. The College contributed \$854,268 through direct payment of expenses.

The following summarizes the unaudited financial position of the OIEAHC at June 30, 2013:

Assets	<u>\$ 577,766</u>
Liabilities	102,169
Net Assets	<u>475,597</u>
Liabilities and Net Assets	<u>\$ 577,766</u>

The total unaudited receipts and disbursements of the OIEAHC were \$1,957,347 and \$1,958,803 respectively, for the year ended June 30, 2013. 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. 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 Position.

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, 2013, the Colleges’ prepaid expenses included items such as insurance premiums, membership dues, conference registrations and publication subscriptions for fiscal year 2014 that were paid in advance.

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. All three campuses capitalize 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 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. Richard Bland College capitalizes intangible assets with a cost greater than or equal to \$20,000.

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.

Unearned Revenue

Unearned revenue represents revenue collected but not earned as of June 30, 2013. 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 Position, and as a component of compensation and benefit expense in the Statement of Revenues, Expenses, and Changes in Net Position. 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, capital lease 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 Position

GASB Statement No. 63 requires that the Statement of Net Position report the difference between assets and liabilities as net position rather than net assets. Accordingly, the College's net position is classified as follows:

Net Investment in Capital Assets – consists of total investment in capital assets, net of accumulated depreciation and outstanding debt obligations.

Restricted Net Position – Nonexpendable – includes 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 Position – Expendable – represents 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 Position – represents 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 Position. 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 Position. 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 - includes 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 - includes 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 - includes 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 POSITION

Net position originally reported in the College's financial statements as of June 30, 2012 has been restated to reflect further evaluation of assets and liabilities.

Net position as previously reported June 30, 2012	\$ 593,653,364
Prior year depreciation for one building due to system error	(2,200,242)
Richard Bland College - record additional liability related to debt on dormitories leased from RBC Foundation	(1,284,276)
Adjustment to fund balance for grant transactions	(46,493)
Beginning net position for Intellectual Property Foundation for blended presentation	<u>55,102</u>
Net position at July 1, 2012	<u><u>\$ 590,177,455</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 2012 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. The College's investment policy does not limit the amount invested in U.S. Government or Agency Securities. As of June 30, 2013, the College had 9.4% of its total investments in the Federal National Mortgage Association.

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 had no investments in foreign currency but had foreign deposits in the amount of \$547,377 as of June 30, 2013.

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 Position, 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	Less than 1 year	1-5 years	6-10 years	Greater than 10 years
Agency unsecured bonds and notes:					
Federal Home Loan Mortgage Corp	\$ 1,279,648	\$ 1,279,648	\$ -	\$ -	\$ -
Federal National Mortgage Assn	14,562,171	-	-	14,562,171	-
Commercial Paper	16,996,548	16,996,548	-	-	-
Corporate Bonds	15,674,455	10,942,184	4,732,271	-	-
Mutual and money market funds:					
Money market	13,425,986	13,425,986	-	-	-
Mutual funds - Investment Funds	24,659,161	-	-	12,259,819	12,399,342
Mutual funds - PIMCO Funds	53,972	-	-	53,972	-
Mutual funds - Wells Fargo	507,783	507,783	-	-	-
State non-arbitrage program	21,559,043	21,559,043	-	-	-
Securities lending	109,889	109,889	-	-	-
	<u>\$ 108,828,656</u>	<u>\$ 64,821,081</u>	<u>\$ 4,732,271</u>	<u>\$ 26,875,962</u>	<u>\$ 12,399,342</u>

Credit & Concentration of Credit Risks

		Moody's Credit Rating				
	Fair Value	Aaa	Aa1	Aa2	Aa3	Unrated
<u>Cash Equivalents</u>						
Certificate of deposit	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000
Money market	13,425,986	-	-	-	-	13,425,986
Commercial Paper	2,999,570	-	-	-	-	2,999,570
State non-arbitrage program	21,559,043	-	-	-	-	21,559,043
Securities lending	109,889	-	-	-	-	109,889
Total cash equivalents	38,224,488	-	-	-	-	38,224,488
<u>Investments</u>						
Agency unsecured bonds and notes:						
Federal Home Loan Mortgage Corp	\$ 1,279,648	\$ -	\$ -	\$ -	\$ -	\$ 1,279,648
Federal National Mortgage Assn	14,562,171	-	-	-	-	14,562,171
Commercial Paper	13,996,978	-	-	-	-	13,996,978
Corporate Bonds	15,674,455	2,520,580.00	1,024,950.00	3,852,115.00	8,276,810.00	-
Mutual funds:						
Investment Funds	24,659,161	-	-	-	-	24,659,161
PIMCO Total Return Fund	53,972	-	-	-	-	53,972
Wells Fargo	177,690	-	-	-	-	177,690
Total investments	70,404,075	\$ 2,520,580	\$ 1,024,950	\$ 3,852,115	\$ 8,276,810	\$ 54,729,620
<u>Other Investments</u>						
Other	46,350,202					
Securities lending	5,925					
Rare coins	280					
Property held as investment for endowments	445,600					
Total other investments	46,802,007					
Total cash equivalents and investments	\$ 155,430,570					

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 2013, had a net appreciation of \$11,471,037 which is available to be spent and is reported in the Statement of Net Position in the following categories: Restricted for Expendable Scholarships and Fellowships - \$5,923,540, Restricted for Expendable Research - \$30,832, Restricted for Expendable Capital Projects -

\$171,850, Restricted for Expendable Departmental Uses - \$4,198,132 and Unrestricted - \$1,146,683. The amount for Research was reclassified to unrestricted because the total net position Restricted Expendable Research was negative.

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, 2013 as follows:

Accounts receivable consisted of the following at June 30, 2013:

Student Tuition and Fees	\$ 2,592,512
Auxiliary Enterprises	1,524,918
Federal, State and Non-Governmental Grants & Contracts	8,174,197
Other Activities	<u>4,227,194</u>
Gross Receivables	16,518,821
Less: allowance for doubtful accounts	<u>(2,624)</u>
Net Receivables	<u><u>\$ 16,516,197</u></u>

Notes receivable consisted of the following at June 30, 2013:

Non-current portion:	
Federal student loans and promissory notes	\$ 2,939,621
Less: allowance for doubtful accounts	<u>(84,369)</u>
Net non-current notes receivable	<u><u>\$ 2,855,252</u></u>

6. CAPITAL ASSETS

A summary of changes in the various capital asset categories for the year ending June 30, 2013 consists of the following:

	Beginning Balance	Beginning Balance Adjustments	Additions	Reductions	Ending Balance
Non-depreciable capital assets:					
Land	\$ 15,058,418	\$ -	\$ 883,446	\$ -	\$ 15,941,864
Inexhaustible artwork and Historical treasures	73,368,955	-	929,095	-	74,298,050
Construction in Progress	44,879,816	-	66,340,282	(27,331,221)	83,888,877
Total non-depreciable capital assets	133,307,189	-	68,152,823	(27,331,221)	174,128,791
Depreciable capital assets:					
Buildings	682,860,109	(556,142)	7,812,212	(6,672)	690,109,507
Equipment	75,019,135	-	7,097,027	(14,704,969)	67,411,193
Infrastructure	42,750,439	-	16,975,006	-	59,725,445
Other improvements	8,754,495	556,142	3,196,328	-	12,506,965
Library Materials	87,039,445	-	1,232,837	(438,416)	87,833,866
Computer software	5,426,072	-	111,914	-	5,537,986
Total depreciable capital assets	901,849,695	-	36,425,324	(15,150,057)	923,124,962
Less accumulated depreciation for:					
Buildings	171,373,057	2,152,130	16,669,520	(6,672)	190,188,035
Equipment	49,107,616	-	4,921,024	(12,428,975)	41,599,665
Infrastructure	26,861,372	-	1,364,147	-	28,225,519
Other improvements	4,308,115	48,112	554,314	-	4,910,541
Library Materials	79,184,944	-	1,524,138	(438,416)	80,270,666
Computer software	4,691,439	-	86,295	-	4,777,734
Total accumulated depreciation	335,526,543	2,200,242	25,119,438	(12,874,063)	349,972,160
Depreciable capital assets, net	566,323,152	(2,200,242)	11,305,886	(2,275,994)	573,152,802
Total capital assets, net	\$ 699,630,341	\$ (2,200,242)	\$ 79,458,709	\$ (29,607,215)	\$ 747,281,593

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 \$64.82 for fiscal year 2013. The average cost of the Law Library purchases of books was \$95.35 for fiscal year 2013. 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 \$63.26 for fiscal year 2013. The average cost of library books purchased for Richard Bland College was \$14.06 for fiscal year 2013. The changes reflected in the valuation are due to the recognition of depreciation in accordance with GASB Statements No. 34 and 35, as well as purchases, donations and disposals.

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 impairment loss was recognized in the FY11 financial statements. During FY13, \$500,000 of insurance recoveries for this loss was received by the Institute. VIMS has rebuilt 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, \$247,631 of proceeds from insurance recoveries is 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, 2013 there were several vacant or unused buildings on the main William and Mary campus and at the Dillard Complex. The carrying value of these unused buildings at year-end was \$1,879,011.

7. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following at June 30, 2013:

Current Liabilities:

Employee salaries, wages, and fringe benefits payable	\$ 19,861,149
Vendors and supplies accounts payable	6,596,670
Capital projects accounts and retainage payable	<u>11,853,505</u>
Total current liabilities-accounts payable and accrued liabilities	<u>\$ 38,311,324</u>

8. COMMITMENTS

At June 30, 2013, outstanding construction commitments totaled approximately \$118,881,580.

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, 2013, was \$4,797,362.

As of June 30, 2013, the following total future minimum rental payments are due under the above leases:

<u>Year Ending June 30, 2013</u>	<u>Amount</u>
2014	\$ 4,270,315
2015	3,500,976
2016	3,367,513
2017	3,376,613
2018	3,467,816
2019-2023	<u>6,115,232</u>
Total	<u>\$ 24,098,465</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, 2013 is presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Installment Purchases	\$ 5,483,593	\$ 1,378	\$ (560,635)	\$ 4,924,336	\$ 521,672
Capital Lease Payable	24,144,236	-	(538,437)	23,605,799	561,474
Other long-term obligations	850,475	-	(18,966)	831,509	19,778
Notes Payable	150,763,474	8,345,966	(11,407,796)	147,701,644	11,060,000
Bonds Payable	<u>53,713,744</u>	<u>19,694,844</u>	<u>(9,091,906)</u>	<u>64,316,682</u>	<u>3,767,240</u>
Total long-term debt	234,955,522	28,042,188	(21,617,740)	241,379,970	15,930,164
Perkins Loan Fund Balance	2,498,565	-	-	2,498,565	-
Accrued compensated absences	<u>9,005,585</u>	<u>8,217,571</u>	<u>(8,077,818)</u>	<u>9,145,338</u>	<u>8,238,141</u>
Total long-term liabilities	<u>\$246,459,672</u>	<u>\$ 36,259,759</u>	<u>\$ (29,695,558)</u>	<u>\$253,023,873</u>	<u>\$ 24,168,305</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, 2013</u>
Section 9(c) bonds payable:			
Dormitory, Series 2004B2	3.000 - 5.000	2017	208,460
Dormitory, Series 2004B3	3.000 - 5.000	2017	935,643
Dormitory, Series 2004B4	3.000 - 5.000	2018	2,083,671
Dormitory, Series 2004B5	3.000 - 5.000	2020	2,073,418
Dormitory, Series 2005A1	3.500 - 5.000	2026	505,000
Dormitory, Series 2006A1	4.000 - 5.000	2014	20,000
Dormitory, Series 2006A2	4.000 - 5.000	2015	520,000
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	3,980,000
Dormitory, Series 2012A	3.000 - 5.000	2016	376,596
Dormitory, Series 2012A	3.000 - 5.000	2024	779,720
Dormitory, Series 2013A	2.000 - 5.000	2033	4,660,000
Dormitory, Series 2013B	3.000 - 5.000	2026	1,112,612
Renovation of Dormitories			22,161,317
Graduate Housing, Series 2006B	4.000 - 5.000	2026	600,000
Graduate Housing, Series 2008B	3.000 - 5.000	2028	2,055,000
Graduate Housing, Series 2009D	2.500 - 5.000	2022	1,270,000
Graduate Housing, Series 2013B	3.000 - 5.000	2026	1,411,860
Graduate Housing			5,336,860
Construct New Dormitory, Series 2010A2	2.000 - 5.000	2030	1,805,000
Construct New Dormitory, Series 2011A	3.000 - 5.000	2031	13,850,000
Construct New Dormitory, Series 2013A	2.000 - 5.000	2033	8,770,000
Construct New Dormitory			24,425,000
Underground Utility, Series 2004B1	3.000 - 5.000	2017	547,812
Underground Utility, Series 2012A	3.000 - 5.000	2016	340,907
Underground Utility			888,719
Renovate Commons Dining Hall, Series 2005A2	3.500 - 5.000	2026	830,000
Renovate Commons Dining Hall, Series 2009D	2.500 - 5.000	2022	3,200,000
Renovate Commons Dining Hall, Series 2012A	3.000 - 5.000	2024	1,289,537
Renovate Commons Dining Hall, Series 2013B	3.000 - 5.000	2026	1,831,383
Commons Dining Hall			7,150,920
Total bonds payable			59,962,816
Deferred Gain/(Loss) on Advance Refundings			(963,744)
Unamortized premiums (discounts)			5,317,610
Net bonds payable			\$ 64,316,682

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, 2013</u>
Section 9(d) Bonds:			
Barksdale Dormitory, Series 2003A	2.000 - 5.000	2024	\$ 90,000
Barksdale Dormitory, Series 2004A	3.000 - 5.000	2025	1,005,000
Barksdale Dormitory, Series 2005A	3.500 - 5.000	2026	3,455,000
Barksdale Dormitory, Series 2006A	3.000 - 5.000	2027	1,545,000
Barksdale Dormitory, Series 2010B	2.000 - 5.000	2021	450,000
Barksdale Dormitory, Series 2012A	3.000 - 5.000	2024	640,000
Barksdale Dormitory, Series 2012A	3.000 - 5.000	2025	6,495,000
Barksdale Dormitory, Series 2012A	3.000 - 5.000	2025	6,330,000
Barksdale Dormitory			<u>20,010,000</u>
William and Mary Hall, Series 2004B	3.000 - 5.000	2016	560,000
William and Mary Hall, Series 2007B	4.000- 4.250	2018	165,000
William and Mary Hall			<u>725,000</u>
Parking Deck, Series 2003A	2.000 - 5.000	2024	190,000
Parking Deck, Series 2004A	3.000 - 5.000	2025	215,000
Parking Deck, Series 2005A	3.500 - 5.000	2026	1,710,000
Parking Deck, Series 2010B	2.000 - 5.000	2021	950,000
Parking Deck, Series 2012A	3.000 - 5.000	2024	1,355,000
Parking Deck, Series 2012A	3.000 - 5.000	2025	1,385,000
Parking Deck, Series 2012A	3.000 - 5.000	2025	3,140,000
Parking Deck			<u>8,945,000</u>
Recreation Sports Center, Series 2003A	2.000 - 5.000	2024	45,000
Recreation Sports Center, Series 2004A	3.500 - 5.000	2025	710,000
Recreation Sports Center, Series 2005A	3.500 - 5.000	2026	665,000
Recreation Sports Center, Series 2010B	2.000 - 5.000	2021	220,000
Recreation Sports Center, Series 2012A	3.000 - 5.000	2024	315,000
Recreation Sports Center, Series 2012A	3.000 - 5.000	2025	4,585,000
Recreation Sports Center, Series 2012A	3.000 - 5.000	2025	1,225,000
Recreation Sports Center			<u>7,765,000</u>
Improve Athletics Facilities, Series 2005A	3.500 - 5.000	2026	920,000
Improve Athletics Facilities, Series 2006A	3.000 - 5.000	2027	620,000
Improve Athletics Facilities, Series 2012A	3.000 - 5.000	2025	1,655,000
Improve Athletics Facilities			<u>3,195,000</u>

<u>Description</u>	<u>Interest Rates (%)</u>	<u>Maturity</u>	<u>Outstanding Balance as of June 30, 2013</u>
Marshall-Wythe Library, Series 2004B	3.000 - 5.000	2019	905,000
Law School Library, Series 2003A	2.000 - 5.000	2024	55,000
Law School Library, Series 2007A	4.500 - 5.000	2027	3,050,000
Law School Library, Series 2010B	2.000 - 5.000	2021	260,000
Law School Library, Series 2012A	3.000 - 5.000	2024	385,000
Law School Library			<u>4,655,000</u>
Magnet Facility, Series 2003A	2.000 - 5.000	2024	115,000
Magnet Facility, Series 2010B	2.000 - 5.000	2021	570,000
Magnet Facility, Series 2012A	3.000 - 5.000	2024	805,000
Magnet Facility			<u>1,490,000</u>
School of Business, Series 2007A	4.500 - 5.000	2027	19,720,000
School of Business, Series 2009A	2.750 - 4.000	2016	14,585,000
School of Business			<u>34,305,000</u>
Integrated Science Center, Series 2007A	4.500 - 5.000	2027	10,340,000
Integrated Science Center, Series 2009A	2.750 - 5.000	2029	5,815,000
Integrated Science Center			<u>16,155,000</u>
Cooling Plant & Utilities, Series 2009B	2.000 - 5.000	2029	10,615,000
Cooling Plant & Utilities, Series 2010A1&A2	2.000 - 5.500	2031	10,380,000
Cooling Plant & Utilities			<u>20,995,000</u>
Power Plant Renovations, Series 2007A	4.500 - 5.000	2027	4,045,000
Busch Field Astro turf Replacement, Series 2009B	2.000 - 5.000	2029	1,290,000
Williamsburg Hospital/School of Education, 2006A	3.000 - 5.000	2027	1,935,000
J. Laycock Football Facility, Series 2006A	3.000 - 5.000	2027	4,460,000
Residence Hall Fire Safety Systems, Series 2006A	3.000 - 5.000	2027	1,565,000
Ash Lawn-Highland Barn, Series 2010A1&A2	2.000 - 5.500	2031	725,000
Expand Sadler Center, Series 2012B	3.000 - 5.000	2032	7,205,000
Total 9 (d) bonds			139,465,000
Deferred Gain/(Loss) on Advance Refundings			(2,820,291)
Unamortized premiums (discounts)			11,056,935
Net notes payable			<u>\$ 147,701,644</u>

Installment Purchases

At June 30, 2013, 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. The outstanding balance of installment purchases as of June 30, 2013 is \$4,924,336.

Capital Lease

Richard Bland College (RBC) has entered into a thirty year capital lease with Richard Bland College Foundation (RBCF) for the provision of a student housing complex with two dormitories on the RBC campus. RBC has accounted for the acquisition of the complex and its furniture and equipment as a capital lease, and therefore has recorded the facility and furnishings as depreciable capital assets and has also recorded a corresponding lease liability in long-term debt on the Statement of Net Position. The outstanding balance as of June 30, 2013 is \$23,605,799. RBC has also recorded an Other Long-Term Obligation which is payable to RBCF for repayment of the bonds for the dormitories for the amount due on the bonds which is greater than the total fair value of assets received. The outstanding balance as of June 30, 2013 is \$831,509.

Long-term debt matures as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>BAB Interest Subsidy</u>	<u>Net Interest</u>
2014	\$ 15,930,164	\$ 9,502,125	\$ 204,644	\$ 9,297,481
2015	16,771,037	8,812,884	204,644	8,608,240
2016	17,158,394	8,070,859	204,644	7,866,215
2017	12,454,135	7,398,720	202,439	7,196,281
2018	12,488,963	6,809,587	199,877	6,609,710
2019-2023	65,613,684	25,197,043	885,645	24,311,398
2024-2028	60,534,995	10,483,758	535,277	9,948,481
2029-2033	21,211,154	2,421,619	88,406	2,333,213
2034-2038	6,561,380	422,552	-	422,552
2039-2043	65,554	787	-	787
Refunding gains/(losses)	(3,784,035)	-	-	-
Unamortized premiums	16,374,545	-	-	-
Total	<u>\$241,379,970</u>	<u>\$ 79,119,934</u>	<u>\$ 2,525,576</u>	<u>\$ 76,594,358</u>

The interest subsidies for the Build America Bonds (BAB) being paid to the College by the Federal Government are subject to change in future years. In the event of a reduction or elimination of the subsidies, the College would be responsible for paying the full interest due on the BAB bonds.

Defeasance of Debt

In March 2013, the Treasury Board issued General Obligation Refunding Bonds, Series 2013B with a true interest cost (TIC) of 2.0961 percent. The sale of these bonds enabled the College to advance refund certain 9(c) issued in 2005 and 2006 with interest rates ranging from 4.5 percent to 5.0 percent. The original bonds were used to finance dormitory and dining hall renovations. 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>Type</u>	<u>Debt Outstanding</u>	<u>Amount Defeased</u>	<u>Percentage Defeased</u>
2005	9C	\$ 1,870,000	\$ 1,130,000	60%
2005	9C	3,075,000	1,860,000	60%
2006B	9C	2,240,000	1,460,000	65%
		<u>\$ 7,185,000</u>	<u>\$ 4,450,000</u>	62%

The College's portion of the accounting loss recognized in the financial statements was \$99,883. The net economic gain attributable to the College was \$403,772 and will result in a decreased cash flow requirement of \$454,468 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, 2013, \$45,150,000 of the defeased bonds was outstanding.

11. ADVANCES FROM THE TREASURER

Section 4-3.02 of the Appropriation Act describes the circumstances under which agencies and institutions may borrow funds from the state treasury, including prefunding for capital projects in anticipation of bond sale proceeds and operating funds in anticipation of federal revenues. As of June 30, 2013, there was \$20,629,092 in outstanding Advances from the Treasurer. \$20,500,000 represents an advance to William and Mary from the Commonwealth of Virginia for working capital pending the receipt of funds from bond sale proceeds. These funds were used to acquire and renovate One Tribe Place (formerly the Hospitality House Hotel) to use as a student dormitory. The remaining \$129,092 is an advance to Richard Bland College pending the reimbursement of Equipment Trust Fund expenditures. The full amount of the loans will be paid off in fiscal year 2014.

12. 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 Position 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	95,981,483	6,034,793	1,634,598	657,479	-	104,308,353
Research	34,348,364	12,507,438	1,400,182	589,351	-	48,845,335
Public service	15,878	35,468	350	415	-	52,111
Academic support	22,465,495	3,658,343	163,012	4,161,363	-	30,448,213
Student services	7,937,225	4,975,004	126,552	122,000	-	13,160,781
Institutional support	24,799,202	4,260,007	74,228	79,572	-	29,213,009
Operation and maintenance of plant	4,826,259	19,272,539	144	3,009,858	-	27,108,800
Depreciation	-	-	-	-	25,119,437	25,119,437
Scholarships and related expenses	1,473,948	23,870	34,809,416	(6,707)	-	36,300,527
Auxiliary enterprises	18,470,049	50,698,797	(11,626,434)	2,072,239	-	59,614,651
Other	147,241	388,259	-	-	-	535,500
Total	210,465,144	101,854,518	26,582,048	10,685,570	25,119,437	374,706,717

13. 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 3 - 2012 Acts of Assembly (Educational and General Programs)		\$ 59,241,959
Student financial assistance		4,295,421
Supplemental appropriations:		
Prior year reappropriations	96,844	
VIVA libraries	32,584	
Salary, Benefit, and Other changes	2,609,726	
Marine research graduate assistantships	238,527	
Commonwealth Technology Research award	17,435	
Biomedical research	<u>75,000</u>	3,070,116
Appropriation reductions:		
eVA reductions	(316)	(316)
Reversions to the General Fund of the Commonwealth		<u>(149,752)</u>
Appropriations as adjusted		<u>\$ 66,457,428</u>

14. 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 is blended with the College beginning in fiscal year 2013; therefore, it is not included in the presentation of component unit financial information.

Summary of Statement of Net Position - 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	\$ 6,859,728	\$ 4,487,286	\$ 4,591,296	\$ 649,921
Investments	4,606,713	-	-	-
Pledges receivable, net - current portion	6,279,879	826,940	3,687,321	-
Receivables, net	3,949,343	2,694	206,658	79,536
Inventories	-	-	-	49,830
Prepays	401,657	56,123	132,054	53,292
Due from the College	910	-	-	-
Other assets	-	-	-	-
Total Current Assets	22,098,230	5,373,043	8,617,329	832,579
Non-current Assets				
Restricted cash and cash equivalents	12,604,102	2,622,796	8,405,784	-
Restricted investments	428,402,614	26,738,754	22,920,765	-
Restricted other assets	140,684,425	366,382	930,080	-
Investments	578,982	3,902,403	-	5,967,437
Pledges receivable, net	11,789,691	719,427	4,434,972	-
Capital assets, nondepreciable	9,277,667	321,627	-	31,800
Capital assets, net of accumulated depreciation	7,722,040	37,675	10,415	159,663
Due from the College	-	-	-	-
Other assets	1,241,515	-	-	-
Total non-current assets	612,301,036	34,709,064	36,702,016	6,158,900
Total Assets	634,399,266	40,082,107	45,319,345	6,991,479
LIABILITIES				
Current Liabilities				
Accounts payable and accrued expenses	526,226	68,425	545,188	384,818
Unearned revenue	42,423	269,536	103,758	1,550,286
Deposits held in custody for others	-	-	19,655	-
Long-term liabilities - current portion	1,236,138	-	-	-
Due to the College	-	-	-	-
Short-term debt	2,145,000	-	-	-
Other liabilities	-	-	-	-
Total Current Liabilities	3,949,787	337,961	668,601	1,935,104
Non-current Liabilities				
Long-term liabilities	29,938,487	-	-	-
Other long-term liabilities	252,215	409,383	-	-
Total non-current liabilities	30,190,702	409,383	-	-
Total Liabilities	34,140,489	747,344	668,601	1,935,104
NET POSITION				
Restricted for:				
Nonexpendable:				
Scholarships and Fellowships	94,782,401	5,544,944	583,217	-
Research	4,793,238	-	155,900	-
Loans	-	-	24,230	-
Departmental Uses	96,505,443	7,260,573	26,512,759	-
Other	183,863,280	-	124,449	-
Expendable:				
Scholarships and Fellowships	69,096,473	6,426,086	417,357	-
Research	2,198,036	-	169,773	-
Capital Projects	11,467,724	2,091,772	8,329,713	-
Loans	-	-	57,421	-
Departmental Uses	93,231,643	9,544,063	5,448,566	1,071,428
Other	15,668,241	394,295	40,962	-
Net investment in capital assets	7,116,531	359,302	10,415	191,463
Unrestricted	21,535,767	7,713,728	2,775,982	3,793,484
Total Net Position	\$ 600,258,777	\$ 39,334,763	\$ 44,650,744	\$ 5,056,375

William & Mary					
Athletic	Virginia Institute	Richard Bland	William & Mary	Total Component	
Educational	of Marine Science	College	Real Estate		
Foundation	Foundation	Foundation	Foundation	Units	
\$ 7,599,135	\$ 359,025	\$ 52,952	\$ 5,907,918	\$ 30,507,261	
-	-	-	-	4,606,713	
237,161	232,713	40,789	-	11,304,803	
-	-	-	26,049	4,264,280	
-	-	-	-	49,830	
-	-	-	10,348	653,474	
-	-	815,849	-	816,759	
-	-	14,915	203,113	218,028	
7,836,296	591,738	924,505	6,147,428	52,421,148	
-	257,649	505,252	-	24,395,583	
-	8,854,704	3,998,048	-	490,914,885	
-	-	6,736	44,739	142,032,362	
188,778	789,002	-	-	11,426,602	
1,530,817	226,080	-	-	18,700,987	
-	-	-	2,712,138	12,343,232	
80,467	-	-	10,093,982	18,104,242	
-	-	23,856,057	-	23,856,057	
-	-	-	559,628	1,801,143	
1,800,062	10,127,435	28,366,093	13,410,487	743,575,093	
9,636,358	10,719,173	29,290,598	19,557,915	795,996,241	
-	11,260	248,188	54,639	1,838,744	
15,660	-	-	-	1,981,663	
-	-	-	-	19,655	
-	-	581,252	238,584	2,055,974	
-	-	-	106,852	106,852	
-	-	-	490,000	2,635,000	
-	-	6,736	-	6,736	
15,660	11,260	836,176	890,075	8,644,624	
-	-	23,856,056	8,261,611	62,056,154	
-	-	-	18,860	680,458	
-	-	23,856,056	8,280,471	62,736,612	
15,660	11,260	24,692,232	9,170,546	71,381,236	
-	2,004,922	2,991,792	-	105,907,276	
-	1,268,397	-	-	6,217,535	
-	-	-	-	24,230	
-	-	-	-	130,278,775	
-	3,704,502	-	-	187,692,231	
609,249	453,769	-	-	77,002,934	
-	466,302	-	-	2,834,111	
-	-	-	-	21,889,209	
-	-	-	-	57,421	
6,317,362	1,625,799	-	-	117,238,861	
-	47,455	1,549,008	247,852	17,947,813	
80,467	-	-	4,002,274	11,760,452	
2,613,620	1,136,767	57,566	6,137,243	45,764,157	
\$ 9,620,698	\$ 10,707,913	\$ 4,598,366	\$ 10,387,369	\$ 724,615,005	

Summary of Statement of Revenues, Expenses, and Changes in Net Position - 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	\$ 15,775,222	\$ 2,349,867	\$ 3,638,677	\$ 2,546,661
Other	3,490,302	879,851	4,863,544	1,148,956
Total operating revenues	19,265,524	3,229,718	8,502,221	3,695,617
Operating expenses:				
Instruction	3,674,461	418,552	315,347	-
Research	214,244	-	136,104	-
Public service	88,652	172,422	729,768	-
Academic support	1,228,098	1,567,395	2,932,830	-
Student services	57,396	12,054	1,202,072	-
Institutional support	4,845,495	401,596	2,333,631	844,279
Operation and maintenance of plant	436,062	148,813	24,145	-
Scholarships & fellowships	6,085,457	122,700	47,717	-
Auxiliary enterprises	616,449	-	41,862	-
Depreciation	482,998	19,334	5,586	42,396
Independent operations	-	-	-	-
Other	3,171,606	-	-	3,217,056
Total operating expenses	20,900,918	2,862,866	7,769,062	4,103,731
Operating gain/(loss)	(1,635,394)	366,852	733,159	(408,114)
Non-operating revenues and expenses:				
Net investment revenue (expense)	37,935,023	3,003,008	2,246,957	591,315
Interest on capital asset related debt	(285,247)	-	-	-
Other non-operating revenue	6,800,361	-	-	-
Other non-operating expense	-	-	(5,162,507)	-
Net non-operating revenues	44,450,137	3,003,008	(2,915,550)	591,315
Income before other revenues	42,814,743	3,369,860	(2,182,391)	183,201
Other revenues:				
Capital grants and contributions	10,739,341	-	1,052,581	-
Additions to permanent endowments	30,591,003	167,178	373,922	-
Net other revenues	41,330,344	167,178	1,426,503	-
Change in net position, before transfers	84,145,087	3,537,038	(755,888)	183,201
LOC (CWMF to WMREF)	-	-	-	-
Contribution between Foundations	(24,326)	-	2,988	134,181
Transfers	(24,326)	-	2,988	134,181
Change in net position	84,120,761	3,537,038	(752,900)	317,382
Net position - beginning of year	516,138,016	35,797,725	45,403,644	4,738,993
Net position - end of year	\$ 600,258,777	\$ 39,334,763	\$ 44,650,744	\$ 5,056,375

William & Mary Athletic Educational	Virginia Institute of Marine Science Foundation	Richard Bland College Foundation	William & Mary Real Estate Foundation	Total Component Units
\$ 4,082,928 592,652	\$ 268,983 -	\$ 218,295 800,488	\$ 205,000 807,237	\$ 29,085,633 12,583,030
4,675,580	268,983	1,018,783	1,012,237	41,668,663
-	90,439	-	-	4,498,799
-	306,219	-	-	656,567
-	1,000	-	-	991,842
-	10,931	-	-	5,739,254
-	-	-	-	1,271,522
4,187,971	263,590	65,802	317,353	13,259,717
-	9,054	-	-	618,074
-	63,056	162,242	-	6,481,172
-	-	-	211,734	870,045
21,441	-	-	215,653	787,408
-	-	-	229,456	229,456
-	30,553	931,195	-	7,350,410
4,209,412	774,842	1,159,239	974,196	42,754,266
466,168	(505,859)	(140,456)	38,041	(1,085,603)
42,439	900,332	475,407	8,293	45,202,774
-	-	-	-	(285,247)
-	-	-	-	6,800,361
-	-	-	-	(5,162,507)
42,439	900,332	475,407	8,293	46,555,381
508,607	394,473	334,951	46,334	45,469,778
-	-	-	-	11,791,922
-	916,062	59,294	-	32,107,459
-	916,062	59,294	-	43,899,381
508,607	1,310,535	394,245	46,334	89,369,159
-	-	-	-	-
(112,843)	-	-	-	-
(112,843)	-	-	-	-
395,764	1,310,535	394,245	46,334	89,369,159
9,224,934	9,397,378	4,204,121	10,341,035	635,245,846
\$ 9,620,698	\$ 10,707,913	\$ 4,598,366	\$ 10,387,369	\$ 724,615,005

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	\$ 2,852,451	\$ 614,172	\$ -	\$ 4,985,023	\$ 6,401	\$ -	\$ 3,202,115	\$ 11,660,162
U.S. treasury and agency securities	16,862,051	-	-	-	-	-	-	16,862,051
Common and preferred stocks	227,928	-	470,955	982,414	-	-	795,933	2,477,230
Notes receivable	1,432,860	-	-	-	-	-	-	1,432,860
Pooled investments	410,692,641	30,026,985	22,014,421	-	-	9,643,706	-	472,377,753
Real estate	987,982	-	-	-	100,000	-	-	1,087,982
Other	532,396	-	435,389	-	82,377	-	-	1,050,162
Total								
Investments	<u>\$ 433,588,309</u>	<u>\$ 30,641,157</u>	<u>\$ 22,920,765</u>	<u>\$ 5,967,437</u>	<u>\$ 188,778</u>	<u>\$ 9,643,706</u>	<u>\$ 3,998,048</u>	<u>\$ 506,948,200</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	\$ 19,819,129	\$ 1,769,189	\$ 9,840,533	\$ 2,509,386	\$ 461,971	\$ 41,045	\$ 34,441,253
Less:							
Allowance for uncollectibles	(1,403,788)	(173,882)	(969,000)	(562,726)	-	(256)	(3,109,652)
Discounting to present value	(345,771)	(48,940)	(749,240)	(178,682)	(3,178)	-	(1,325,811)
Net pledges receivable	18,069,570	1,546,367	8,122,293	1,767,978	458,793	40,789	30,005,790
Less:							
Current pledges receivable	(6,279,879)	(826,940)	(3,687,321)	(237,161)	(232,713)	(40,789)	(11,304,803)
Total non-current pledges receivable	<u>\$ 11,789,691</u>	<u>\$ 719,427</u>	<u>\$ 4,434,972</u>	<u>\$ 1,530,817</u>	<u>\$ 226,080</u>	<u>\$ -</u>	<u>\$ 18,700,987</u>

Capital Assets

	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	William & Mary Real Estate Foundation	Total
Nondepreciable:							
Land	\$ 3,365,927	\$ 262,916	\$ -	\$ -	\$ -	\$ 2,712,138	\$ 6,340,981
Construction in progress	-	-	-	-	-	-	-
Historical treasures and inexhaustable works of art	5,911,740	58,711	-	31,800	-	-	6,002,251
Total nondepreciable capital assets	<u>\$ 9,277,667</u>	<u>\$ 321,627</u>	<u>\$ -</u>	<u>\$ 31,800</u>	<u>\$ -</u>	<u>\$ 2,712,138</u>	<u>\$ 12,343,232</u>
Depreciable:							
Building	\$ 7,418,334	\$ -	\$ -	\$ -	\$ -	\$ 10,330,608	\$ 17,748,942
Equipment, vehicles and furniture	6,931,540	135,628	94,850	470,394	108,056	170,126	7,910,594
Improvements, other than building	338,138	-	-	388,658	-	-	726,796
	14,688,012	135,628	94,850	859,052	108,056	10,500,734	26,386,332
Less accumulated depreciation	(6,965,972)	(97,953)	(84,435)	(699,389)	(27,589)	(406,752)	(8,282,090)
Total depreciable capital assets	<u>\$ 7,722,040</u>	<u>\$ 37,675</u>	<u>\$ 10,415</u>	<u>\$ 159,663</u>	<u>\$ 80,467</u>	<u>\$ 10,093,982</u>	<u>\$ 18,104,242</u>

Long-term Liabilities

	The College of William & Mary Foundation	Richard Bland College Foundation	William & Mary Real Estate Foundation	Total
Compensated absences	\$ 131,895	\$ -	\$ -	\$ 131,895
Notes payable	3,669,558	-	3,717,120	7,386,678
Bonds payable	8,090,000	24,437,308	4,783,075	37,310,383
Trust & Annuity Obligations	3,023,429	-	-	-
Other liabilities	16,259,743	-	-	16,259,743
Total long-term liabilities	31,174,625	24,437,308	8,500,195	61,088,699
Less current portion	(1,236,138)	(581,252)	(238,584)	(2,055,974)
Total long-term liabilities	<u>\$ 29,938,487</u>	<u>\$ 23,856,056</u>	<u>\$ 8,261,611</u>	<u>\$ 62,056,154</u>

THE COLLEGE OF WILLIAM AND MARY FOUNDATION

Long-term Liabilities

On June 25, 2001, Reliance 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 REF. This line of credit has been increased to \$3,000,000 with all principal and accrued interest due and payable on June 29, 2013. Interest only, which accrues daily at the one month LIBOR Market Index Rate plus 1.35%, is payable monthly. The amount outstanding was \$2,145,000 at June 30, 2013 and 2012. Interest paid during the years ended June 30, 2013 and 2012, was \$31,937 and \$34,623, respectively. On July 1, 2013 the due date was extended to June 29, 2014.

During the fiscal year ended June 30, 2009, the Foundation entered into a borrowing arrangement with SunTrust Bank in the amount of \$2,636,140 for renovation of the College's Admissions Office. The terms of the loan were revised during the fiscal year ended June 30, 2011. Under the revised terms, interest accrues at a rate of 4.99% and is payable monthly. Principal is payable annually over a ten year term, with the final amount due on February 1, 2021. SunTrust is granted a security interest in all deposits and investments maintained with SunTrust and any of its affiliates. The balance outstanding at June 30, 2013 and 2012 was \$2,206,276 and \$2,426,419, respectively. Interest paid during the fiscal years ended June 30, 2013 and 2012, on the loans was \$119,097 and \$130,217, 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. SunTrust is granted a security interest in all deposits and investments maintained with SunTrust and any of its affiliates. The balance outstanding at June 30, 2013 and 2012 was \$904,000 and \$1,182,000, respectively. Interest paid during the fiscal years ended June 30, 2013 and 2012, on the loans was \$42,948 and \$52,196, respectively.

In December 2011, the Foundation and CWMF Ventures entered into a joint borrowing arrangement with SunTrust Bank to fund certain costs of unwinding the interest rate swap and various costs associated with refinancing the variable rate bonds referred to below (Note 16). Interest accrues at a rate of 3.73%. Payments of interest and principal are due quarterly, with the final payment due December 23, 2021. SunTrust is granted a security interest in all deposits and investments maintained with SunTrust and any of its affiliates. The balance outstanding at June 30, 2013 and 2012 was \$559,282 and \$614,205, respectively. Interest paid during the fiscal year ended June 30, 2013 and 2012 was \$22,457 and \$12,025, respectively.

Bonds Payable

In December 2006, the Economic Development Authority of James City County, Virginia ("Authority") issued variable rate revenue bonds in the amount of \$9,070,000 ("Series 2006 Bonds") and loaned the proceeds from the sale of the Series 2006 Bonds to the Foundation and CWMF Ventures. The Series 2006 Bonds financed 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. Interest on the Series 2006 Bonds was 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, was the minimum interest rate required to sell the Series 2006 Bonds at a price of par on the applicable date. During the term of the bonds, the Foundation and CWMF Ventures had the option to direct a change in the type of interest period by delivering written notice to the trustee and remarketing agent.

The Series 2006 Bonds bore a stated maturity date, subject to prior redemption or purchase, of December 1, 2036. The Foundation and CWMF Ventures redeemed in full the Series 2006 Bonds on January 16, 2012 with the proceeds from a revenue refunding bond as described below. The remaining unamortized discount on the original sale of the Series 2006 Bonds in the amount of \$34,350 was expensed. Interest paid to bondholders for the years ended June 30, 2013 and 2012, was \$0 and \$22,253, respectively.

The Series 2006 Bonds were also secured by an irrevocable direct pay 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 provided for automatic one-year extensions through December 31, 2036, unless SunTrust provided at least two years notice of its intent to terminate. SunTrust provided such notice that the letter of credit would expire December 31, 2011. The expiration date was subsequently extended to April 1, 2012. The terms of the letter of credit also required 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 Series 2006 Bonds were secured by the pledge of all right, title and interest in those Series 2006 Bonds. Unreimbursed draws under the letter of credit bore interest at the rate of LIBOR plus 1.50% per annum. During the years ended June 30, 2012, 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 Series 2006 Bondholders. The letter of credit and related documents were terminated in January 2012 in connection with the redemption of the Series 2006 Bonds. The total interest paid on the letter of credit during the fiscal year ended June 30, 2012, was \$0.

In December 2011, the Authority issued a revenue refunding bond in the amount of \$8,090,000 ("Series 2011 Bond"), and loaned the proceeds to the Foundation and CWMF Ventures ("Obligors"). The Series 2011 Bond was acquired by SunTrust Bank, as Series 2011 Bondholder. Proceeds from sale of the Series 2011 Bond were used to redeem the Series 2006 Bonds. The Series 2011 Bond bears interest at a fixed rate of 2.96% per annum, subject to the put rights of the Series 2011 Bondholder as described below, and interest payments are due quarterly on each January 1, April 1, July 1 and October 1. The Series 2011 Bondholder has the option to tender the Series 2011 Bond for payment on December 1, 2021, the first optional put date, unless extended under the terms of the loan agreement to not earlier than December 1, 2026. An additional extension may be made to not earlier than December 1, 2031. The Obligors are required to maintain assets so that on each June 30, unrestricted and temporarily restricted net assets shall exceed 200% of the total funded debt. The face value of Series 2011 Bonds outstanding at June 30, 2013 and 2012 was \$8,090,000.

During the fiscal year ended June 30, 2009, the Foundation executed an interest rate swap on a \$7,000,000 notional amount. The Foundation used this interest-rate derivative instrument to manage its interest rate exposure on a portion of the Series 2006 Bonds. The Foundation does not enter into derivative instruments for any purpose other than to mitigate the impact of changes in interest rates on its cash flows. The Foundation made monthly payments at a fixed annual rate of 2.05%, and received monthly payments at a floating rate based on 67% of the one month LIBOR. The interest rate swap was terminated in December 2011 at a cost of \$534,580.

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 and was terminated in November 2011. The amount available under the agreement could be used for loans and for letters of credit. Interest rate on the facility was the 30-day LIBOR plus 2.50%, with a minimum of 3%. The Foundation guaranteed up to \$2,500,000, and members of the C.C. Casey Limited Company (the "Casey Group") guaranteed up to \$2,500,000. The letters of credit were issued to guarantee the completion of site improvements as required by James City County. Upon completion of those improvements, these letters of credit were terminated, with no residual liability.

During the fiscal year ended June 30, 2012 New Town Associates entered into two financing arrangements, with Chesapeake Bank and SunTrust Bank, to replace its borrowing agreement with SunTrust Bank. The Chesapeake Bank agreement is a \$3,000,000 line of credit available for the issuance of loans and letters of credit, and is secured by a lien on New Town Associates' commercial land and improvements, as well as the assignment of rents, profits and leases. This facility bears an interest rate of 5.5%, and matures November 22, 2015. The Foundation guarantees 50% of the balance of the Chesapeake facility, not to exceed \$1,500,000. As of June 30, 2013 and 2012 the principal amount outstanding under this note was \$2,132,536 and \$2,192,526, respectively. Letters of credit outstanding under this facility totaled \$0 and \$606,000 at June 30, 2013 and 2012, respectively.

The SunTrust Bank agreement is a \$2,000,000 unsecured line of credit available for the issuance of loans and letters of credit. The SunTrust facility bears an interest rate equal to the three-month LIBOR Rate plus 2.50% with a minimum of 3%, and matures on October 31, 2013. Each of the Foundation and the Casey Group guarantees the full

amount outstanding under the facility. However, a separate mutual indemnity agreement has been executed between the guarantors whereby each of the Foundation and the Casey Group will reimburse the other should the amount paid by a guarantor group in connection with the guaranty exceed 50%. As a result the Foundation's ultimate liability under the guaranty is limited to 50%. As of June 30, 2013 and 2012 the principal amount of loans outstanding under the SunTrust agreement was \$0 and \$129,911, respectively. Letters of credit outstanding under this agreement totaled \$432,000 and \$1,398,950 at June 30, 2013 and 2012, respectively.

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 total cost of the Project was approximately \$75 million. In order to finance the cost of construction and equipping the building, two bond series were issued by the College - 2008 Series A bonds for \$23,650,000, and 2009 Series A bonds for \$23,650,000.

By the terms of the Reimbursement Agreement, the Foundation must reimburse the College for its portion of the 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 and fees of any financial institution providing credit support. 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.

By the terms of the bond issue, the Foundation has no direct obligation for payment of the 2008 Series A bonds.

The 2009 Series A bonds have a seven-year term, with principal payments due annually beginning in 2012 and interest payments due biannually. The Foundation paid to the College \$661,433 in interest payments and \$4,485,000 in principal during 2013.

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 County, 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 was refinanced in October 2012 to lower the interest rate charged to the Foundation. The loan agreement interest rate was 4.23% and refinanced to 2.40010. The interest rate will adjust at the ten year anniversary of the refinancing and every 5 years thereafter at 70010 of the 5-year U. S. Treasury Note plus 120 basis points. 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.

Investment in Direct Financing Lease

The Foundation has an investment in a direct financing lease in connection with its long-term leasing arrangement with the College. The terms of the lease include the leasing of a student housing facility located in Dinwiddie, Virginia originally constructed by the Foundation for the College. The lease is due in semi-annual installments and expires in August 2038.

WILLIAM & MARY REAL ESTATE FOUNDATION

Tribe Square

The Foundation develops and owns a mixed use property known as Tribe Square, which consists of one floor retail space and two floors student housing. Construction was completed and the building was put into service during 2012. The Foundation is party to a commercial management agreement dated December 6, 2010 with an agent to manage the property on behalf of the Foundation. The agreement is for a one-year term ending July 31, 2013, 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. The Foundation has executed four lease agreements for tenants in the first floor retail area, which is fully occupied. The student housing space is being leased to the College.

The Foundation leases the Tribe Square student housing to the College pursuant to a lease agreement dated August 1, 2011 for a five-year term ending June 30, 2016, with an automatic renewal for an additional five year term ending on June 30, 2021. Annual base rent is \$459,816, payable in two equal installments, with the first installment due on the commencement date, and each semi-annual installment thereafter due on September 1 and March 1 of each lease year. The base rent may be increased annually by a percentage equal to the increase in the Consumer Price Index. In no event shall the base rent be less than the base rent payable for the preceding year. Rental income received under this lease was \$467,633 and \$410,685 for 2013 and 2012, respectively.

Discovery II

During 2013, the Foundation purchased property held and referred to as Discovery II. The property is being operated as College office space. The Foundation entered into a commercial management agreement dated April 11, 2013 with an agent to manage the property on behalf of the Foundation. The agreement is for a one year term beginning on April 20, 2013 and ending on March 31, 2014, 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 \$10,800 per annum. At year-end, the Foundation has executed a lease agreement with the College in the building.

Beginning in 2013, the Foundation began leasing the Discovery II office space to the College. The Foundation entered into a lease agreement with the College dated May 18, 2013 for a sixty-two month term commencing May 1, 2013 and ending June 30, 2018 with the right to renew the lease for up to five additional consecutive one-year terms. Annual base rent is \$382,200, payable in 12 equal installments, with the first installment due on the commencement date, and each monthly installment thereafter due on the first business day of the month. The base rent may be increased annually by two percent. Rental income received under this lease was \$77,002 for 2013.

Bonds Payable

The Foundation closed a tax-exempt student housing facilities revenue bond, dated September 16, 2011. The bond bears interest at a fixed rate of 3.75%. Required monthly payments of principal and interest total \$25,855. The outstanding principal balance is \$4,783,075 at June 30, 2013.

The bond was issued through the Economic Development Authority of the City of Williamsburg for a principal amount of \$5 million. The proceeds of this bond were used to finance the costs to acquire, construct, and equip the student apartment portion of Tribe Square, and pay certain expenses of issuing the bond. The bond is secured by the rents and revenues of Tribe Square, and the property itself.

The bond, which is bank held, has an option for the bank to require the Foundation to repurchase the bond once the bond is 10 years past the issuance date. If this option is exercised the Foundation would pay the aggregate unpaid principal plus accrued interest through the date of such payment. The bank must give the Foundation 120 days' notice prior to the tender date if this option is exercised.

Promissory Note

The Foundation obtained a promissory note, dated June 3, 2013, ten (10) year term. The note bears interest at a fixed rate of 3.22%. Required monthly payments of principal and interest total \$18,007. The outstanding principal balance is \$3,689,000 at June 30, 2013.

The promissory note was issued through a private lender for a principal amount of \$3,689,000. The proceeds of this note were used to finance the costs to acquire Discovery II, and pay certain expenses of issuing the note. The note is secured by the rents and revenues of Discovery II, and the property itself. A balloon payment in the amount of \$2,570,410 is due at note maturity on June 1, 2023. Prepayments made within the first thirty-six months of the loan are subject to a penalty of 1% of the prepayment amount.

Demolition Loans

The Foundation obtained demolition loans, dated February 15, 2013. The loans are secured by deed of trust. The loans bear no interest and will be forgiven on a dollar-for-dollar basis to the extent of real estate taxes assessed on the improvements made to certain real estate. The outstanding principal balance is \$28,120 at June 30, 2013.

Commitments and Contingencies

In June 2013, the Foundation entered in an agreement with a contractor for work to be done on Discovery II. Construction began on July 8, 2013 and should be substantially complete by December 11, 2013. The total contract price is \$283,301. All costs under this contract will be paid by the Foundation and then reimbursed by the College over a sixty-two month term.

15. 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 \$65,285,353 for the year ended June 30, 2013. Total payroll costs were \$168,839,958 for the year ended June 30, 2013.

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 \$5,782,656 for the year ended June 30, 2013. These contributions represent approximately 8.76 percent for state employees and 14.80 percent for VaLORS employees of covered payroll for the period July 2012 to June 2013.

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, 2013. 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 8.50 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.

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 \$ 7,547,371 for the year ended June 30, 2013. Contributions to the optional retirement plans were calculated using the base salary amount of \$74,497,317 for fiscal year 2013. The College of William and Mary and Richard Bland College's total payroll for fiscal year 2013 was \$168,839,958.

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 \$20 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 \$705,983 for fiscal year 2013.

16. 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.

17. 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, 2013, the College estimates that no material liabilities will result from such audits.

Litigation

The College is not involved in any litigation at this time.

18. 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.

Board of Visitors

Resolution 9

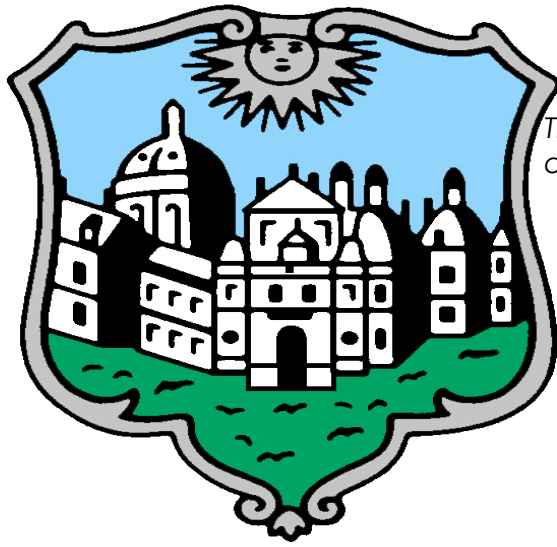
November 20-22, 2013

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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, 2013**

The summarized Financial Report of the Intercollegiate Athletic Department for the fiscal year ended June 30, 2013, 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 Unaudited Financial Report of Intercollegiate Athletics for the Year Ended June 30, 2013 (*see separate booklet*), 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, 2013**

THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA
Williamsburg, VA

BOARD OF VISITORS

As of June 30, 2013

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

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Todd A. Stottlemeyer
Michael Tang
John Charles Thomas

COLLEGE OFFICIALS

W. Taylor Reveley III, President

Edward C. Driscoll, Director of Intercollegiate Athletics Programs

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, 2013

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THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA
SCHEDULE OF REVENUES AND EXPENSES OF
INTERCOLLEGIATE ATHLETIC PROGRAMS
For the Year Ended June 30, 2013

	Football	Men's Basketball	Women's Basketball	Other* Sports	Non-Program Specific	Total
Operating revenues:						
Student fees					\$ 11,125,135	\$ 11,125,135
Contributions (Note 2)	\$ 1,803,272	\$ 359,998	\$ 116,604	\$ 750,894	287,356	3,318,124
Endowment and investment income (Note 3)	705,118	182,626	125,605	836,685	83,440	1,933,474
Ticket sales	610,768	150,839	8,310	36,619	-	806,536
Guarantees	250,000	246,400	23,225	24,416	-	544,041
Direct institutional support	626	9	29	55,026	-	55,690
Indirect facilities and administrative support	326,820	34,930	16,153	356,235	74,389	808,527
NCAA/conference distributions	208,575	290,291	81,460	645,188	138,499	1,364,013
Broadcast, television, radio & internet rights	-	-	-	-	11,713	11,713
Program sales, concessions, novelty sales & parking	66,944	3,485	677	187	-	71,293
Royalties, advertisements and sponsorships	321,611	76,150	51,825	65,703	233,405	748,694
Sports camp revenues	-	-	-	2,303	40,164	42,467
Other	19,334	2,302	2,250	307,234	142,295	473,415
Subtotal operating revenues	4,313,068	1,347,030	426,138	3,080,490	12,136,396	21,303,122
Operating expenses:						
Athletics student aid	2,331,805	561,234	624,641	3,912,412	28,050	7,458,142
Guarantees	-	4,279	2,500	18,175	-	24,954
Coaching salaries, benefits, & bonuses paid by the College and related entities	1,013,765	616,196	318,323	1,759,789	-	3,708,073
Support staff/administrative salaries, benefits, and bonuses paid by the College and related entities	52,879	61,010	52,775	3,208	2,837,100	3,006,972
Severance payments	26,913	-	17,693	23	3,972	48,601
Recruiting	157,258	81,969	38,226	143,555	310	421,318
Team travel	304,383	163,258	151,346	901,603	550	1,521,140
Equipment, uniforms and supplies	141,696	38,380	21,378	321,142	42,082	564,678
Game expenses	186,041	133,727	71,383	352,913	-	744,064
Fund raising, marketing and promotion	2,415	-	1,398	6,567	357,179	367,559
Direct facilities, maintenance and rental	680,040	-	-	467,212	31,721	1,178,973
Spirit groups	-	-	-	-	26,815	26,815
Indirect facilities and administrative support	326,820	34,930	16,153	356,235	74,389	808,527
Medical expenses and medical insurance	-	-	129	326	406,166	406,621
Memberships and dues	-	70	800	7,050	88,984	96,904
Other operating expenses	74,348	44,788	23,514	91,691	626,812	861,153
Subtotal operating expenses	\$ 5,298,363	\$ 1,739,841	\$ 1,340,259	\$ 8,341,901	\$ 4,524,130	\$ 21,244,494
Excess (deficiency) of revenues over (under) expenses						58,628

* 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 EXPENSES OF
INTERCOLLEGIATE ATHLETIC PROGRAMS
AS OF JUNE 30, 2013

1. BASIS OF PRESENTATION

The accompanying Schedule of Revenues and Expenses of Intercollegiate Athletic Programs has been prepared on the accrual basis of accounting. The purpose of the schedule is to present a summary of revenues and expenses of the Intercollegiate Athletics Programs of the College for the year ended June 30, 2013, and includes both those intercollegiate athletics revenues and expenses under the direct accounting control of the College and those on behalf of the College's Intercollegiate Athletics Programs by outside organizations not under the College's control. Because the Schedule presents only a selected portion of the College's activities, it is not intended to, and does not present the financial position, changes in financial position, or cash flows for the year ended June 30, 2013. Revenues and expenses directly identifiable with each category of sport are presented and reported accordingly. Revenues and expenses not directly identifiable to a specific sport are reported under the category "Non-Program Specific."

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 \$3,086,705 from the AEF during the year ended June 30, 2013.

The AEF receives directly from various individuals and businesses donations in the form of goods or services for the athletic program. The College received \$231,419 from individuals and businesses in donations during the year ended June 30, 2013.

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 Foundation's budgetary restrictions. The College received \$1,933,474 of endowment and investment income from the Foundation for the benefit of the Intercollegiate Athletics Department for the year ended June 30, 2013.

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 \$5,000.

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, 2013 is as follows:

Depreciable capital assets:	
Buildings	\$28,260,147
Improvements other than Buildings	1,051,718
Infrastructure	2,628,105
Equipment	<u>2,566,174</u>
Total depreciable capital assets	<u>34,506,144</u>
Less Accumulated depreciation for:	
Buildings	10,107,652
Improvements other than Buildings	327,318
Infrastructure	2,038,647
Equipment	<u>1,630,806</u>
Total accumulated depreciation	<u>14,104,423</u>
Total capital assets, net	<u><u>\$20,401,721</u></u>

5. LONG-TERM DEBT

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

<u>Description</u>	Interest Rates (%)	Maturity	Balance as of June 30, 2013	% used by Athletics	Athletics Balance June 30, 2013
Section 9(d) Bonds:					
William and Mary Hall, Series 2004B	3.000-5.000	2016	560,000	85%	\$ 476,000
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	45,000	15%	6,750
Recreation Sports Center, Series 2004A	3.500-5.000	2025	710,000	15%	106,500
Recreation Sports Center, Series 2005A	3.500-5.000	2026	665,000	15%	99,750
Recreation Sports Center, Series 2010B	2.000-5.000	2021	220,000	15%	33,000
Recreation Sports Center, Series 2012A	3.000-5.000	2024	315,000	15%	47,250
Recreation Sports Center, Series 2012A	3.000-5.000	2025	4,585,000	15%	687,750
Recreation Sports Center, Series 2012A	3.000-5.000	2025	1,225,000	15%	183,750
Improve Athletics Facilities, Series 2005A	3.500-5.000	2026	920,000	100%	920,000
Improve Athletics Facilities, Series 2006A	3.000-5.000	2027	620,000	100%	620,000
Improve Athletics Facilities, Series 2012A	3.000-5.000	2025	1,655,000	100%	1,655,000
J. Laycock Football Facility, Series 2006A	3.000-5.000	2027	4,460,000	100%	4,460,000
Busch Field Astroturf Replacement 2009B	3.000-5.000	2030	1,290,000	100%	1,290,000
Total					<u>\$ 10,726,000</u>

Long-term debt matures as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2014	640,500	486,520
2015	678,500	453,545
2016	707,000	418,908
2017	745,750	382,589
2018	783,000	344,896
2019-2023	3,699,750	1,184,492
2024-2028	3,256,500	290,544
2029-2033	215,000	10,875
Total	<u>\$ 10,726,000</u>	<u>\$ 3,572,369</u>

6. INDIRECT COSTS

The College recovers a percentage of each auxiliary enterprise's expenses, including athletics, to cover overhead costs such as utilities and custodial services. In the fiscal year ended June 30, 2013 the overhead rate charged to athletics and other auxiliary enterprise was 25.63% percent. This amount is included in other operating expenses, under the category "Non-Program Specific."

November 20-22, 2013

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**THE COLLEGE OF WILLIAM AND MARY
2013-2014 OPERATING BUDGET SUMMARY**

	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/13
CASH CARRYFORWARD		\$ 664,424		
REVENUE				
General Funds				
Educational/General	\$ 36,086,016	\$ 38,683,090	\$ 40,103,422	\$ 9,585,863
Student Aid	3,801,479	3,847,618	4,109,422	4,109,422
Sponsored Programs	414,000	75,000	1,800,000	18,278
Nongeneral Funds				
Educational/General	114,126,476	120,589,629	123,160,708	65,280,695
Student Aid	16,473,331	18,690,072	20,954,188	20,954,188
Auxiliary Enterprise	85,844,824	89,013,446	91,250,986	38,219,357
Sponsored Programs	27,815,177	27,402,589	31,850,000	10,263,229
Private Funds	11,980,923	12,444,159	11,490,604	1,597,972
Total Revenue	\$ 296,542,226	\$ 311,410,027	\$ 324,719,330	\$ 150,029,004
EXPENDITURES				
Instruction	\$ 83,738,512	\$ 90,600,992	\$ 93,756,035	\$ 25,303,809
Research	1,211,472	1,423,050	1,293,086	488,750
Public Service	57,936	37,710	55,176	24,046
Academic Support	24,459,412	26,193,818	26,748,589	7,390,027
Student Services	8,844,961	7,832,816	8,515,752	2,224,567
Institutional Support	21,571,241	24,331,497	24,708,358	8,889,293
Plant Operations	16,366,345	16,700,047	18,280,191	5,223,493
Student Aid	23,280,397	25,809,455	28,986,956	27,032,098
Auxiliary Enterprise	82,083,973	84,254,699	89,122,543	22,422,616
Sponsored Programs	28,229,177	27,477,589	33,650,000	10,281,507
Total Expenditures	\$ 289,843,426	\$ 304,661,673	\$ 325,116,686	\$ 109,280,206

**The College of William and Mary
Education and General
2013-2014 Operating Budget Summary**

	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/13
CASH CARRYFORWARD	\$0	\$664,424	\$0	\$0
REVENUE:				
General Funds	36,086,016	38,683,090	40,103,422	9,585,863
Nongeneral Funds	114,126,476	120,589,629	123,160,708	65,280,695
Total Revenue	\$150,212,492	\$159,272,719	163,264,130	74,866,558
AVAILABLE FUNDS	\$150,212,492	\$159,937,143	\$163,264,130	\$74,866,558
EXPENDITURES:				
Instruction	\$82,924,339	\$89,631,856	\$92,324,109	25,153,259
Research	955,879	988,456	958,305	381,308
Public Service	8,277	8,021	8,021	800
Academic Support	23,978,107	25,728,886	25,400,171	6,937,039
Student Services	8,686,997	7,704,498	8,400,111	2,197,514
Institutional Support	16,680,484	18,780,538	17,946,413	6,303,548
Plant Operations	16,318,181	16,633,400	18,227,000	5,058,295
Total Expenditures	\$149,552,264	\$159,475,655	\$163,264,130	\$46,031,763

**The College of William and Mary
Student Financial Assistance*
2013-2014 Operating Budget Summary**

	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/13
REVENUE:				
General Funds	\$3,801,479	\$3,847,618	\$4,109,422	\$4,109,422
Nongeneral Funds	16,473,331	18,690,072	20,954,188	20,954,188
Auxiliary Enterprises	0	0	500,000	500,000
Total Revenue	\$20,274,810	\$22,537,690	\$25,563,610	\$25,563,610
EXPENDITURES:				
	\$20,274,810	\$22,537,690	\$25,563,610	\$25,563,610

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

Board of Visitors

November 20-22, 2013

Enclosure G

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The College of William and Mary
Education and General
2013-2014 Operating Budget Summary

	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/13
CASH CARRYFORWARD	\$0	\$664,424	\$0	\$0
REVENUE				
General Funds	36,086,016	38,683,090	40,103,422	9,585,863
Nongeneral Funds	114,126,476	120,589,629	123,160,708	65,280,695
TOTAL REVENUE	\$150,212,492	\$159,272,719	\$163,264,130	\$74,866,558
AVAILABLE FUNDS	\$150,212,492	\$159,937,143	\$163,264,130	\$74,866,558
EXPENDITURES				
<u>Instruction</u>				
Personal Services	\$77,055,642	\$82,717,012	\$84,260,707	\$24,062,195
Contractual Services	2,988,256	3,098,512	4,084,280	539,696
Supplies and Materials	699,638	856,361	943,075	123,196
Transfer Payments	1,152,384	1,283,973	1,184,728	93,716
Continuous Charges	383,655	478,551	477,757	81,876
Property & Improvements	99,456	372	100,000	14,219
Equipment	545,307	1,197,075	1,273,562	238,361
Indirect Costs	0	0	0	0
TOTAL	\$82,924,339	\$89,631,856	\$92,324,109	\$25,153,259

Board of Visitors

November 20-22, 2013

Enclosure G

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	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/13
<u>Research</u>				
Personal Services	\$649,918	\$667,042	\$655,774	\$190,958
Contractual Services	55,457	93,664	51,746	(4,614)
Supplies and Materials	1,944	2,789	520	1,097
Transfer Payments	246,465	214,665	244,965	193,065
Continuous Charges	556	431	300	0
Property & Improvements	6	458	0	0
Equipment	1,533	9,408	5,000	802
TOTAL	\$955,879	\$988,456	\$958,305	\$381,308
<u>Public Service</u>				
Personal Services	\$0	\$0	\$760	\$0
Contractual Services	7,171	5,042	5,784	650
Supplies and Materials	105	625	477	0
Continuous Charges	1,000	2000	1,000	0
Equipment	0	354	0	150
TOTAL	\$8,277	\$8,021	\$8,021	\$800
<u>Academic Support</u>				
LIBRARIES:				
Personal Services	\$5,289,202	\$5,494,314	\$5,805,286	\$1,596,911
Contractual Services	1,292,468	683,617	926,061	76,092

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	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/13
Supplies and Materials	37,542	55,212	38,658	8,308
Continuous Charges	8,020	8,058	5,000	1,572
Equipment	3,119,663	3,982,699	3,745,809	711,552
TOTAL	\$9,746,895	\$10,223,900	\$10,520,814	\$2,435,982
OTHER ACAD. SUPPORT:				
Personal Services	\$11,556,501	\$12,365,613	\$11,980,425	\$3,597,757
Contractual Services	1,720,289	1,965,316	1,940,395	633,761
Supplies and Materials	117,588	77,017	91,701	17,294
Transfer Payments	140,491	133,922	123,506	93,451
Continuous Charges	157,112	246,838	140,167	69,171
Property & Improvements	3,045	2804	0	610
Equipment	536,186	713,476	603,163	130,560
TOTAL	\$14,231,211	\$15,504,986	\$14,879,357	\$4,542,604
TOTAL ACADEMIC SUPPORT	\$23,978,106	\$25,728,886	\$25,400,171	\$6,978,586

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	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/13
<u>Student Services</u>				
Personal Services	\$7,372,765	\$6,403,749	\$7,170,632	\$1,801,727
Contractual Services	1,022,977	1,013,317	912,655	317,860
Supplies and Materials	162,449	132,390	154,059	36,407
Transfer Payments	65,654	92,688	69,039	31,869
Continuous Charges	13,953	7,935	4,150	5,759
Property & Improvements	415	208	0	0
Equipment	48,784	54,211	89,576	3,892
TOTAL	\$8,686,997	\$7,704,498	\$8,400,111	\$2,197,514
<u>Institutional Support</u>				
Personal Services	\$13,569,653	\$16,158,037	\$15,084,501	\$4,534,289
Contractual Services	1,614,527	1,770,958	1,828,916	379,769
Supplies and Materials	168,925	236,124	168,216	495,312
Transfer Payments	80,088	86,580	72,490	37,117
Continuous Charges	1,016,519	182,247	569,319	798,206
Property & Improvements	3,651	964	0	0
Equipment	227,097	345,628	222,971	58,855
VIMS Service Centers	25	0	0	0
TOTAL	\$16,680,484	\$18,780,538	\$17,946,413	\$6,303,548

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	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/13
<u>Plant Operations</u>				
Personal Services	\$4,342,843	\$2,010,486	\$5,433,723	\$911,586
Contractual Services	5,315,745	8,602,463	5,617,591	2,095,811
Supplies and Materials	1,762,157	1,456,104	1,631,635	277,138
Transfer Payments	1,713	894	0	216
Continuous Charges	4,844,830	4,371,446	5,069,592	1,660,740
Property & Improvements	51,419	40,378	144,575	39,845
Equipment	(525)	151,629	329,884	72,959
TOTAL	\$16,318,182	\$16,633,400	\$18,227,000	\$5,058,295
E&G PROGRAM TOTAL	\$149,552,264	\$159,475,655	\$163,264,130	\$46,073,310

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**The College of William and Mary
Auxiliary Enterprise
2013-2014 Operating Budget Summary**

	<u>2011-2012 Actual</u>	<u>2012-2013 Actual</u>	<u>Approved 2013-2014 Budget</u>	<u>Year to Date Through 9/30/2013</u>
REVENUE				
Residence Life	\$24,293,056	\$26,065,960	\$26,222,000	\$12,581,122
Food Service	14,806,373	15,977,777	16,520,313	6,879,747
Telecom/Network	3,584,150	3,690,407	3,515,230	1,415,113
Student Unions	2,898,509	2,945,351	2,889,506	1,386,956
W&M Hall	2,363,126	2,382,241	2,340,000	1,146,000
Athletics	19,452,717	20,159,427	21,227,500	6,998,846
Other	<u>18,446,893</u>	<u>17,792,283</u>	<u>18,536,437</u>	<u>7,811,573</u>
Total Revenue	\$85,844,824	\$89,013,446	\$91,250,986	\$38,219,357
EXPENDITURES				
Residence Life	\$22,958,496	\$24,260,880	\$26,222,000	\$7,079,824
Food Service	13,595,181	14,311,678	15,485,411	1,328,890
Telecom/Network	3,569,041	3,358,800	3,411,615	648,102
Student Unions	2,925,710	2,741,666	2,749,035	751,946
W&M Hall	2,075,466	1,906,806	2,340,000	618,534
Athletics	19,367,785	19,965,771	21,227,500	6,930,704
Other	<u>17,592,294</u>	<u>17,709,098</u>	<u>17,686,982</u>	<u>5,064,616</u>
Total Expenditures	\$82,083,973	\$84,254,699	\$89,122,543	\$22,422,616

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**The College of William and Mary
Sponsored Programs
2013-2014 Operating Budget Summary**

	<u>2011-2012 Actual</u>	<u>2012-2013 Actual</u>	<u>Approved 2013-2014 Budget</u>	<u>Year to Date Through 9/30/2013</u>
REVENUE				
General Fund	\$414,000	\$75,000	\$1,800,000	\$18,278
Nongeneral Fund	<u>27,815,177</u>	<u>27,402,589</u>	<u>31,850,000</u>	<u>10,263,229</u>
Total Revenue	\$28,229,177	\$27,477,589	\$33,650,000	\$10,281,507
EXPENDITURES				
	\$28,229,177	\$27,477,589	\$33,650,000	\$10,281,507

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The College of William and Mary
2013-2014 Private Funds Budget Summary

	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/2013
REVENUE:				
Distributed Endowment Income	\$2,102,696	\$2,334,953	\$2,649,604	\$661,235
Administrative Overhead Allocation	200,000	200,000	200,000	50,000
Transfers from Other Sources	518,021	451,574	255,000	295
Interest on Cash Balances	90,444	163,422	80,000	20,668
Annual Gifts	7,397,505	7,797,508	7,600,000	807,737
Drawdown from BOV Quasi Endowment	1,000,000	775,000	0	0
Distribution from External Trusts	21,210	31,617	26,000	1,791
Other Revenue	651,047	690,085	680,000	56,246
Total Revenue	\$11,980,923	\$12,444,159	\$11,490,604	\$1,597,972
EXPENDITURES:				
Instruction	\$814,173	\$969,136	\$1,431,926	\$150,550
Research	255,593	434,594	334,781	107,442
Public Service	49,659	29,689	47,155	23,246
Academic Support	481,305	464,932	1,348,418	452,988
Student Services	157,964	128,318	115,641	27,053
Institutional Support	4,890,757	5,550,959	6,761,945	2,585,745
Plant: Operations & Capital Improvements	48,164	66,647	53,191	165,198
Student Aid	3,005,587	3,271,765	3,423,346	1,468,488
Total Expenditures	\$9,703,202	\$10,916,040	\$13,516,403	\$4,980,710

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**VIRGINIA INSTITUTE OF MARINE SCIENCE
2013-2014 OPERATING BUDGET SUMMARY**

	2011-2012 Actual	2012-2013 Actual	Approved 2013-2014 Budget	Year to Date Through 9/30/13
<u>REVENUE</u>				
General Fund	\$16,941,420	\$18,091,876	\$17,736,191	\$5,951,501
Nongeneral Funds				
Educational/General	2,464,708	1,773,298	1,779,272	\$754,564
Federal Stimulus	420,304	0	0	\$0
Eminent Scholars	0	70,879	75,000	\$0
Sponsored Programs	<u>20,281,919</u>	<u>21,266,233</u>	<u>21,500,000</u>	<u>\$5,642,938</u>
Total Revenue	\$40,108,351	\$41,202,286	\$41,090,463	\$12,349,003
<u>EXPENDITURES</u>				
Instruction	\$1,393,923	\$1,370,038	\$1,710,690	\$343,626
Research and Advisory Services	7,992,794	7,833,422	\$8,377,373	\$2,391,242
Academic Support	4,279,554	4,372,007	\$3,729,132	\$1,256,804
Institutional Support	1,895,487	2,106,131	\$1,544,991	\$1,100,700
Plant Operations	3,972,685	3,847,210	\$3,986,738	\$993,906
Student Financial Assistance	238,527	238,527	\$241,540	\$59,420
Sponsored Programs	<u>20,281,919</u>	<u>21,337,112</u>	<u>\$21,500,000</u>	<u>\$5,642,938</u>
Total Expenditures	\$40,054,889	\$41,104,448	\$41,090,463	\$11,788,637



Investment Portfolio Evaluation For Periods Ending September 30, 2013



Board of Visitors Endowment

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- I. Executive Summary
- II. Equity Sector Review
- III. Fixed Income Sector Review
- IV. Capital Markets Review
- V. Green Fund Update



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Capital Markets Review

For Periods Ending September 30, 2013

Index Name	3Q13	Fiscal YTD	YTD	1 year	3 years	5 years	10 years
Dow Jones Industrial Average	2.1	5.1	17.6	15.6	14.9	9.9	7.7
NASDAQ Composite	11.2	16.2	26.2	23.1	18.3	13.9	8.8
S&P 500	5.2	8.3	19.8	19.3	16.3	10.0	7.6
S&P 500 Value	3.8	7.3	20.2	22.2	15.9	8.4	7.7
S&P 500 Growth	6.6	9.2	19.4	17.0	16.7	11.6	7.4
Russell 1000	6.0	8.8	20.8	20.9	16.6	10.5	8.0
Russell 1000 Value	3.9	7.3	20.5	22.3	16.3	8.9	8.0
Russell 1000 Growth	8.1	10.3	20.9	19.3	16.9	12.1	7.8
Russell Midcap	7.7	10.1	24.3	27.9	17.5	13.0	10.8
Russell Midcap Value	5.9	7.6	22.9	27.8	17.3	11.9	10.9
Russell Midcap Growth	9.3	12.5	25.4	27.5	17.7	13.9	10.2
Russell 2000	10.2	13.6	27.7	30.1	18.3	11.2	9.6
Russell 2000 Value	7.6	10.3	23.1	27.0	16.6	9.1	9.3
Russell 2000 Growth	12.8	17.0	32.5	33.1	20.0	13.2	9.9
Russell 3000	6.4	9.2	21.3	21.6	16.8	10.6	8.1
MSCI EAFE Index	11.6	10.8	16.6	24.3	9.0	6.9	8.5
MSCI World Index	8.3	9.2	17.8	20.9	12.5	8.5	8.2
MSCI World Ex. US Index	11.4	9.8	15.1	22.0	8.4	6.6	8.7
MSCI ACWI	8.0	7.8	14.9	18.4	10.8	8.3	8.4
MSCI ACWI ex USA	10.2	7.0	10.5	17.0	6.4	6.7	9.2
MSCI EM (EMERGING MARKETS)	5.9	(2.5)	(4.1)	1.3	0.0	7.6	13.2
MSCI FM (FRONTIER MARKETS)	6.3	9.5	18.5	22.2	4.5	(2.8)	N/A
Barclays Capital U.S. Aggregate	0.6	(1.8)	(1.9)	(1.7)	2.9	5.4	4.6
Barclays Capital U.S. Government/Credit	0.4	(2.2)	(2.3)	(2.0)	2.9	5.7	4.5
Barclays Capital Intermediate U.S. Government/Credit	0.6	(1.1)	(0.8)	(0.5)	2.4	5.0	4.1
Barclays Capital Municipal Bond	(0.2)	(3.2)	(2.9)	(2.2)	3.2	6.0	4.4
BofA Merrill Lynch Convertible Securities	7.4	9.3	17.9	20.7	11.8	12.7	7.5
BofA Merrill Lynch High Yield Master	2.3	0.9	3.8	7.0	8.8	13.2	8.6
Citigroup World Government Bond Index	2.9	(0.2)	(2.9)	(4.6)	1.0	4.3	4.8
JPM EMBI Global Diversified	0.8	(4.9)	(7.0)	(4.4)	4.8	9.7	8.4
Citigroup 3-month T-bill	0.0	0.0	0.0	0.1	0.1	0.2	1.6
HFRI Fund of Funds Composite Index	2.1	2.2	5.6	7.0	2.6	2.0	3.4
CS Tremont Managed Futures Index	(3.9)	(10.7)	(7.4)	(10.2)	(3.2)	0.0	3.3
FTSE Nareit All REITs	(2.4)	(5.7)	2.9	5.1	12.6	6.5	8.8
Dow UBS Commodity Index	2.1	(7.5)	(8.6)	(14.4)	(3.2)	(5.3)	2.1

Data Sources: Zephyr StyleAdvisor & Barclay's Capital

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By the time the third quarter began, the Fed was reversing their tapering comments that jolted the markets in the second quarter. The Fed made clear that economic data continued to warrant bond purchases at least through the end of the year. Also during the quarter, one of the two people often mentioned to succeed Ben Bernanke as Fed Chairman, Larry Summers, removed his name from consideration. Summers was widely seen as the more hawkish of the two possible candidates. The other candidate was Fed Vice Chairwoman Janet Yellen who was officially nominated in early October. Second quarter GDP had been initially announced in late July as an annualized growth rate of 1.7% and was later revised upward to 2.5%.

Credit markets have shown some signs of normalizing after the quick increase in rates that started in late-May and pushed the 10-year treasury to 3.0%. By September-end, the 10-year US Treasury closed near 2.60%. Mortgages were perhaps the greatest benefactor of the Fed's decision to continue bond purchases. This decision combined with limited originations pushed the sector higher by 1.0% for the quarter. Corporate credit also performed well, gaining 72 bps for the quarter. Intermediate maturities were the top performing bonds with a gain of 1.0%. Municipals rebounded late in the quarter with a gain of 2.2% though the overall market is down 2.9% year-to-date. Fund outflows have been fairly steady over the past several months. Some investors have taken advantage of this development considering that fundamentals have not significantly deteriorated and yields have become more attractive.

Equities ended the quarter higher though it was not a smooth ride. With each economic report that failed to impress, equities surged on the prospect that the Fed would keep printing. Finally, in mid-September, the Fed made official what had already been implied - tapering would be tabled for now and re-evaluated toward the end of the year. Small- and Mid-Cap stocks have outperformed their Large-Cap counterparts on a year-to-date basis with gains in the 27.0% to 29.5% range. As for sectors, Consumer

Discretionary (+29.7%) and Health Care (+28.8%) have led the way. International developed stocks have kept in line with the broader US market with gains in the mid- to upper-teens. Emerging markets made a strong push in September, gaining 6.5% though the index is still showing a year-to-date loss of 4.1%.

Total Portfolio: *The William & Mary Board of Visitors (BOV) Endowment* gained 5.0% for the quarter compared to 4.1% for the benchmark. All of the equity and fixed income managers posted gains for the period.

Domestic Equity: *Blackrock's Large Cap Value* gained 4.7% compared to 3.9%. Financial and consumer discretionary were the best performing sectors for the strategy. The best stock performers within the portfolio included Brocade Communication Systems, Oshkosh, and Avnet which all gained in excess of 20% for the period. Twenty-first Century Fox, Ingersoll-Rand, and Lowe's were the greatest contributors to overall performance, given their weighting. Negatively impacting the portfolio were names like Exxon, Marathon Petroleum, and Tesoro.

The *Wells Fargo Advantage Discovery Fund* (Mid Cap Growth) was the best performing fund for the portfolio with a gain of 11.9% compared to 9.3%. Stock selection in energy, healthcare, and information technology contributed to the positive returns. Relative to the benchmark, industrials provided the greatest headwind for the portfolio. The fund's strategy of "surround-the-company" research provides visibility for stocks leveraging secular growth trends within the U.S. and they maintain a bias towards companies serving U.S. markets. They continue to manage risk via a balanced allocation to core holdings, developing situations, and valuation opportunities.

The **Artisan Mid Cap Value** portfolio posted a gain of 8.0%, significantly outpacing the benchmark's gain of 5.9%. Artisan Partners announced on September 30, 2013 that Scott C. Satterwhite of the firm's U.S. Value team has provided his three-year advance retirement notice. He plans to continue as portfolio manager on the team through September 2016. In conjunction with Mr. Satterwhite's retirement notice, Daniel L. Kane has been promoted to portfolio manager on the team. Mr. Kane joined the team in 2008 as an analyst and has been an associate portfolio manager on the team since February 2012. James C. Kieffer and George O. Sertl continue as portfolio managers on the team.

International Equity: **Dodge & Cox International** posted the second highest gain for the portfolio. It gained 11.2% for the quarter, just missing the MSCI EAFE's gain of 11.6%. The fund's emerging market holdings in financials hindered performance, specifically ICICI Bank (down 22%) and Kasikornbank (down 10%) detracted. The fund's overweight position to and stock selection in healthcare was detrimental as it was the worst performing sector of the market. The underweight position and particular names in Japan aided performance. An overweight to information technology contributed to performance with names like Nokia (up 78%) and Baidu (up 64%).

Domestic Fixed Income: The **PIMCO Total Return Fund** gained 1.2% while the Barclays Aggregate notched up 0.6%. Most sectors that trade at a spread to U.S. Treasuries outperformed as risk appetites returned on continued highly accommodative monetary policies. The portfolio was on average underweight to U.S. duration as yields rose across intermediate and long term maturities. This helped performance as did a focus on the front end of the yield curve, holdings of Treasury Inflation Protected Securities (TIPS), non-agency mortgages, and overweight to financials. Detrimental or neutral to returns, the portfolio held a tactical position in Japanese interest rates and an underweight to investment grade corporate bonds. The **Pioneer Strategic Income Fund** matched the Barclays Aggregate with a 0.6% return for the quarter. Asset allocation and the fund's relative quality were primary

contributors to performance. Security selection was the primary detractor from relative performance while the fund's yield curve positioning and currency holdings also underperformed.

International Fixed Income: The **GMO Global Bond Strategy** returned 3.0% for the quarter as compared to 2.9% for the index. Government bond markets were mixed in the quarter and, in terms of local currency, Japan lead the way in gains while Switzerland lagged. In Japan, bonds rallied on news that the economy grew less than expected, prompting an offer by the Bank of Japan to buy JGBs during the summer. Meanwhile, Swedish unemployment declined unexpectedly, prompting investors to speculate that the Riksbank would raise interest rates, placing upward pressure on bond yields. Foreign currencies were uniformly strong relative to the dollar although with substantial volatility. The **GMO Emerging Country Debt Strategy** gained 2.5% for the quarter compared to the benchmark's gain of 0.8%. Emerging sovereign debt spreads recovered to the end the quarter where they started after the scare passed about a slowdown (taper) of bond buying by the U.S. Federal Reserve. Emerging currencies strengthened against the dollar in aggregate but performance was quite mixed with vulnerable ones like Indonesia, Argentina, India, and Turkey down sharply while those of EU members and Korea rallied. The overweight to Argentina added 101 basis points to performance, overwhelming all other active positions. The worst performers of the quarter were Ukraine, Paraguay, Honduras, and Mongolia.

Alternatives: The alternative portfolio lost 2.3% for the three-month period ending August 31, 2013 while the index lost 1.2%. Managed futures were the biggest losers for the period with **BlueTrend** losing 10.8% for the quarter and **Graham** and **Legends** losing 8.2% and 9.2% respectively. The space continues to be challenged while the markets rally as the benchmark posted a 9.0% loss.

Executive Summary

Total Fund Performance Through September 30, 2013

	FYTD	One Year	Three Years ¹	Five Years ¹	Seven Years ¹	Ten Years ¹	Changes (1/1/03)	Incept (Mgr) ²	Incept Bench ²
Total BOV Account	5.0	14.0	9.1	8.1	5.3	7.2	8.5	7.4	6.9
Target Benchmark³	4.1	11.6	9.8	7.8	4.9	7.0	7.8		
Blackrock: Large Cap Value	4.7	23.2	14.3	7.0	3.4	--	--	3.6	4.9
Russell 1000 Value	3.9	22.3	16.3	8.9	4.2	--	--		
Goldman Sachs	8.2	--	--	--	--	--	--	6.7	6.3
S&P 500	5.2	--	--	--	--	--	--		
Wells Fargo: Mid Cap Growth	11.9	32.0	21.4	15.4	--	--	--	10.1	7.2
Russell MidCap Growth	9.3	27.5	17.7	13.9	--	--	--		
Artisan Mid Cap Value	8.0	31.6	17.9	--	--	--	--	23.6	25.9
Russell MidCap Value	5.9	27.8	17.3	--	--	--	--		
Royce: Small-Cap	9.4	37.2	18.3	14.0	8.3	10.9	14.0	14.0	11.5
Russell 2000	10.2	30.1	18.3	11.2	7.2	9.6	11.5		
Dodge & Cox International	11.2	--	--	--	--	--	--	18.8	17.3
Thornburg International Growth	--	--	--	--	--	--	--		
MSCI EAFE	11.6	24.3	--	--	--	--	--		
State Street: Emerging Markets	6.3	2.2	(0.4)	5.7	4.6	12.1	14.0	13.7	15.2
MSCI EM (Emerging Markets)	5.9	1.3	0.0	7.6	6.3	13.2	15.2		
PIMCO Total Return Fund	1.2	(0.7)	3.8	--	--	--	--	5.6	4.4
Pioneer Strategic Income	0.6	2.1	5.4	--	--	--	--	7.1	4.4
Barclays Capital U.S. Aggregate	0.6	(1.7)	2.9	5.4	5.1	4.6	--		
GMO: Global Fixed Inc	3.0	(0.6)	4.6	6.8	5.2	5.4	6.3	6.3	5.3
Citigroup World Govt Bond Index	2.9	(4.6)	1.0	4.3	5.1	4.8	5.3		
GMO: Emerging Mkt Fixed Inc	2.5	1.8	10.2	13.8	9.8	11.8	13.5	13.5	9.4
JPM EMBI Global Diversified	0.8	(4.4)	4.8	9.7	7.5	8.4	9.4		
Combined Alternatives (1 mo lag)	(2.3)	1.7	1.6	--	--	--	--	1.4	2.3
HFRI FOFs Index (1 mo lag)	(1.2)	5.9	2.8	--	--	--	--		

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.

Performance is net of investment management fees

W&M BOV: Total Account

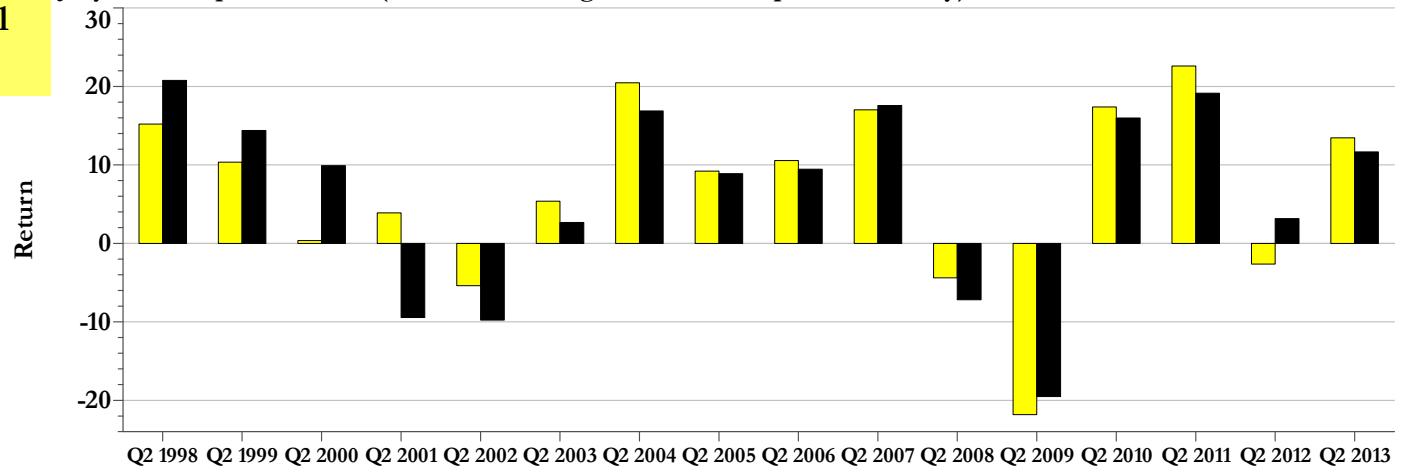
Zephyr StyleADVISOR: Wells Fargo Advisors

Manager vs Benchmark: Return

July 1996 - September 2013 (4-Quarter Moving Windows, Computed Quarterly)

**BOV Current Fiscal
YTD: +5.0%**

BOV: Total (net)
BOV Target Benchmark



Manager vs Benchmark: Return

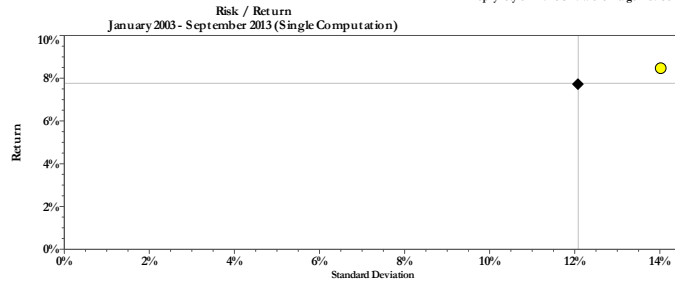
July 1996 - September 2013 (4-Quarter Moving Windows, Computed Quarterly)

	Jun 1998	Jun 1999	Jun 2000	Jun 2001	Jun 2002	Jun 2003	Jun 2004	Jun 2005	Jun 2006	Jun 2007	Jun 2008	Jun 2009	Jun 2010	Jun 2011	Jun 2012	Jun 2013
BOV: Total (net)	15.20	10.35	0.37	3.89	-5.38	5.38	20.46	9.20	10.56	17.01	-4.38	21.82	17.37	22.60	-2.65	13.44
BOV Target Benchmark	20.77	14.38	9.91	-9.45	-9.78	2.66	16.87	8.88	9.45	17.57	-7.18	19.53	15.97	19.14	3.15	11.66

+ see footnote on previous page

Since Changes (January 2003 - September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

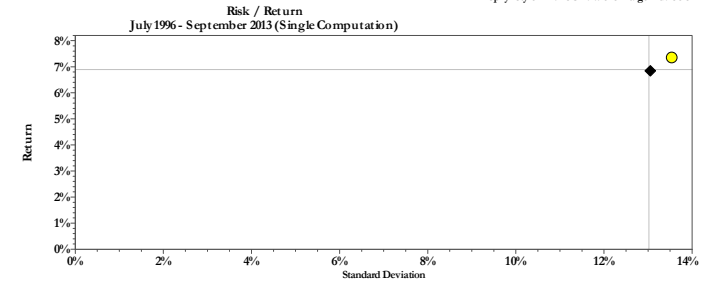


Annualized Summary Statistics: January 2003 - September 2013

	Return (%)	Std Dev (%)	Downside Risk (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Tracking Error	Obsvrs.
BOV: Total (net)	8.53	14.01	10.48	1.14	-0.19	96.73	0.50	3.05	43.00
BOV Target Benchmark	7.77	12.08	8.98	1.00	0.00	100.00	0.51	0.00	43.00

Long-Term July 1996 - September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

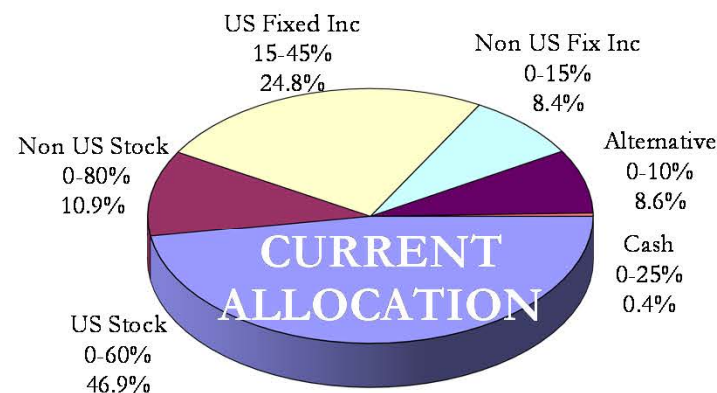
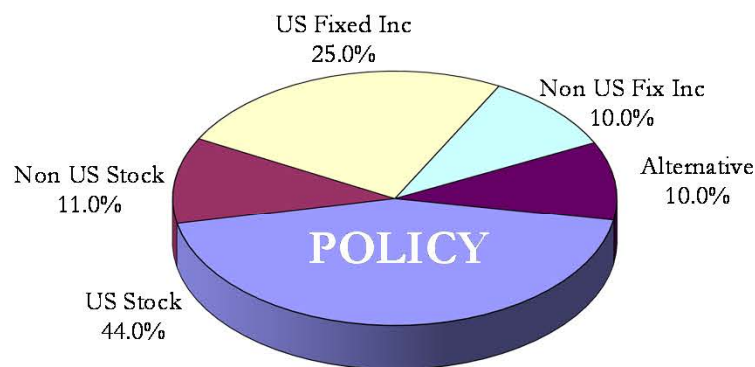


Annualized Summary Statistics: July 1996 - September 2013

	Return (%)	Std Dev (%)	Downside Risk (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Tracking Error	Obsvrs.
BOV: Total (net)	7.39	13.53	10.15	1.00	0.57	92.09	0.35	3.81	69.00
BOV Target Benchmark	6.89	13.02	9.57	1.00	0.00	100.00	0.32	0.00	69.00

* 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.

As of September 30, 2013



Manager	Domestic Fixed Income	Global Fixed Income	Domestic Equity	Non-US Equity	Alternative	Cash Equiv.	Total
Goldman Sachs	0	0	8,002,651	0	0	0	8,002,651
Blackrock	0	0	9,395,945	0	0	0	9,395,945
Dodge & Cox	0	0	0	3,518,507	0	0	3,518,507
Grantham, Mayo	0	6,253,770	0	0	0	0	6,253,770
Artisan MC	0	0	5,468,911	0	0	0	5,468,911
Thornburg (previously EFA)	0	0	0	3,550,000	0	0	3,550,000
Royce & Associates	0	0	6,226,394	0	0	0	6,226,394
State Street Global Advisors	0	0	0	1,117,791	0	0	1,117,791
Pimco Total Return Fund	9,282,076	0	0	0	0	0	9,282,076
Pioneer Strategic Income	9,244,036	0	0	0	0	0	9,244,036
Wells Capital	0	0	6,375,748	0	0	0	6,375,748
Cash & Equivalents	0	0	0	0	0	308,871	308,871
Private Equity Partners II	0	0	0	0	4,442	0	4,442
Combined Alternatives	0	0	0	0	6,046,523	0	6,046,523
Total BOV Account	18,526,112	6,253,770	35,469,649	8,186,298	6,050,965	308,871	74,795,665
% of Total Fund	24.8%	8.4%	47.4%	10.9%	8.1%	0.4%	

* 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.

	William & Mary BOV Endowment
6/30/13 Market Value	71,533,323
Net Additions/Withdrawals	(314,406)
Expenses	<u>(37,772)</u>
<i>Net Cash Flow</i>	<i>(352,177)</i>
Net Income	329,232
Net Realized Gain/(Loss)	688,077
Change Unrealized Gain/(Loss)	<u>2,592,769</u>
<i>Total Investment Gain/(Loss)</i>	<i>3,610,079</i>
9/30/13 Market Value	74,791,224

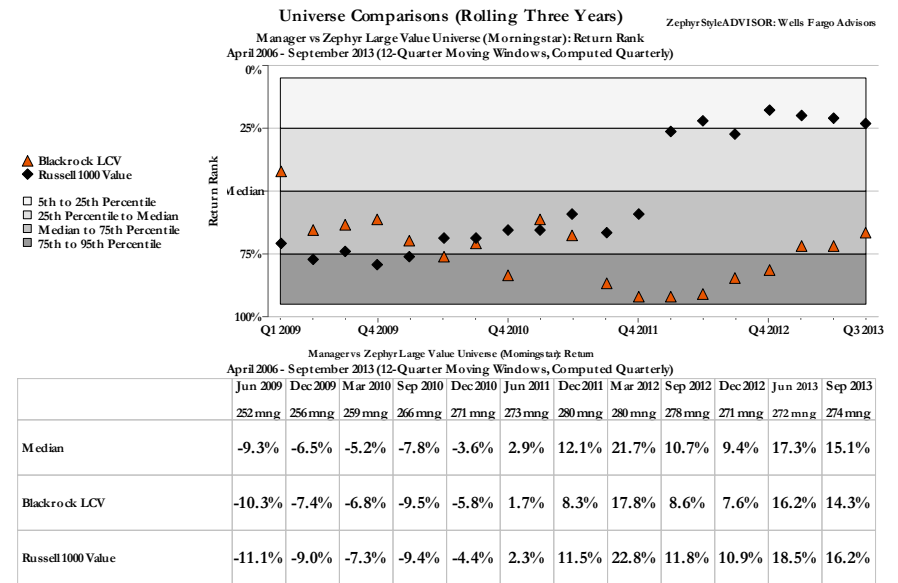
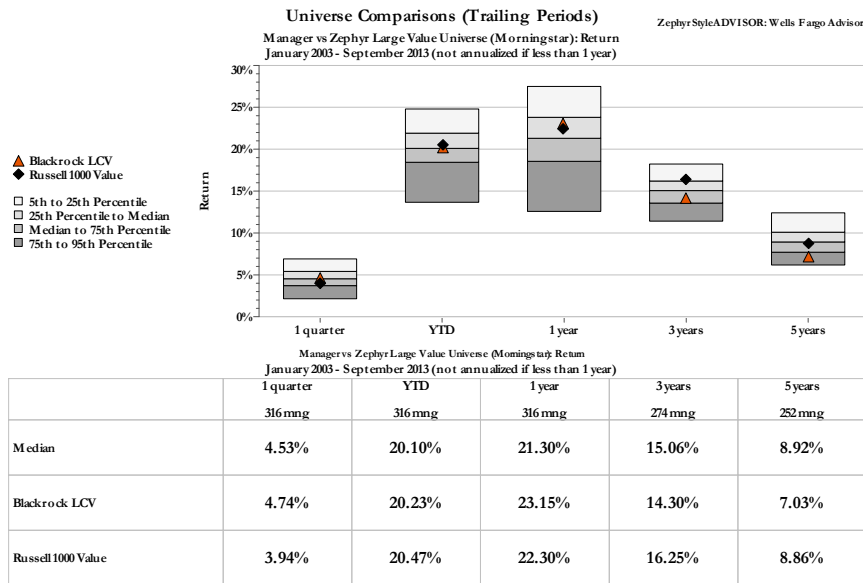
•All account values (excluding “Alternatives”) are reported by SunTrust; “Alternative values are reported by Wells Fargo Advisors; to comply with GIPS Performance reporting standards, beginning and ending market values include fixed income accruals.

•Ending value excludes PEP II.

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II. Equity Sector (Large-Cap Value*)

Periods Ending September 30, 2013 - Performance



* 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.

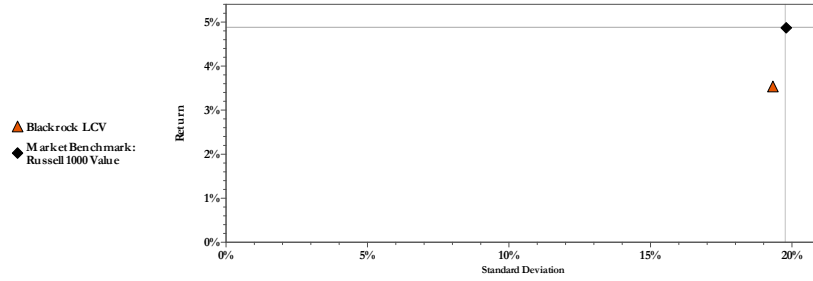
Equity Sector (Large-Cap Value*)

Period Ending September 30, 2013— Risk Measures

Return/Risk (April 2006 - September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

April 2006 - September 2013 (Single Computation)



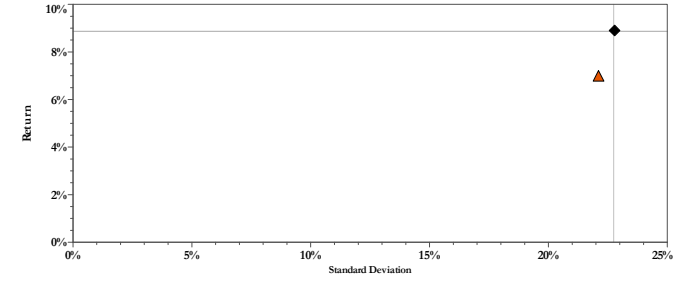
Annualized Summary Statistics: April 2006 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Blackrock LCV	3.55	19.31	0.94	-0.93	92.25	0.11	30.00
Russell 1000 Value	4.88	19.76	1.00	0.00	100.00	0.18	30.00

Return/Risk (Five Years Ending September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

October 2008 - September 2013 (Single Computation)



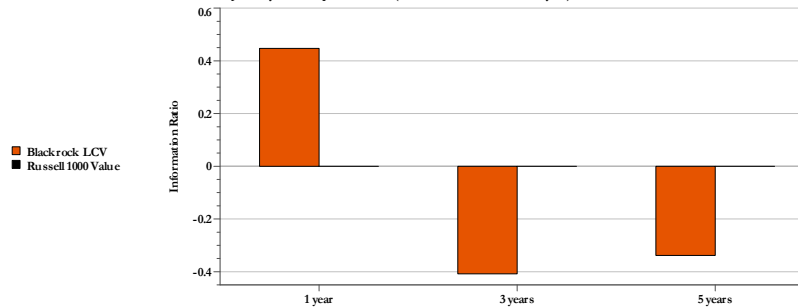
Annualized Summary Statistics: October 2008 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Blackrock LCV	7.03	22.14	0.95	-1.22	94.33	0.31	20.00
Russell 1000 Value	8.86	22.74	1.00	0.00	100.00	0.38	20.00

Information Ratio (Periods Ending September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)



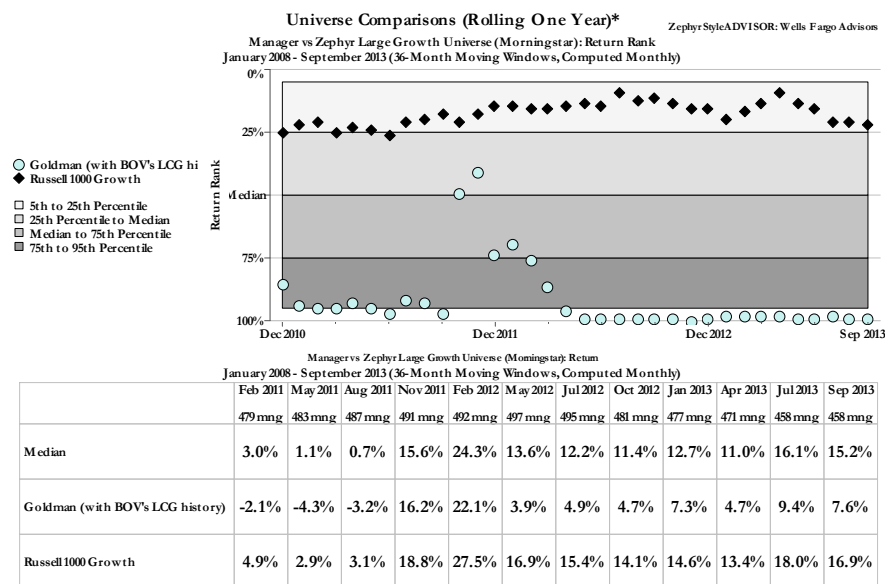
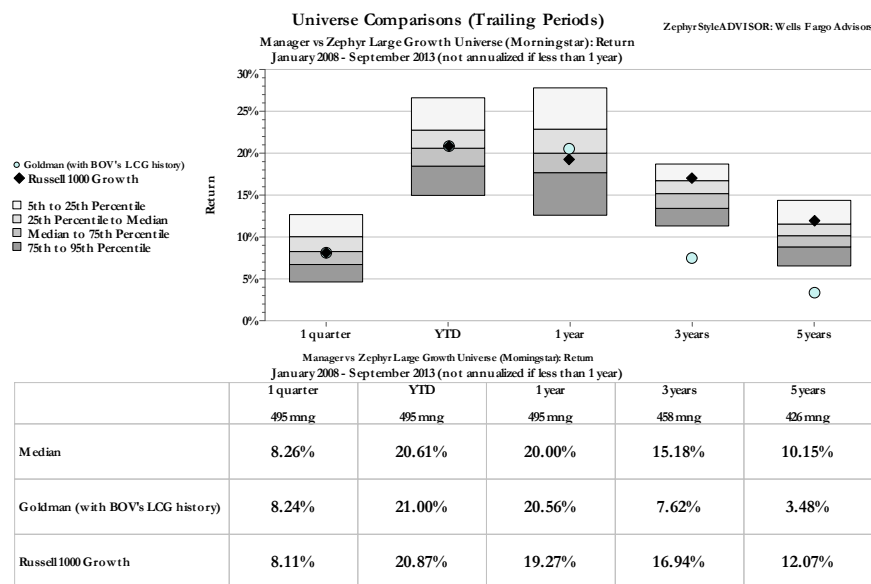
Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)

	1 year	3 years	5 years
Blackrock LCV	0.45	-0.41	-0.34

* Please note that we have linked Blackrock's composite historical returns for periods prior to 5/1/06 with BOV actual results.

Equity Sector (Large-Cap Growth)

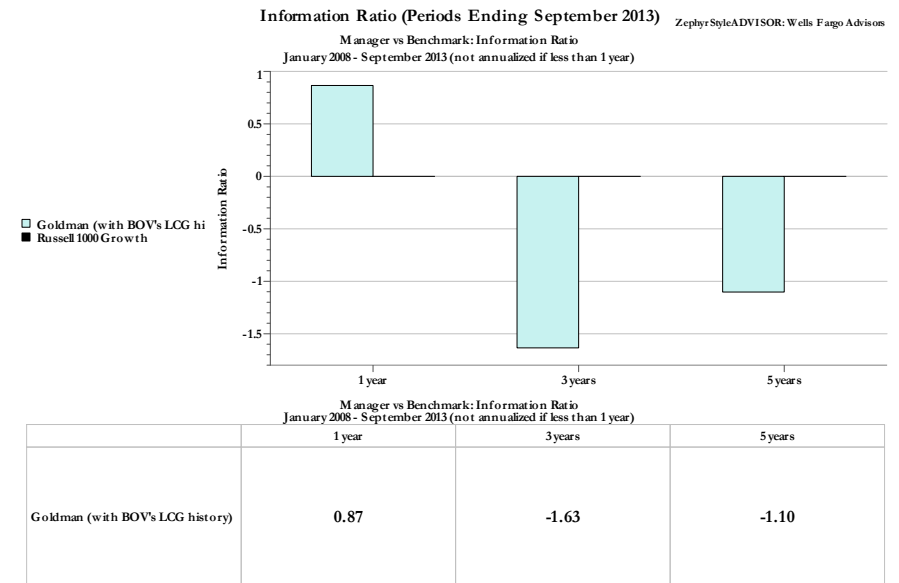
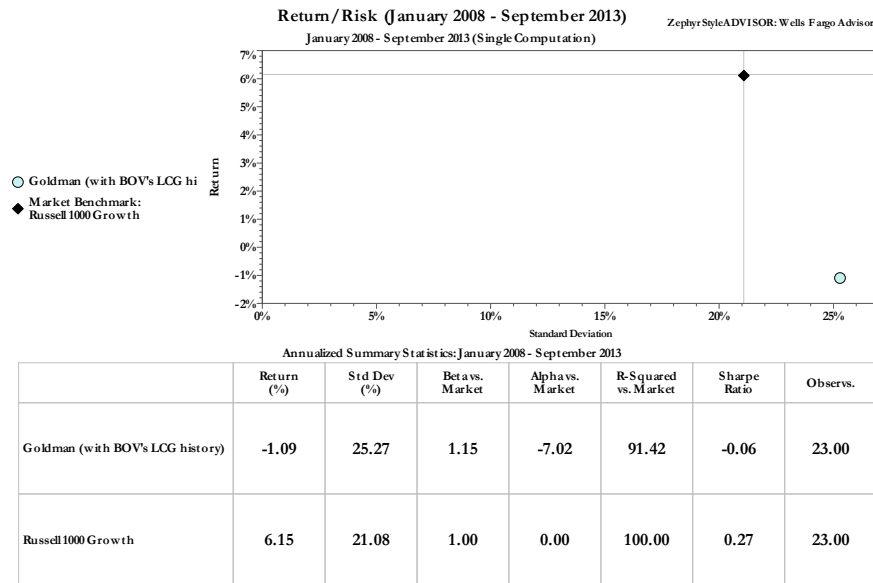
Periods Ending September 30, 2013 - Performance



*Longer time periods are shown for illustrative purposes. Goldman's actual performance began in April 2013..

Equity Sector (Large-Cap Growth)

Periods Ending September 30, 2013 - Performance



*Longer time periods are shown for illustrative purposes. Aletheia's actual performance began on 12/1/07

Characteristic	Blackrock	Goldman	Combined BOV Large-Cap	S&P 500	Over/(Under) Weight
Median Cap (\$MM)	24,140	26,623	25,282	15,040	10,242
Avg Cap (\$MM)	97,450	72,322	85,892	103,010	(17,118)
Yield (%)	2.01	1.10	1.59	2.13	(0.54)
P/E Ratio	15.87	30.74	22.71	19.13	3.58
Price / Book	2.21	4.52	3.27	3.55	(0.28)
# of Stocks	73	19		500	

Blackrock

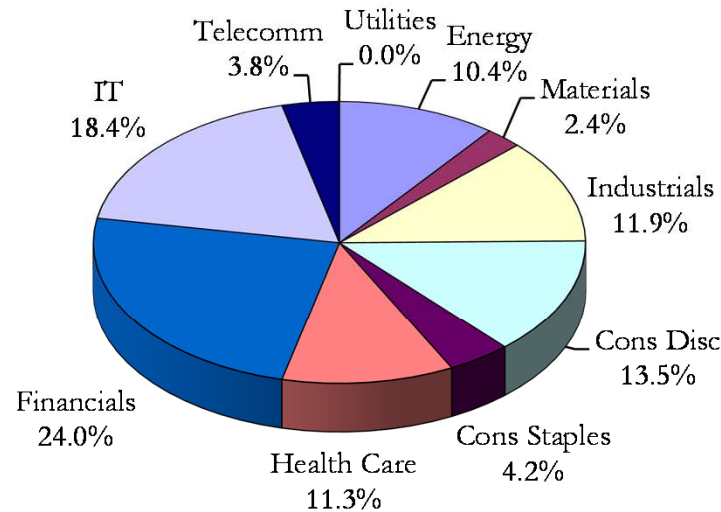
Top Ten Equity Holdings	% of Portfolio
Exxon Mobil	4.6
Chevron	4.5
JPMorgan Chase	4.4
Pfizer	4.3
Bank of America	3.8
Citigroup	3.8
Merck & Co	3.7
US Bancorp	2.9
CVS Caremark	2.8
American International	2.6

Goldman

Top Ten Equity Holdings	% of Portfolio
SBA Communications Corporation	7.4
QUALCOMM Incorporated	7.2
Apple Inc.	6.6
Halliburton Company	6.4
CBRE Group, Inc. Class A	6.4
Google Inc. Class A	6.2
FedEx Corp	6.2
NIKE, Inc. Class B	5.7
Equinix, Inc.	5.6
IntercontinentalExchange, Inc.	5.4

Data Source: InvestorForce, Morningstar

Combined BOV Large-Cap Sector Distribution

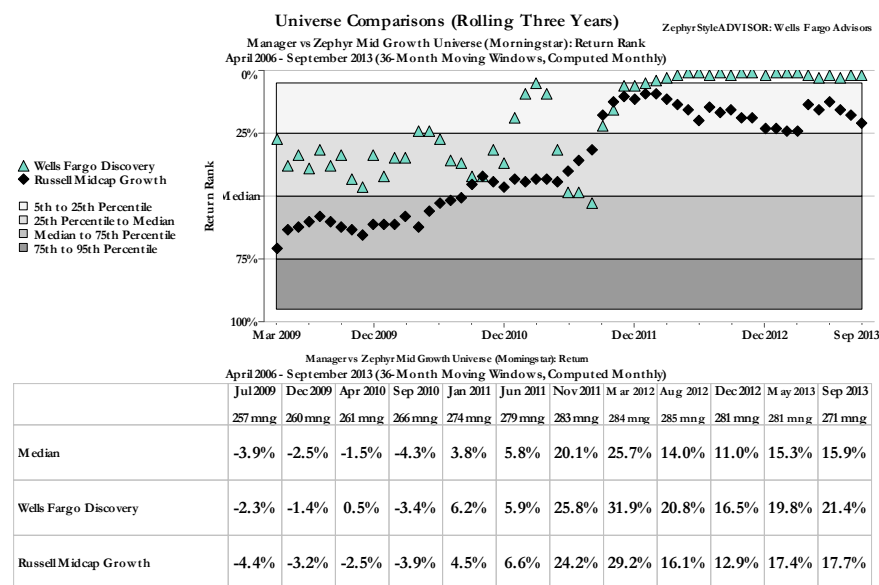
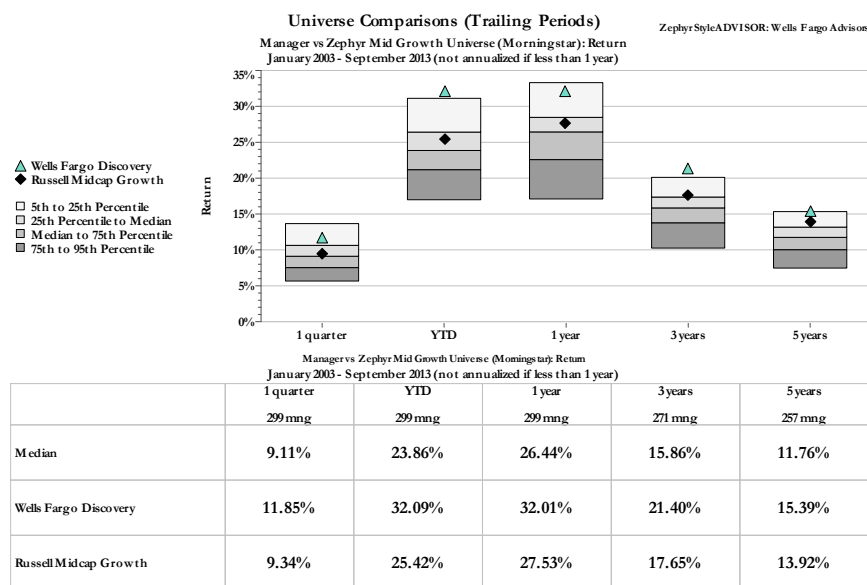


	Blackrock Weight	Goldman Weight	Combined BOV Large-Cap	S&P 500 Weight	Over / (Under)
Energy	12.5%	8.0%	10.4%	10.5%	-0.1%
Materials	4.5%	0.0%	2.4%	3.5%	-1.1%
Industrials	12.8%	10.9%	11.9%	10.7%	1.2%
Consumer Discretionary	9.3%	18.4%	13.5%	12.5%	1.0%
Consumer Staples	3.5%	5.0%	4.2%	10.1%	-5.9%
Health Care	13.7%	8.4%	11.3%	13.0%	-1.7%
Financials	31.5%	15.2%	24.0%	16.3%	7.7%
Information Technology	11.2%	26.9%	18.4%	17.9%	0.5%
Telecomm Service	0.7%	7.4%	3.8%	2.4%	1.3%
Utilities	0.0%	0.0%	0.0%	3.2%	-3.2%

Data Source: InvestorForce, Morningstar

Equity Sector (Mid-Cap Growth*)

Periods Ending September 30, 2013 - Performance



* 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.

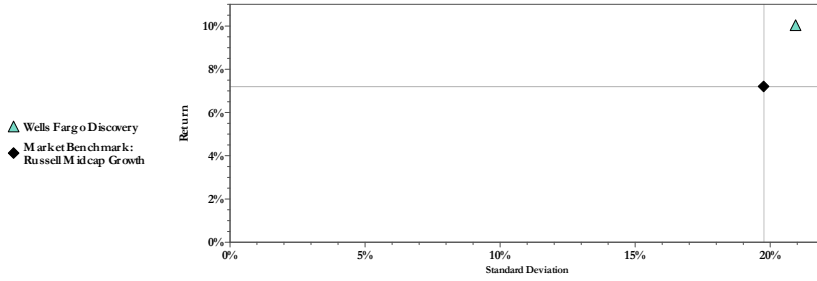
Equity Sector (Mid-Cap Growth*)

Periods Ending September 30, 2013– Risk Measures

Return/Risk (April 2006 - September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

April 2006 - September 2013 (Single Computation)



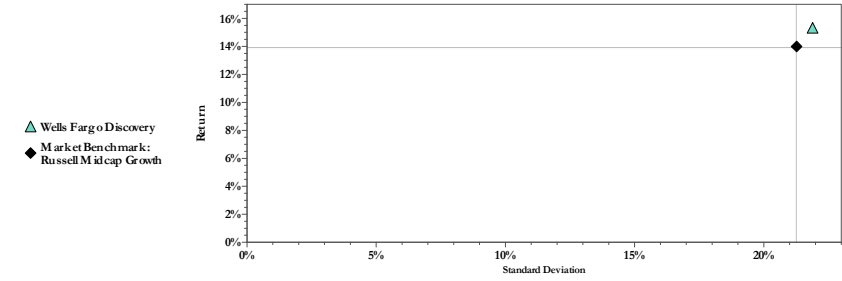
Annualized Summary Statistics: April 2006 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Wells Fargo Discovery	10.07	20.90	1.02	2.76	92.39	0.41	90.00
Russell Midcap Growth	7.20	19.76	1.00	0.00	100.00	0.29	90.00

Return/Risk (Five Years Ending September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

October 2008 - September 2013 (Single Computation)



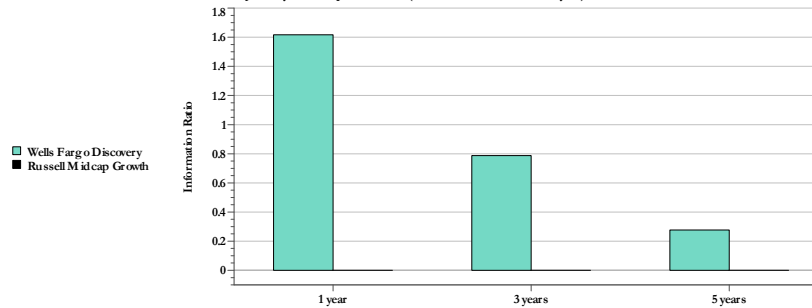
Annualized Summary Statistics: October 2008 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Wells Fargo Discovery	15.39	21.88	1.00	1.46	94.06	0.70	60.00
Russell Midcap Growth	13.92	21.26	1.00	0.00	100.00	0.65	60.00

Information Ratio (Periods Ending September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)



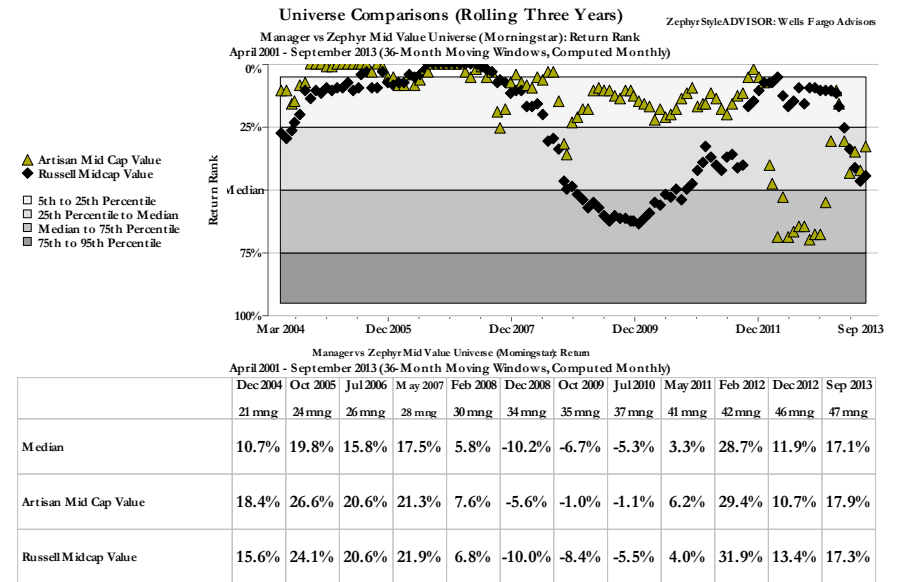
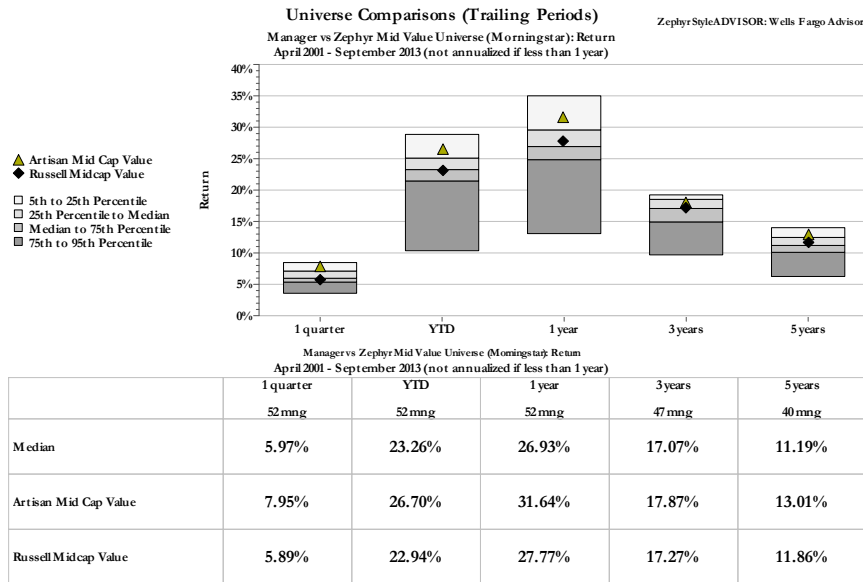
Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)

	1 year	3 years	5 years
Wells Fargo Discovery	1.62	0.79	0.28

* 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 Value*)

Periods Ending September 30, 2013 - Performance



* 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.

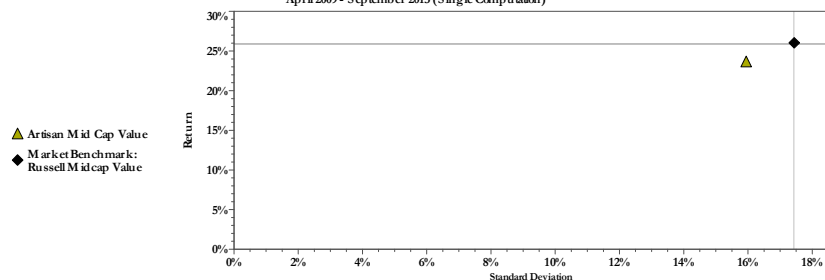
Equity Sector (Mid-Cap Value*)

Periods Ending September 30, 2013– Risk Measures

Return/Risk (June 2009 - September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

April 2009 - September 2013 (Single Computation)



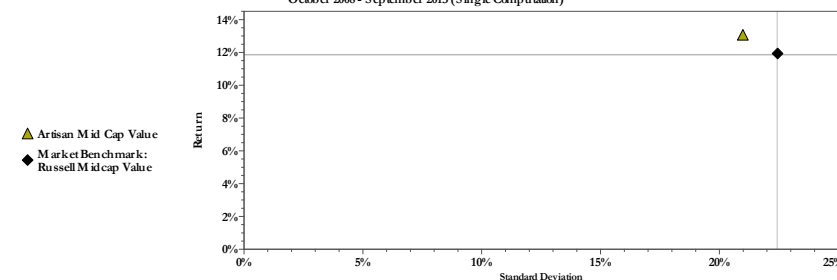
Annualized Summary Statistics: April 2009 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Artisan Mid Cap Value	23.59	15.97	0.89	0.56	94.61	1.47	54.00
Russell Midcap Value	25.90	17.43	1.00	0.00	100.00	1.48	54.00

Return/Risk (Five Years Ending September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

October 2008 - September 2013 (Single Computation)



Annualized Summary Statistics: October 2008 - September 2013

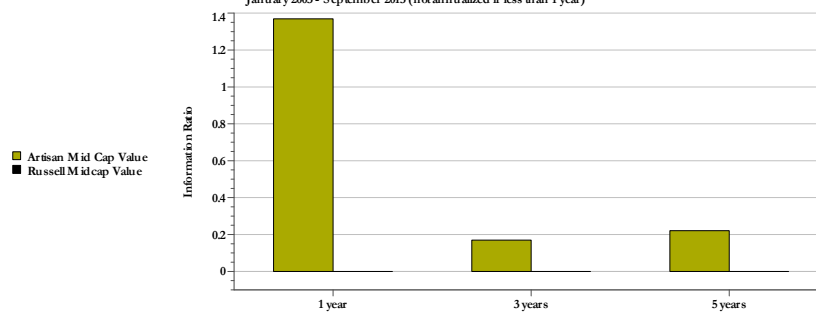
	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Artisan Mid Cap Value	13.01	20.99	0.91	1.96	94.71	0.61	60.00
Russell Midcap Value	11.86	22.43	1.00	0.00	100.00	0.52	60.00

Information Ratio (Periods Ending September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

Manager vs Benchmark: Information Ratio

January 2003 - September 2013 (not annualized if less than 1 year)



Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)

	1 year	3 years	5 years
Artisan Mid Cap Value	1.37	0.17	0.22

* 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.

Characteristic	Wells	Artisan	Combined BOV Mid-Cap	Russell Mid- Cap	Over/(Under) Weight
Avg Cap (\$MM)	4,110	10,591	7,102	8,966	(1864)
Yield (%)	0.22	0.00	0.12	1.53	(1.41)
P/E Ratio	29.84	14.00	22.53	19.16	3.37
Price / Book	4.75	1.95	3.46	2.46	1.00
5 yr EPS Growth (%)	13.78	6.87	10.59	17.23	(6.64)
# of Stocks	92	58	150	808	

Wells Fargo

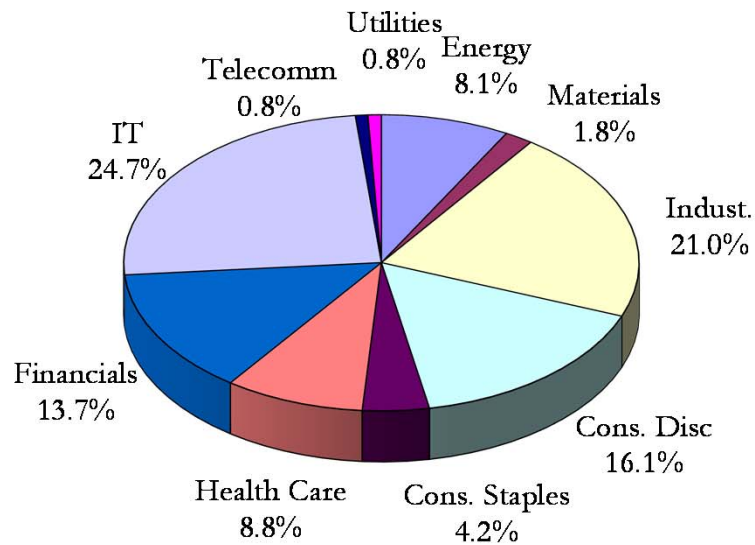
Top Ten Equity Holdings	% of Portfolio
Fortune Brands Home & Security	2.2
Vantiv, Inc	1.8
CommVault Systems Incorporated	1.8
LKQ Corporation	1.7
Constellation Brands	1.7
Alliance Data Systems	1.7
AMC Networks Inc	1.6
Wabtec Corp	1.6
Copa Holdings	1.6
Digitalglobe Incorporated	1.5

Artisan Partners

Top Ten Equity Holdings	% of Portfolio
Cimarex Energy Co	2.9
Cigna Corp	2.8
Avnet Inc	2.8
The Kroger Co	2.7
NYSE Euronext	2.5
Alleghany Corp	2.5
Arrow Electronics Inc	2.5
Lam Research Corp	2.5
Towers Watson & Co	2.4
FLIR Systems Inc	2.4

Data Source: Wells Fargo, Artisan, Morningstar

BOV Mid-Cap Sector Distribution



	Wells Fargo	Artisan Weight	Combined BOV Mid-Cap	Russ Mid-Cap Weight	Over / (Under)
Energy	3.8	13.0	8.1	6.8	1.3
Materials	2.2	1.3	1.8	5.6	(3.8)
Industrials	25.8	15.5	21.0	13.0	8.0
Consumer Discretionary	19.1	12.7	16.1	17.4	(1.3)
Consumer Staples	5.2	3.0	4.2	5.6	(1.4)
Health Care	12.8	4.1	8.8	11.0	(2.2)
Financials	5.9	22.8	13.7	19.6	(5.9)
Information Technology	23.8	25.8	24.7	13.8	10.9
Telecomm Service	1.4	0.0	0.8	1.1	(0.3)
Utilities	0.0	1.8	0.8	6.2	(5.3)

Data Source: Morningstar

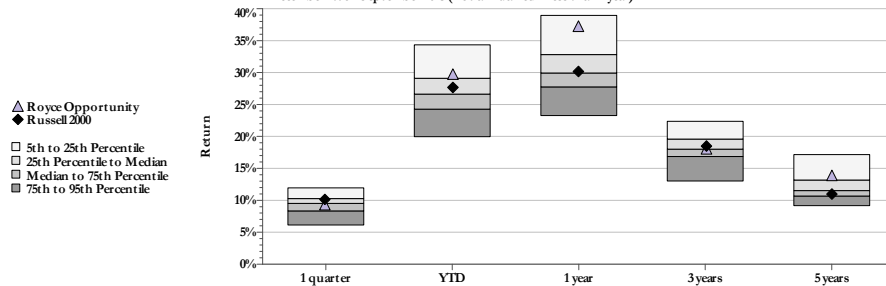
Equity Sector (Small-Cap)

Periods Ending September 30, 2013 - Performance

Universe Comparisons (Trailing Periods)

Manager vs Zephyr Small Core Universe (Morningstar): Return
December 1996 - September 2013 (not annualized if less than 1 year)

Zephyr StyleADVISOR: Wells Fargo Advisors

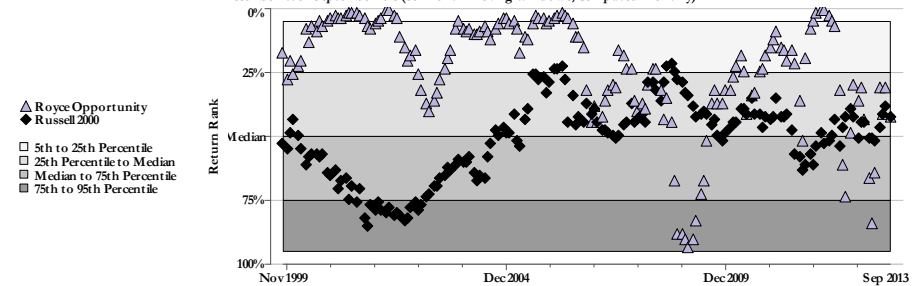


Managers vs Zephyr Small Core Universe (Morningstar): Return December 1996 - September 2013 (not annualized if less than 1 year)					
	1 quarter	YTD	1 year	3 years	5 years
	119 mng	119 mng	119 mng	109 mng	103 mng
Median	9.51%	26.63%	29.93%	18.01%	11.53%
Royce Opportunity	9.37%	29.68%	37.22%	18.28%	13.95%
Russell 2000	10.21%	27.69%	30.06%	18.29%	11.15%

Universe Comparisons (Rolling Three Years)

Manager vs Zephyr Small Core Universe (Morningstar): Return Rank
December 1996 - September 2013 (36-Month Moving Windows, Computed Monthly)

Zephyr StyleADVISOR: Wells Fargo Advisors



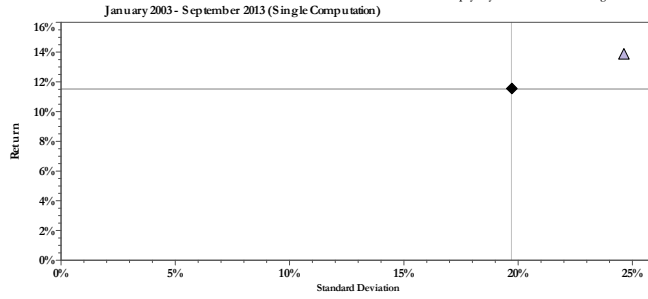
Managers vs Zephyr Small Core Universe (Morningstar): Return December 1996 - September 2013 (36-Month Moving Windows, Computed Monthly)												
	Dec 2000	Feb 2002	Apr 2003	Jun 2004	Aug 2005	Oct 2006	Dec 2007	Feb 2009	Apr 2010	Jun 2011	Aug 2012	Sep 2013
	43 mng	56 mng	63 mng	74 mng	80 mng	87 mng	89 mng	96 mng	105 mng	110 mng	116 mng	109 mng
Median	6.7%	13.9%	-1.8%	7.6%	19.5%	14.3%	6.4%	-18.4%	-3.6%	7.6%	13.8%	18.0%
Royce Opportunity	18.5%	26.7%	1.4%	14.8%	27.5%	15.1%	6.9%	-23.7%	-0.3%	11.0%	13.4%	18.3%
Russell 2000	4.6%	7.6%	-6.4%	6.2%	21.0%	14.5%	6.8%	-17.9%	-2.8%	7.8%	13.9%	18.3%

Equity Sector (Small-Cap)

Periods Ending September 30, 2013— Risk Measures

Return/ Risk (January 2003 - September 2013)

Zephyr StyleADVISOR: Wells Fargo Advisors

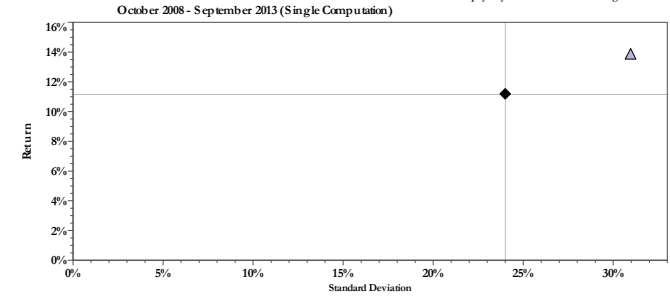


Annualized Summary Statistics: January 2003 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Royce Opportunity	13.96	24.60	1.22	0.48	95.01	0.50	129.00
Russell 2000	11.52	19.71	1.00	0.00	100.00	0.50	129.00

Return/ Risk (Five Years Ending September 2013)

Zephyr StyleADVISOR: Wells Fargo Advisors

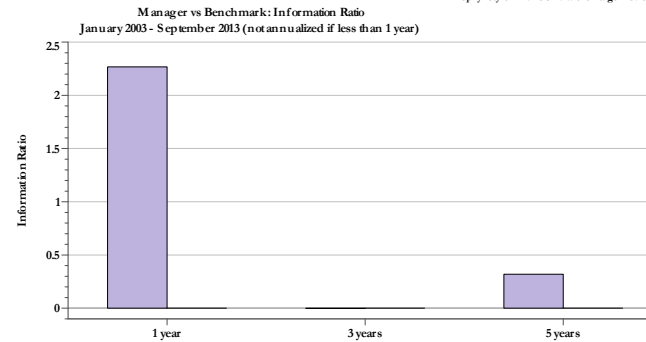


Annualized Summary Statistics: October 2008 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Royce Opportunity	13.95	30.91	1.26	0.85	96.12	0.45	60.00
Russell 2000	11.15	24.01	1.00	0.00	100.00	0.46	60.00

Information Ratio (Periods Ending September 2013)

Zephyr StyleADVISOR: Wells Fargo Advisors



Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)

	1 year	3 years	5 years
Royce Opportunity	2.27	-0.00	0.32

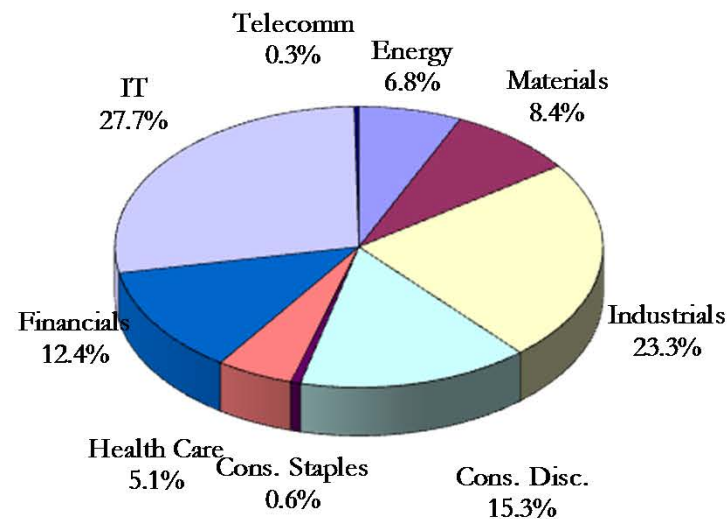
Equity Sector (Small-Cap) Characteristics - As of September 30, 2013

Top Ten Equity Holdings	% of Portfolio
Sanmina Corp	0.9%
OM Group	0.8%
Unifi	0.8%
Kaiser Aluminum	0.7%
Commercial Metals	0.7%
Jones Group	0.7%
LaSalle Hotel Properties	0.7%
Federal Signal	0.7%
Ingram Micro	0.7%
International Rectifier	0.7%

Characteristic	Royce	Russell 2000
Average Capitalization (\$MM)	789	1,309
Yield	0.7	1.4
P/E Ratio	18.5	19.1
Price/Book	1.5	1.9
# Holdings	316	1934

Sector Allocation	% of Portfolio	Russell 2000	Difference
Energy	6.8	5.6	1.2
Materials	8.4	4.9	3.6
Industrials	23.3	14.5	8.8
Consumer Discretionary	15.3	13.9	1.5
Consumer Staples	0.6	4.0	(3.3)
Health Care	5.1	13.0	(7.9)
Financials	12.4	22.4	(10.0)
Information Technology	27.7	18.1	9.6
Telecomm Service	0.3	0.8	(0.5)
Utilities	0.0	3.2	(3.2)

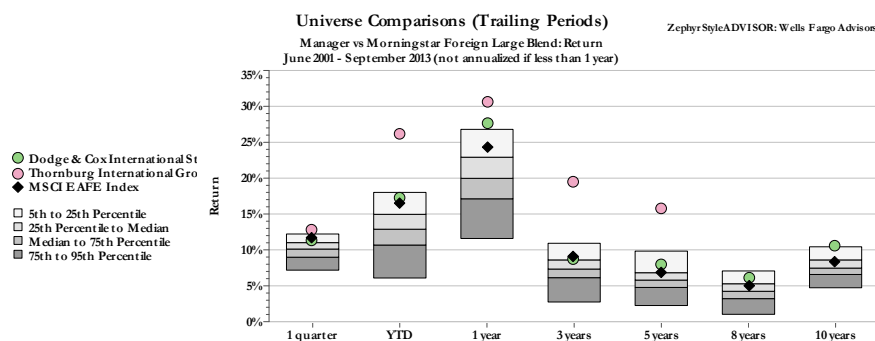
Sector Distribution



* Source: Morningstar

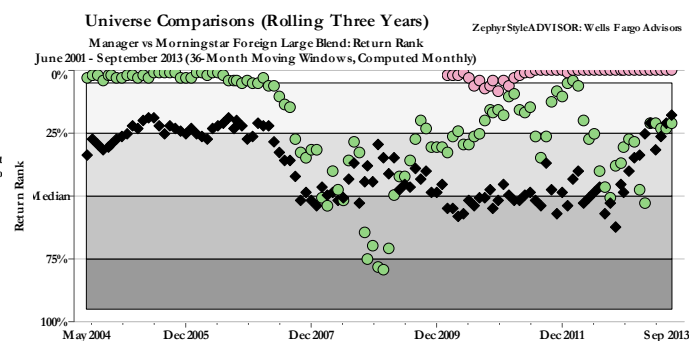
Equity Sector (International Developed)

Periods Ending September 30, 2013– Performance*



Managers Morningstar Foreign Large Blend: Return
June 2001 - September 2013 (not annualized if less than 1 year)

	1 quarter	YTD	1 year	3 years	5 years	8 years	10 years
	842 mng	828 mng	810 mng	758 mng	704 mng	541 mng	479 mng
Median	10.13%	12.89%	19.97%	7.33%	5.81%	4.25%	7.47%
Dodge & Cox International Stock	11.15	17.15	27.76	8.75	8.11	5.99	10.62%
Thornburg International Growth I	12.63	26.19	30.67	19.47	15.90	N/A	N/A
MSCI EAFE Index	11.61%	16.59%	24.29%	8.97%	6.85%	4.85%	8.50%

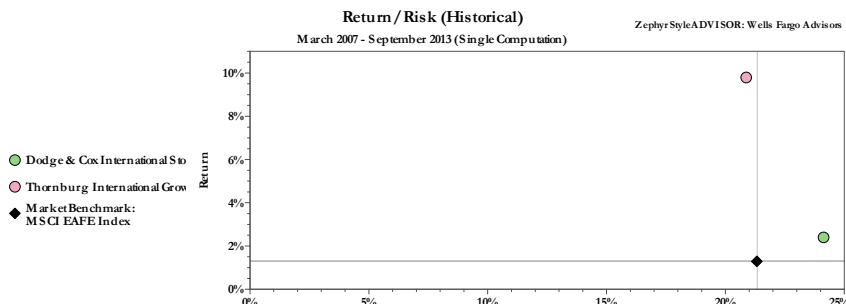


Managers Morningstar Foreign Large Blend: Return
June 2001 - September 2013 (36-Month Moving Windows, Computed Monthly)

	Feb 2005	Nov 2005	Sep 2006	Jun 2007	Apr 2008	Jan 2009	Oct 2009	Aug 2010	May 2011	Mar 2012	Dec 2012	Sep 2013
	512 mng	524 mng	527 mng	552 mng	573 mng	623 mng	645 mng	715 mng	752 mng	805 mng	789 mng	758 mng
Median	12.5%	18.8%	21.2%	22.0%	16.6%	-12.7%	-5.4%	-10.2%	-3.8%	16.9%	4.0%	7.3%
Dodge & Cox International Stock	22.32	29.05	27.44	26.28	17.47	-14.39	-3.65	-8.35	-1.04	22.20	4.96	8.75
Thornburg International Growth I	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-4.65	4.81	31.91	15.21	19.47
MSCI EAFE Index	15.0%	20.9%	22.8%	22.7%	16.7%	-11.8%	-4.7%	-10.3%	-3.7%	17.7%	4.0%	9.0%

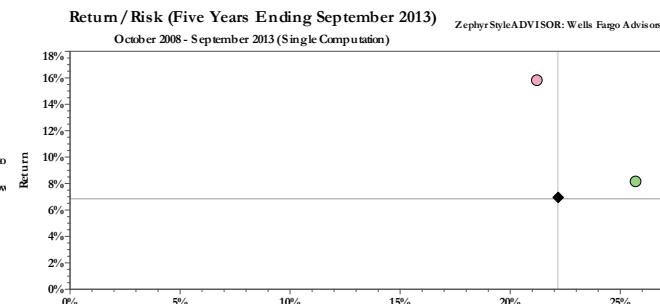
Equity Sector (International Developed)

Periods Ending September 30, 2013— Risk Measures



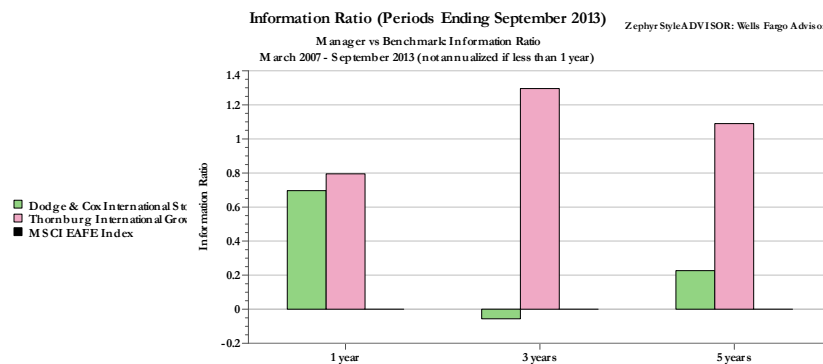
Annualized Summary Statistics: March 2007 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Dodge & Cox International Stock	2.34	24.13	1.11	1.28	96.25	0.06	79.00
Thornburg International Growth I	9.85	20.90	0.91	8.72	86.68	0.43	79.00
MSCI EAFE Index	1.30	21.34	1.00	0.00	100.00	0.02	79.00



Annualized Summary Statistics: October 2008 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
Dodge & Cox International Stock	8.11	25.70	1.14	0.76	96.82	0.31	60.00
Thornburg International Growth I	15.90	21.19	0.89	9.45	86.04	0.74	60.00
MSCI EAFE Index	6.85	22.17	1.00	0.00	100.00	0.30	60.00



Manager vs Benchmark Information Ratio
March 2007 - September 2013 (not annualized if less than 1 year)

	1 year	3 years	5 years
Dodge & Cox International Stock	0.70	-0.06	0.23
Thornburg International Growth I	0.79	1.30	1.09

Characteristics

Characteristic	Dodge & Cox	EFA ETF	Combined BOV Intl	MSCI EAFE	Over/Under Weight
Avg. Capitalization (\$MM)	68,000	36,536	52,198	60,000	-7,802
Price/Book Ratio (x)	1.3	2.8	2.0	1.5	0.6
P/E Ratio (x)	11.8	21.4	16.6	13.1	3.5
Dividend Yield (%)	1.6	3.0	2.3	3.3	(1.0)
# of Holdings	82	915	997	909	

Sector Distribution

Sector	Dodge & Cox	EFA	Combined BOV Weight	EAFE Weight	Over / (Under)
Consumer Discret.	12.9	11.6	12.2	11.8	0.4
Consumer Staples	1.4	11.2	6.3	11.2	(4.9)
Energy	6.8	6.8	6.8	6.9	(0.1)
Financials	24.7	25.7	25.2	25.4	(0.2)
Health Care	15.8	9.9	12.9	10.0	2.9
Industrials	11.0	12.8	11.9	13.0	(1.1)
Info. Technology	14.2	4.2	9.2	4.3	4.9
Materials	5.2	8.1	6.7	8.2	(1.5)
Telecomm	7.4	5.6	6.5	5.5	1.0
Utilities	0.0	3.6	1.8	3.7	(1.9)

Dodge & Cox Top Ten

Top Ten Equity Holdings	% of Portfolio
Naspers, Ltd.	4.4
Roche Holding AG	3.9
Sanofi	3.3
GlaxoSmithKline	3.2
Novartis AG	2.8
Lafarge SA	2.8
Credit Suisse Group	2.8
Koninklijke Philips Electronics	2.7
Bayer AG	2.4
HSBC Holdings	2.4

EFA Top Ten

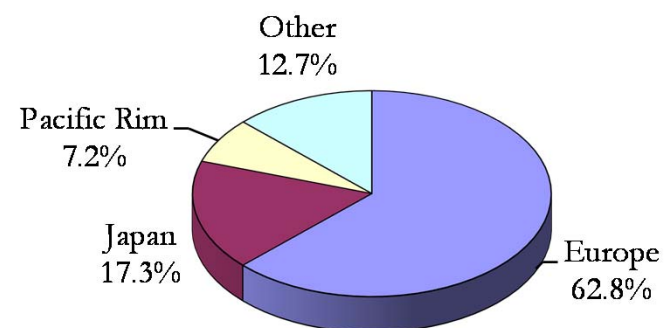
Top Ten Equity Holdings	% of Portfolio
Nestle SA	1.8
HSBC Holdings	1.6
Roche Holding	1.5
Novartis	1.4
Vodafone Group	1.4
Toyota Motor	1.3
BP PLC	1.1
Total SA	1.0
Royal Dutch Shell	1.0
GlaxoSmithKline	1.0

Data Source: Morningstar

Country Distribution

Country	Dodge & Cox Weight	EFA Weight	Combined BOV Weight	EAFE Weight	Over / (Under)
Australia	0.0	8.4	4.2	8.0	(3.7)
Austria	0.8	0.3	0.6	0.3	0.3
Belgium	0.0	1.2	0.6	1.2	(0.6)
Denmark	0.0	1.0	0.5	1.1	(0.6)
Finland	1.5	0.9	1.2	0.8	0.4
France	8.4	9.4	8.9	9.2	(0.2)
Germany	7.1	8.6	7.8	8.7	(0.8)
Greece	0.0	0.1	0.0	0.1	(0.1)
Hong Kong	1.4	2.8	2.1	2.8	(0.7)
Ireland	0.0	0.3	0.2	0.3	(0.2)
Italy	2.0	2.2	2.1	2.0	0.1
Japan	13.4	21.3	17.3	21.3	(4.0)
Netherlands	4.8	2.6	3.7	3.1	0.6
New Zealand	0.0	0.1	0.1	0.1	(0.1)
Norway	0.3	0.9	0.6	0.9	(0.3)
Portugal	0.0	0.2	0.1	0.2	(0.1)
Singapore/Malaysia	0.0	1.5	0.8	1.5	(0.8)
Spain	1.1	3.3	2.2	3.0	(0.7)
Sweden	1.7	3.1	2.4	3.2	(0.8)
Switzerland	15.3	8.9	12.1	9.1	2.9
United Kingdom	17.6	22.0	19.8	21.6	(1.9)
Other	24.6	1.0	12.7	1.6	11.1

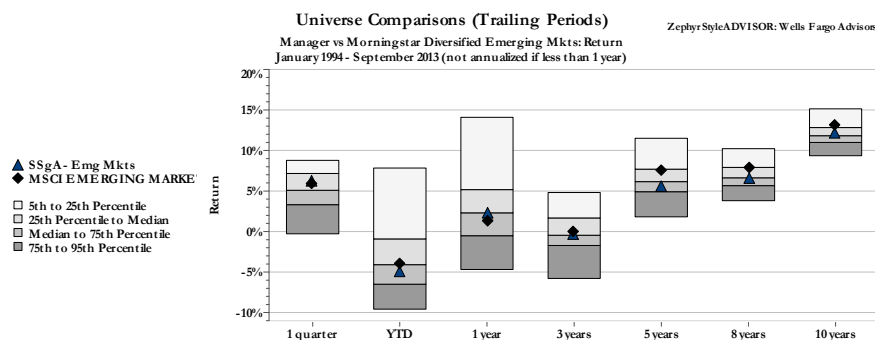
Regional Distribution



Data Source: Morningstar

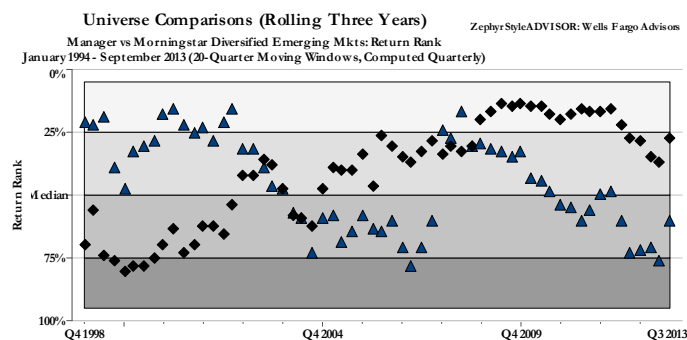
Equity Sector (Emerging Markets)

Periods Ending September 30, 2013 - Performance



Manager vs Morningstar Diversified Emerging Mkts: Return
January 1994 - September 2013 (not annualized if less than 1 year)

	1 quarter	YTD	1 year	3 years	5 years	8 years	10 years
	664 mng	645 mng	614 mng	435 mng	348 mng	248 mng	222 mng
Median	5.10%	-4.09%	2.31%	-0.46%	6.16%	6.62%	11.83%
SSgA - Emg Mkts	6.29%	-4.77%	2.17%	-0.39%	5.66%	6.60%	12.12%
MSCI EMERGING MARKETS	5.90%	-4.05%	1.33%	-0.00%	7.56%	7.98%	13.16%



Manager vs Morningstar Diversified Emerging Mkts: Return
January 1994 - September 2013 (20-Quarter Moving Windows, Computed Quarterly)

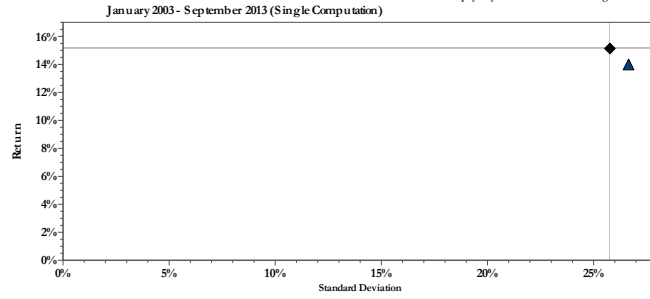
	Dec 1999	Mar 2001	Jun 2002	Sep 2003	Dec 2004	Mar 2006	Jun 2007	Sep 2008	Dec 2009	Mar 2011	Jun 2012	Sep 2013
	83 mng	104 mng	157 mng	199 mng	218 mng	241 mng	241 mng	242 mng	259 mng	281 mng	328 mng	348 mng
Median	5.1%	-4.7%	-7.0%	9.7%	4.6%	23.5%	29.7%	17.5%	13.7%	8.8%	-1.7%	6.2%
SSgA - Emg Mkts	5.6%	-1.3%	-4.7%	9.9%	3.8%	22.6%	27.7%	19.0%	14.4%	8.5%	-2.1%	5.7%
MSCI EMERGING MARKETS	2.0%	-6.4%	-8.4%	10.6%	4.6%	23.6%	30.7%	19.0%	15.9%	11.0%	0.2%	7.6%

Equity Sector (Emerging Markets)

Periods Ending September 30, 2013— Risk Measures

Return/ Risk (January 2003 - September 2013)

Zephyr StyleADVISOR: Wells Fargo Advisors

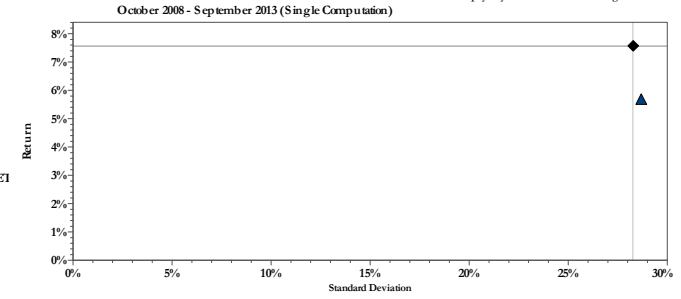


Annualized Summary Statistics: January 2003 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
SSgA - Emg Mkts	14.03	26.68	1.03	-1.27	99.20	0.47	43.00
MSCI EMERGING MARKETS	15.17	25.75	1.00	0.00	100.00	0.53	43.00

Return/ Risk (Five Years Ending September 2013)

Zephyr StyleADVISOR: Wells Fargo Advisors

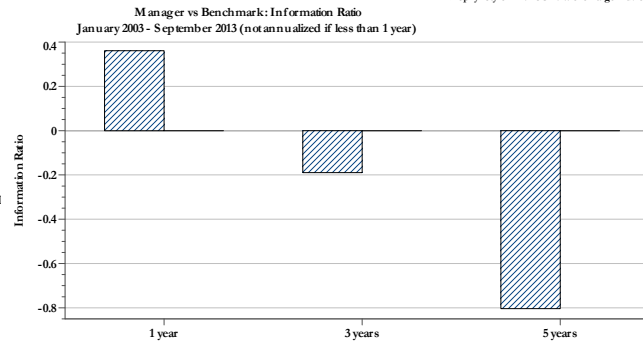


Annualized Summary Statistics: October 2008 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
SSgA - Emg Mkts	5.66	28.69	1.01	-1.72	99.34	0.19	20.00
MSCI EMERGING MARKETS	7.56	28.26	1.00	0.00	100.00	0.26	20.00

Information Ratio (Periods Ending September 2013)

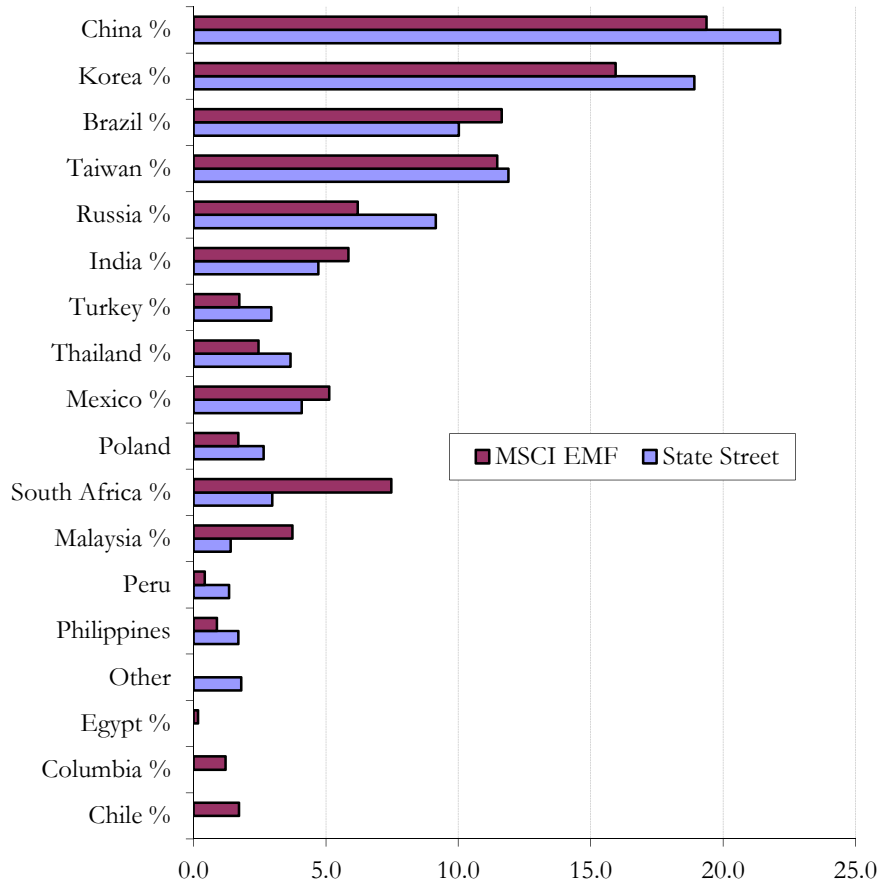
Zephyr StyleADVISOR: Wells Fargo Advisors



Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)

	1 year	3 years	5 years
SSgA - Emg Mkts	0.36	-0.19	-0.80

Country Distribution

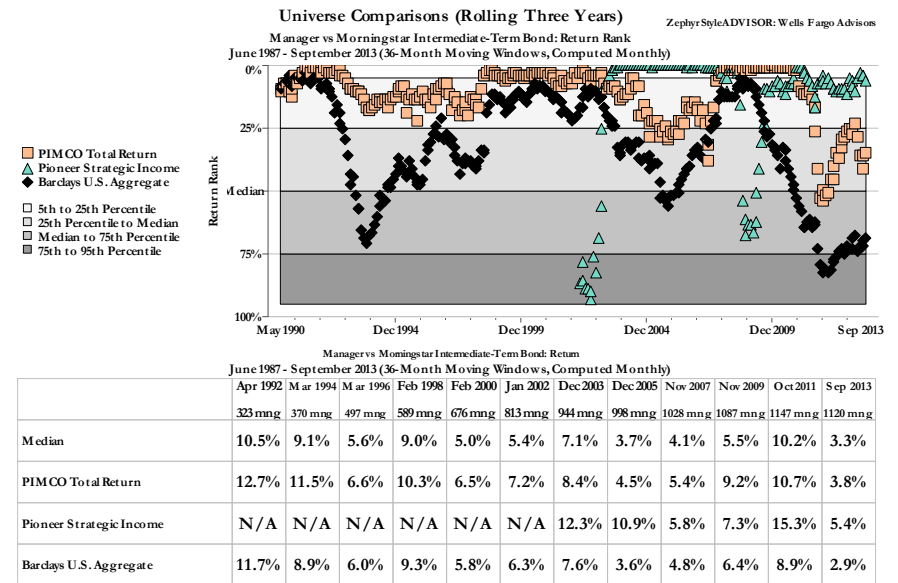
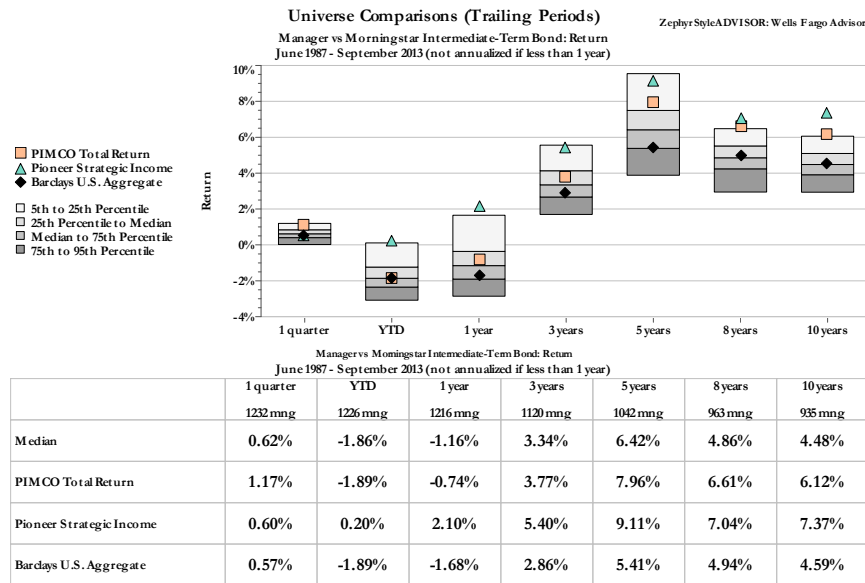


	State Street	MSCI EMF
Price/Earnings	9.04	10.98
Price/Book	1.32	1.52
Yield	3.36	2.75
Weighted Average Cap (\$billions)	25,393	21,242
# Holdings	251	815

Data Source: State Street, MSCI

III. Fixed Income Sector (US Bonds)

Periods Ending September 30, 2013- Performance



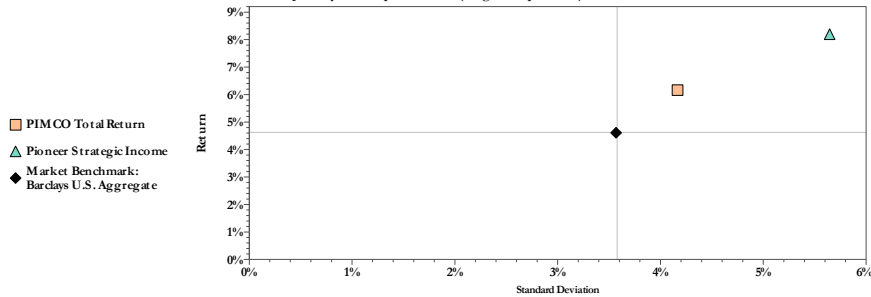
*Longer time periods are shown for illustrative purposes.
PIMCO Total Return Fund and Pioneer Strategic
Income Fund actual performance began on 11/3/09.

Fixed Income Sector (US Bonds)

Periods Ending September 30, 2013— Risk Measures

Return/Risk (January 2003 - September 2013)
January 2003 - September 2013 (Single Computation)

Zephyr StyleADVISOR: Wells Fargo Advisors

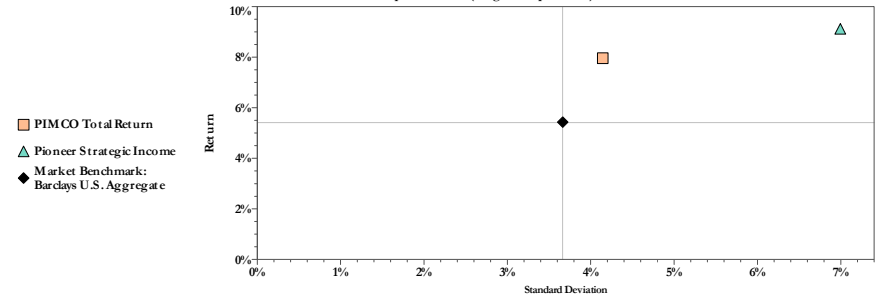


Annualized Summary Statistics: January 2003 - September 2013

	Return (%)	Std Dev (%)	Betas. Market	Alphas. Market	R-Squared vs. Market	Sharpe Ratio	Obsvrs.
PIMCO Total Return	6.14	4.16	1.00	1.47	74.16	1.10	129.00
Pioneer Strategic Income	8.22	5.65	0.81	4.47	26.07	1.18	129.00
Barclays U.S. Aggregate	4.63	3.58	1.00	0.00	100.00	0.85	129.00

Return/Risk (Five Years Ending September 2013)
October 2008 - September 2013 (Single Computation)

Zephyr StyleADVISOR: Wells Fargo Advisors



Annualized Summary Statistics: October 2008 - September 2013

	Return (%)	Std Dev (%)	Betas. Market	Alphas. Market	R-Squared vs. Market	Sharpe Ratio	Obsvrs.
PIMCO Total Return	7.96	4.16	0.88	3.13	59.49	1.88	60.00
Pioneer Strategic Income	9.11	6.99	0.76	5.05	15.83	1.28	60.00
Barclays U.S. Aggregate	5.41	3.66	1.00	0.00	100.00	1.44	60.00

*Longer time periods are shown for illustrative purposes. PIMCO Total Return Fund and Pioneer Strategic Income Fund actual performance began on 11/3/09.

As of September 30, 2013

Sector Allocation	PIMCO Total Return	Pioneer Strategic Income	Fixed Combined	Barclays Aggregate	Over/(Under) Weight
U.S. Treasury/Agency	35.0	9.1	22.0	46.5	(24.4)
Corporate	9.0	52.8	30.9	21.9	9.1
Mortgage	35.0	8.3	21.6	31.7	(10.0)
Asset-Backed	0.0	4.0	2.0	0.0	2.0
Other	15.0	20.6	17.8	0.0	17.8
Cash & Equivalents	6.0	5.2	5.6	0.0	5.6

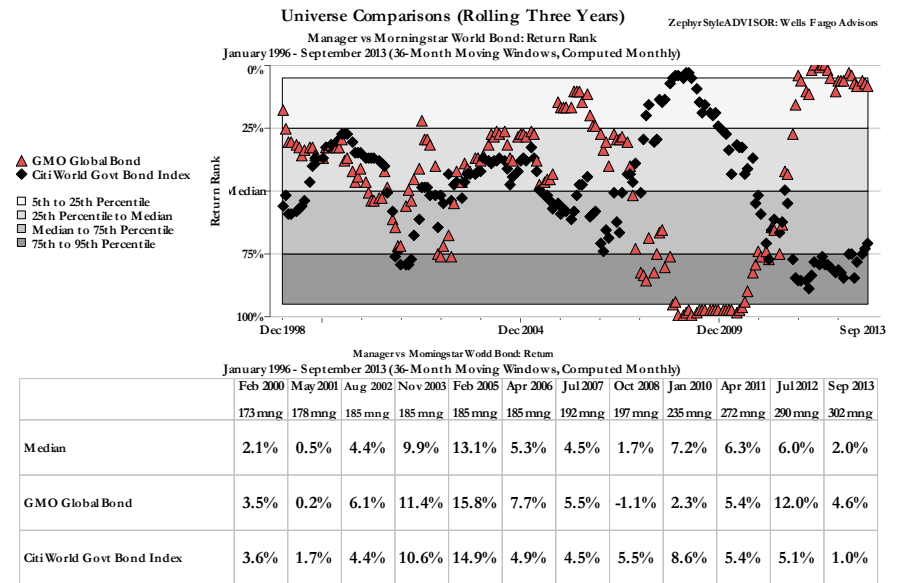
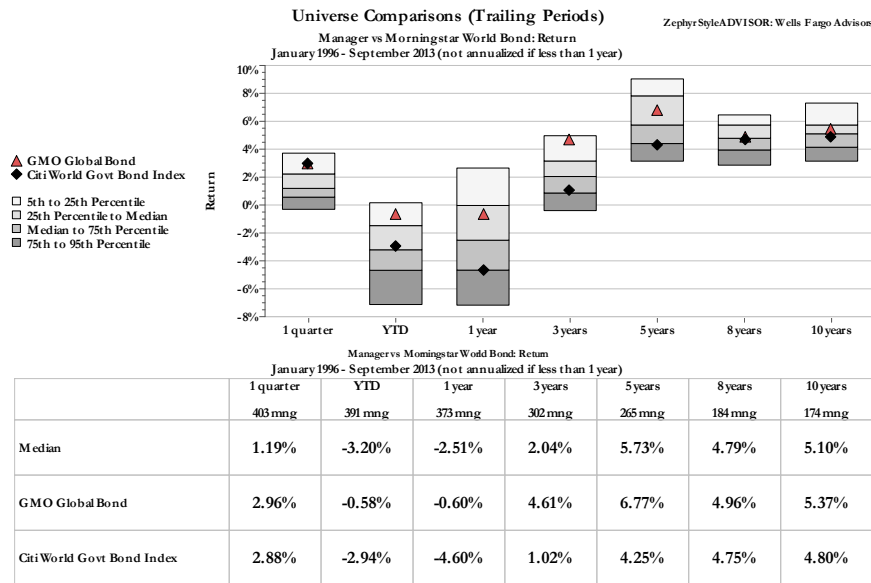
Sector Distribution

	PIMCO Total Return	Pioneer Strategic Income	Fixed Combined	Barclays Aggregate	Over/(Under) Weight
Modified Adj. Duration	4.4	4.7	5.6	5.5	0.1
Average Maturity	5.2	10.2	7.6	7.5	0.1

Data Source: PIMCO, Pioneer, Barclays Capital

Fixed Income Sector (Global Bonds)

Periods Ending September 30, 2013 - Performance

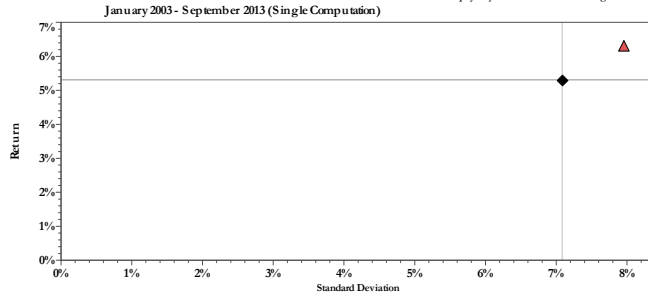


Fixed Income Sector (Global Bonds)

Periods Ending September 30, 2013– Risk Measures

Return / Risk (January 2003 - September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

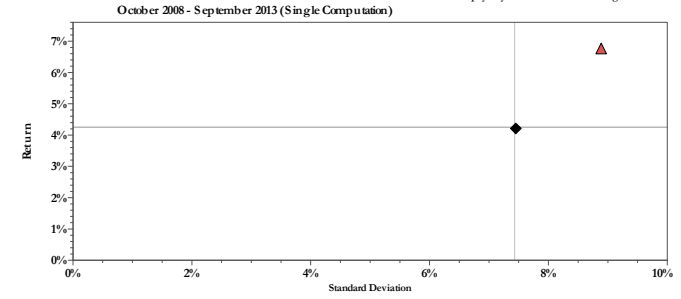


Annualized Summary Statistics: January 2003 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
GMO Global Bond	6.33	7.94	0.88	1.67	62.10	0.60	129.00
Citi World Govt Bond Index	5.31	7.08	1.00	0.00	100.00	0.53	129.00

Return / Risk (Five Years Ending September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

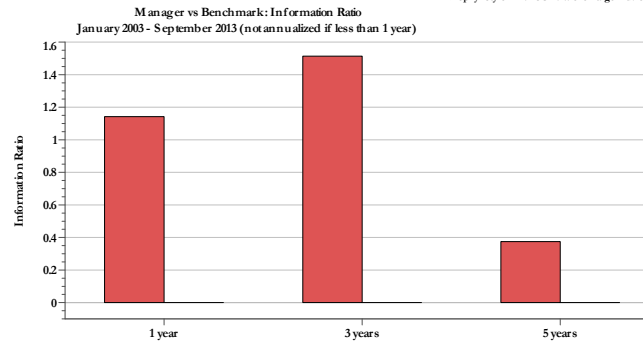


Annualized Summary Statistics: October 2008 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
GMO Global Bond	6.77	8.91	0.81	3.41	45.75	0.74	60.00
Citi World Govt Bond Index	4.25	7.43	1.00	0.00	100.00	0.55	60.00

Information Ratio (Periods Ending September 2013)

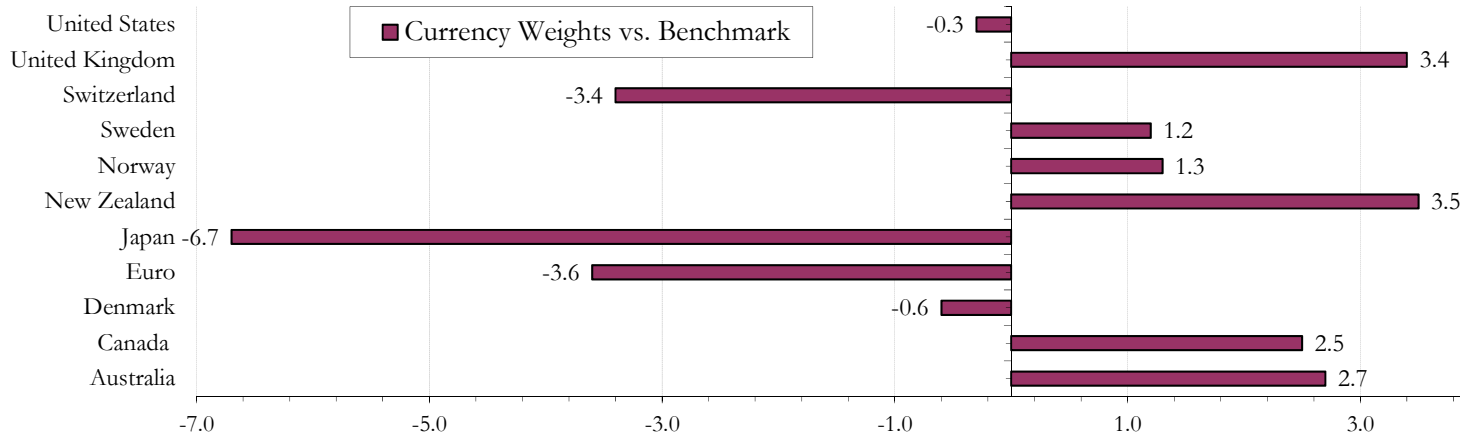
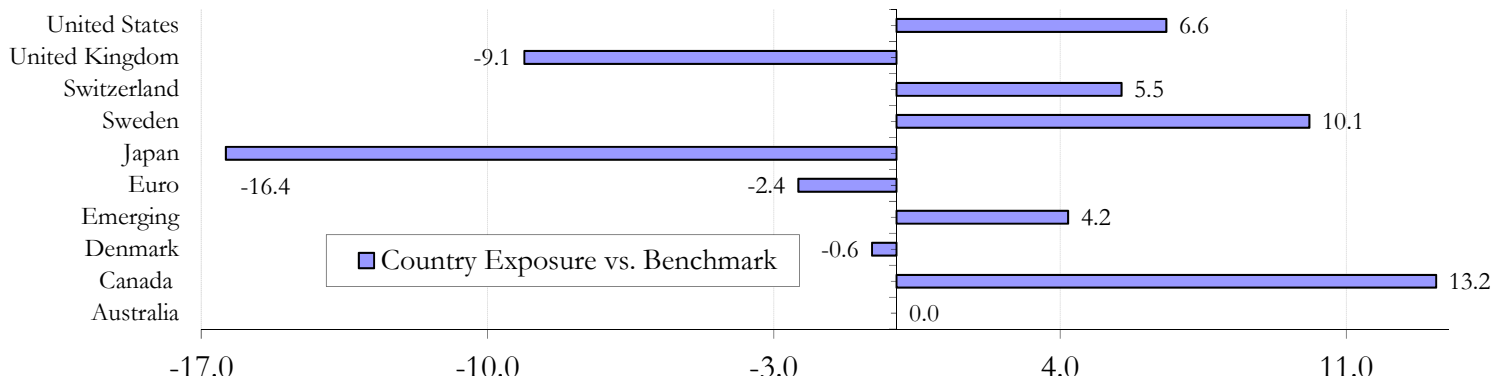
Zephyr Style ADVISOR: Wells Fargo Advisors



Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)

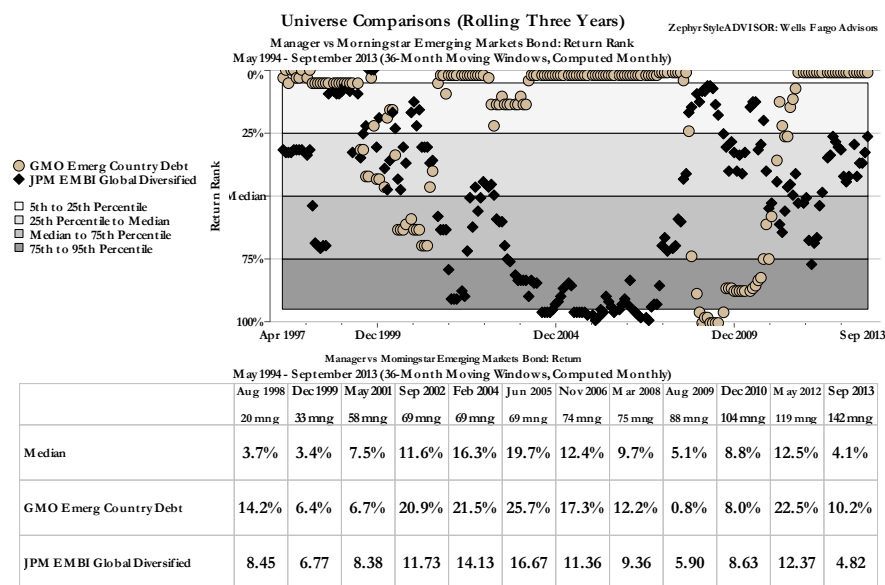
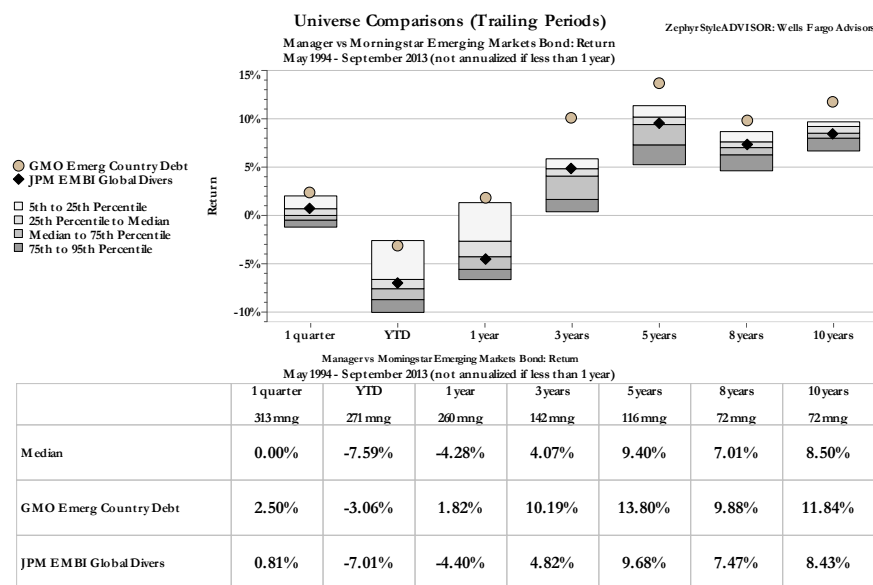
	1 year	3 years	5 years
GMO Global Bond	1.14	1.51	0.37

Characteristic	Portfolio
Modified Duration	7.0
Average Coupon	3.5%
Average Maturity	8.6
Average Yield	2.9%
EM Country Exposure	4.2%



Fixed Income Sector (Emerging Market)

Periods Ending September 30, 2013 - Performance

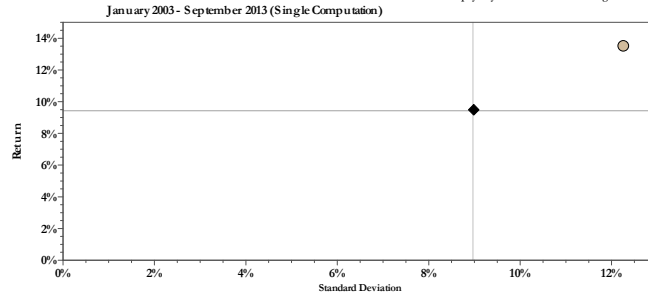


Fixed Income Sector (Emerging Market)

Periods Ending September 30, 2013— Risk Measures

Return/ Risk (January 2003 - September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

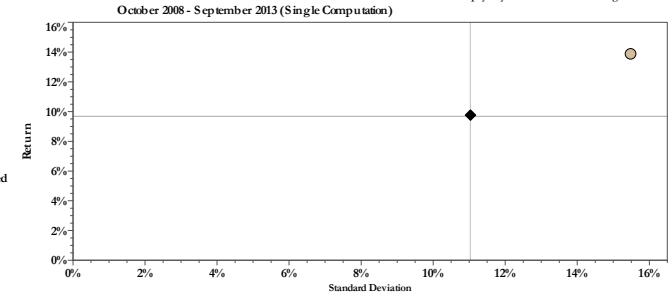


Annualized Summary Statistics: January 2003 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
GMO Emerg Country Debt	13.54	12.28	1.27	1.61	85.36	0.97	129.00
JPM EMBI Global Diversified	9.44	8.97	1.00	0.00	100.00	0.88	129.00

Return/ Risk (Five Years Ending September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors



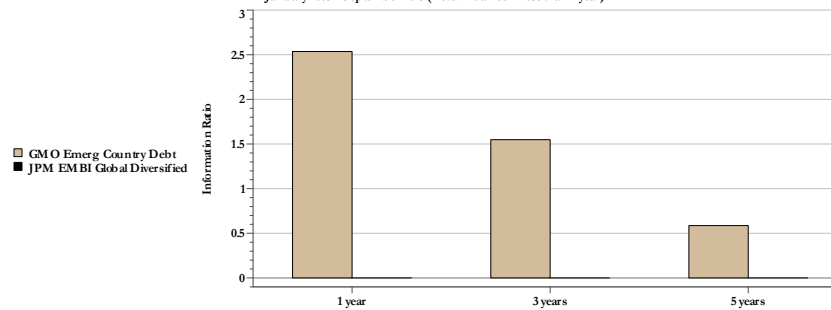
Annualized Summary Statistics: October 2008 - September 2013

	Return (%)	Std Dev (%)	Beta vs. Market	Alpha vs. Market	R-Squared vs. Market	Sharpe Ratio	Observs.
GMO Emerg Country Debt	13.80	15.52	1.29	1.58	83.57	0.88	60.00
JPM EMBI Global Diversified	9.68	11.03	1.00	0.00	100.00	0.86	60.00

Information Ratio (Periods Ending September 2013)

Zephyr Style ADVISOR: Wells Fargo Advisors

Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)



Manager vs Benchmark: Information Ratio
January 2003 - September 2013 (not annualized if less than 1 year)

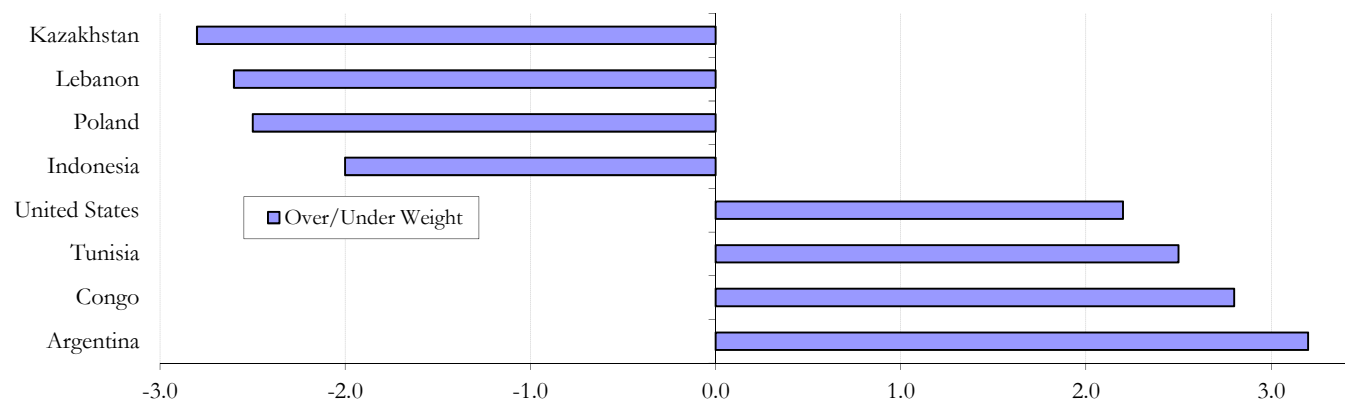
	1 year	3 years	5 years
GMO Emerg Country Debt	2.54	1.55	0.59

Currency Exposure	% of Fund
US Dollar	98.7
Euro	0.2
Japanese Yen	0.2
Malaysian Ringgits	0.0
Swiss Francs	0.1
Argentina Peso	0.8
British Pounds Sterling	0.0
S. African Unitary Rand	0.2

Characteristic	Portfolio
YTM	7.7%
Maturity	12.5
Modified Duration	7.6

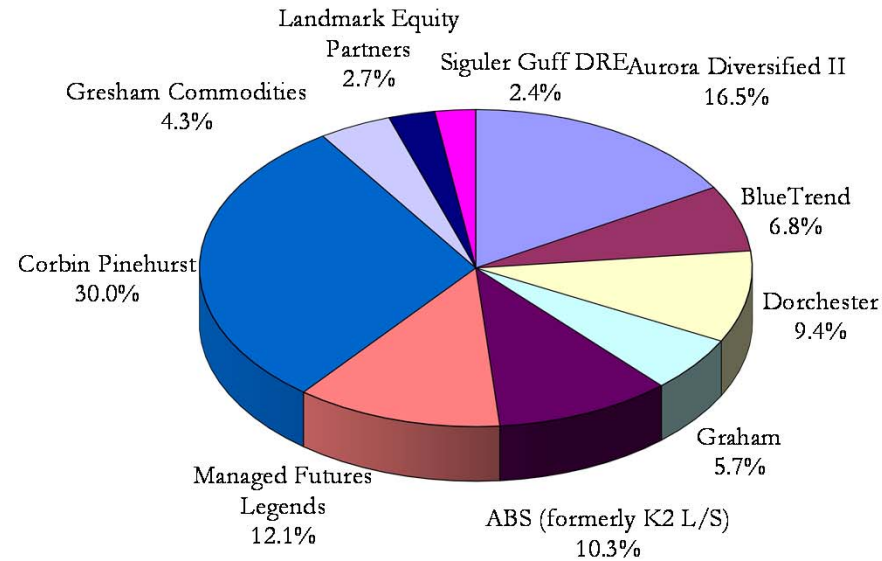
Quality Distribution	% of Fund	% of Index
Investment Grade	46.1	57.4
BB	20.4	23.5
B	21.5	17.2
<B	6.7	0.6
Not Rated	5.3	1.3

Country Overweights/Underweights



Data Source: GMO

Alternative Breakdown (%)



<u>Manager</u>	<u>% of Account</u>	<u>Estimated Market Value</u>	<u>Verified Values</u>	<u>Verified As Of</u>
Aurora Diversified II	16.5%	\$995,838	\$995,788	8/31/2013
BlueTrend	6.7%	\$407,755	\$407,780	8/31/2013
Dorchester	9.3%	\$563,829	\$563,120	8/31/2013
Graham	5.7%	\$341,797	\$342,211	8/31/2013
ABS (formerly K2 L/S)	10.3%	\$622,068	\$621,542	8/31/2013
Managed Futures Legends	12.1%	\$728,773	\$729,188	8/31/2013
Corbin Pinehurst	29.9%	\$1,806,193	\$1,804,734	8/31/2013
Gresham Commodities	4.2%	\$256,601	\$256,521	8/31/2013
Landmark Equity Partners	2.7%	\$162,983	\$154,938	3/31/2013
Siguler Guff DRE	2.4%	\$160,687	\$144,187	3/31/2013
Total	99.7%	\$6,046,522.52	\$6,020,009	

Data Source: Wells Fargo Advisors

	FYTD	One Year	Three Years ¹	Incept (Mgr) ²	Incept Bench ²	Performance Inception
<i>Combined Alternatives (1 mo lag)</i>	<i>(2.3)</i>	<i>1.7</i>	<i>1.6</i>	<i>1.4</i>	<i>2.3</i>	Jan-10
<i>HFRI FoF Index (1 mo lag)</i>	<i>(1.2)</i>	<i>5.9</i>	<i>2.8</i>			
<u>Lower Volatility</u>						
Aurora Diversified II	(0.6)	6.1	--	0.5	1.7	Feb-11
<i>HFRI Conservative Index</i>	<i>(0.3)</i>	<i>6.2</i>	--			
<u>Diversified</u>						
Corbin Pinehurst	(0.0)	8.5	5.8	5.6	2.3	Jan-10
Dorchester	(0.5)	11.9	5.5	5.5	2.3	Jan-10
<i>HFRI Fund of Funds</i>	<i>(1.2)</i>	<i>5.9</i>	<i>2.8</i>			
<u>Hedged Equity</u>						
ABS Global L/S (K2 prior to 12/12)	(0.0)	9.8	5.1	3.2	4.5	Jan-10
<i>HFRI Equity Hedge</i>	<i>(0.2)</i>	<i>10.5</i>	<i>5.4</i>			
<u>Managed Futures</u>						
BlueTrend	(10.8)	(13.9)	--	(5.0)	(5.4)	Feb-11
Graham	(8.2)	(5.1)	(5.8)	(5.0)	(2.2)	Jan-10
Managed Futures Legends	(9.2)	(13.8)	--	(7.4)	(5.4)	Feb-11
<i>CS Tremont Managed Futures Index</i>	<i>(9.0)</i>	<i>(11.3)</i>	<i>(2.2)</i>			
<u>Commodities</u>						
Gresham Commodities	1.6	(9.4)	--	(5.3)	(7.8)	Feb-11
<i>Dow UBS Commodity Index</i>	<i>(0.1)</i>	<i>(10.6)</i>	--			
<u>Private Equity</u>						
Landmark Equity Partners				11.8		Jan-10
Sigular Guff DRE				1.4		Mar-11

All returns are on a one-month lag. Performance greater than 1 year is annualized.

Data Source: Wells Fargo Advisors

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Capital Markets Overview

Speculation the Fed would initiate tapering activities along with political battles which threatened to stall government funding, and therefore shut down the U.S. government, didn't seem to effect performance this quarter. The major markets, led this time by the NASDAQ, added to their yearly gains and ended near record territory.

Fueled by comments from Fed Chairman Bernanke that supported an accommodative monetary policy the equity markets were positioned to set new records this quarter. The Dow Jones Industrial Average (DJIA) and S&P 500 traded near or above record levels by mid-July. Despite a volatile final week the major averages all managed to finish in positive territory. The NASDAQ Composite added more than 11% to its total return and is up more than 26% year-to-date. The S&P 500 Index added 5% for the quarter and is up more than 19% year-to-date. The DJIA added 2%, increasing its total return to more than 17% year-to-date.

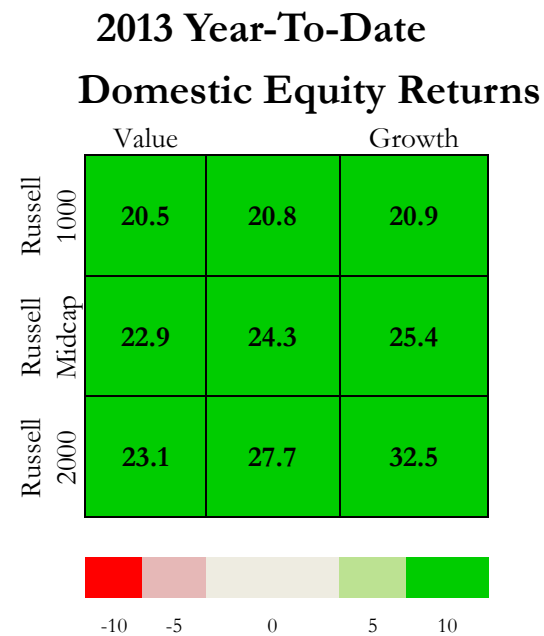
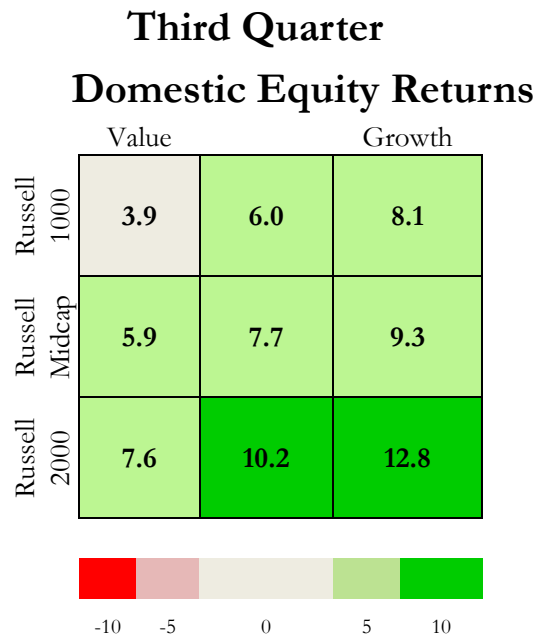
International markets, specifically in Europe, watched the U.S. markets for guidance as foreign investors weighed the impact of a stalled funding program and the possible untimely failure of the U.S. to pass a measure increasing the debt ceiling limit. GDP data released in early September confirmed that Europe is exiting its second recession since the beginning of 2008. China's economy, a source of concern for investors earlier this year, showed signs of stabilizing this quarter. Industrial production and exports are up and retail sales are rebounding.

The debt market was outperformed by equities again this quarter as bond yields moved with every Fed committee member's taper announcement. Long-term rates ended the quarter lower after the Fed's official announcement in September that it would not begin its anticipated tapering program. This may have been a pre-emptive move by the Fed anticipating a government shutdown which would likely lead to increased short-term unemployment. The 10-year note was up slightly this quarter to yield 2.61%, and the 30-year note also closed up to yield 3.68%. Away from government notes, Verizon Communications Inc. issued the largest corporate debt offering in history at \$49 billion. According to data provider Dealogic, investment-grade companies sold \$147.7 billion of corporate bonds in the U.S. during September.

Commodity prices, in general, declined as slow growth around the world reduced demand. The availability of raw materials for industrial production is abundant in the market and agricultural output is at record highs. Gold enjoyed a brief muted rally as a safe haven investment for investors concerned about a possible fiscal impasse in the U.S.

Domestic markets continued to move near all-time highs after another solid quarter

- Stocks roared into the second half of the year as July saw most averages up over 5%
- Performance for the quarter was strongest in growth and smaller-cap stocks
- All segmentations of the major Russell indices are now up over 20% for the year

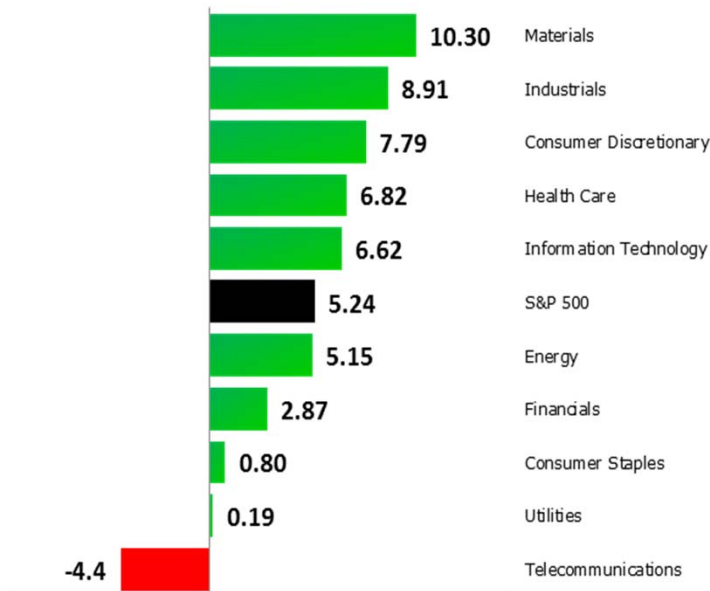


Data Sources: FactSet, Zephyr StyleAdvisor, MSCI Barra,
Standard & Poor's

Most sectors of the S&P 500 continued to post solid gains this quarter

- Cyclical led for the quarter as strength in metals helped Materials become the best performing sector
- The Telecommunications sector was the lone negative sector for the quarter as the price of AT&T (T) stock fell 4.19% and shares in Verizon (VZ) fell 7.33%

S&P 500 Third Quarter 2013 Sector Returns



Best Performing Subsectors

1 quarter

S&P 500 Tires & Rubber	46.83%
S&P 500 Computer & Electronics Retail	30.10%
S&P 500 Household Appliances	28.67%
S&P 500 Consumer Electronics	24.66%
S&P 500 Coal & Consumable Fuels	22.26%

Worst Performing Subsectors

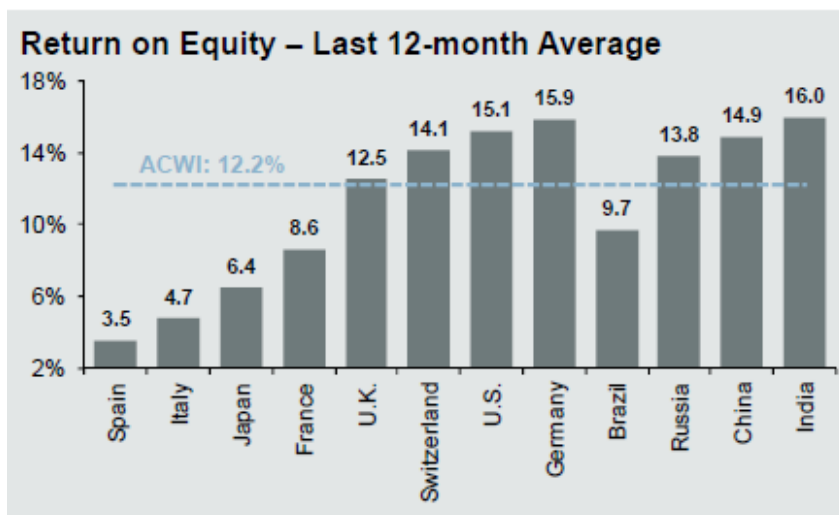
1 quarter

S&P 500 Food Distributors	-6.05%
S&P 500 Residential REITs	-6.13%
S&P 500 Homebuilding	-7.77%
S&P 500 Department Stores	-8.32%
S&P 500 Health Care Facilities	-10.65%

Data Sources: FactSet, Zephyr StyleAdvisor, MSCI Barra, Standard & Poor's

Developed vs. Emerging...showing the difference

➤ The growth in the Eurozone was slow as anticipated, although it seems that the equity markets recognized the QE and work by the EU was continuing and the markets caught up. Europe (ex-U.K.) saw a gain of over 14% for the quarter and the YTD return jumped from -1% to 19%.



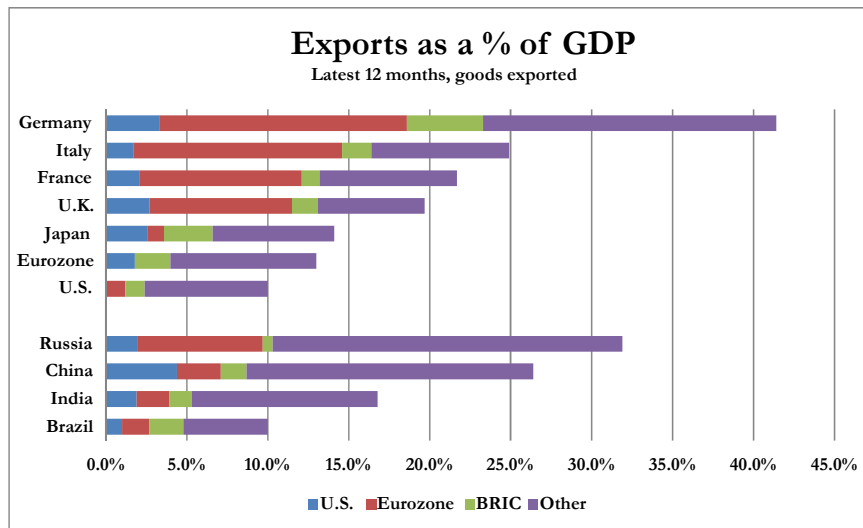
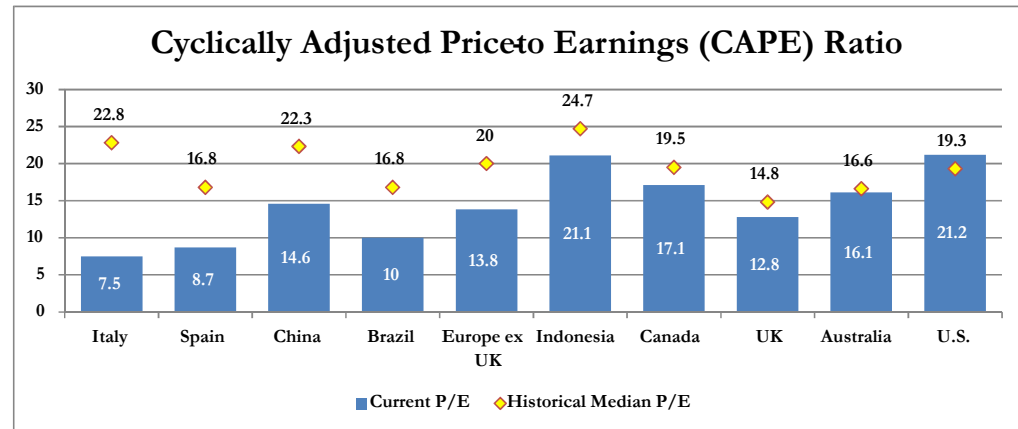
➤ It seems that “Abenomics” has worked in the short-term, jolting the markets to a gain of over 6% this quarter and taking the YTD return over 24%. The threat to Japan comes as other tactics are implemented over the next year.

	2Q13		YTD	
Country/Region	Local	USD	Local	USD
Regions/Broad Indexes				
USA (S&P 500)	-	5.2	-	19.8
EAFE	7.5	11.6	19.8	16.6
Europe ex-U.K.	9.8	14.5	16.6	19.0
Pacific ex-Japan	8.7	10.4	12.9	5.3
Emerging Markets	5.8	5.9	0.8	-4.1
MSCI:Selected Countries				
United Kingdom	4.9	12.1	12.8	12.4
France	10.9	15.5	17.1	20.3
Germany	8.3	12.7	13.8	16.9
Japan	5.4	6.7	41.3	24.5
China	12.2	12.2	0.2	0.1
India	-0.2	-5.3	-0.4	-12.8
Brazil	9.3	8.4	-3.1	-10.9
Russia	12.5	13.7	5.9	1.0

Data Sources: Wells Fargo Advisors, JPMorgan Asset Mgmt., MSCI

Emerging Markets need to look within their own borders

➤ China's economy slowed somewhat in the 3rd quarter, however the markets rose based on the results of the “shadow banking” crackdown and monetary infusion. The MSCI China index was up over 12% for the quarter making its YTD over 12% as well.



➤ The Emerging Markets are still trailing price to earnings while the Developed Markets are beginning to revert to the mean.

➤ Developed Markets continue to strengthen, causing a lessening of foreign investment; Emerging Markets are going to have to strengthen their domestic consumption to continue their growth.

Data Sources: Wells Fargo Advisors, JPMorgan Asset Mgmt., Oppenheimer Funds, MSCI

Fed Comments Cause for Concern in Bond Markets

- The 10-year note continued its selloff driven by concerns that the Fed would soon slow its bond buying program. The yield climbed as high as 2.99% before the Fed announced that it would not adjust the level of its bond purchases.
- After the Fed's taper announcement the yield retreated from its annual high, down to 2.61%.

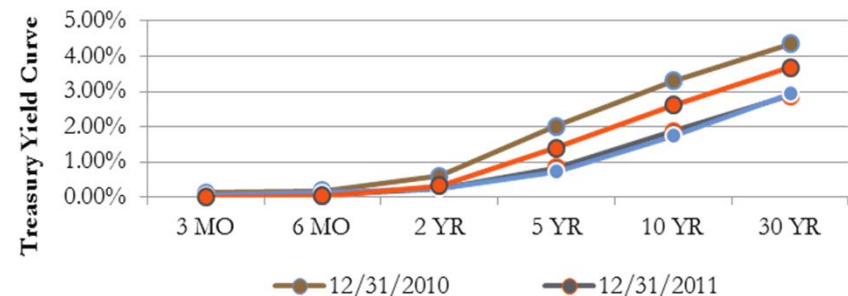
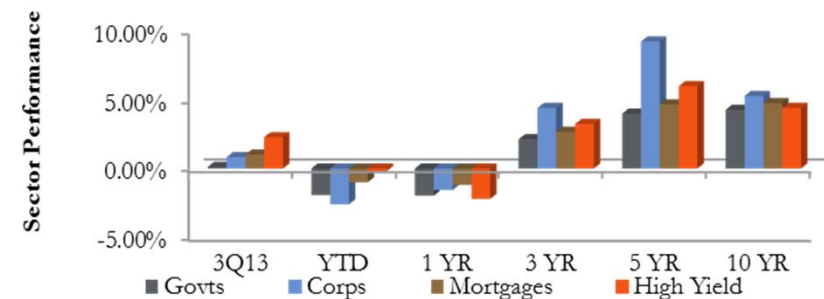
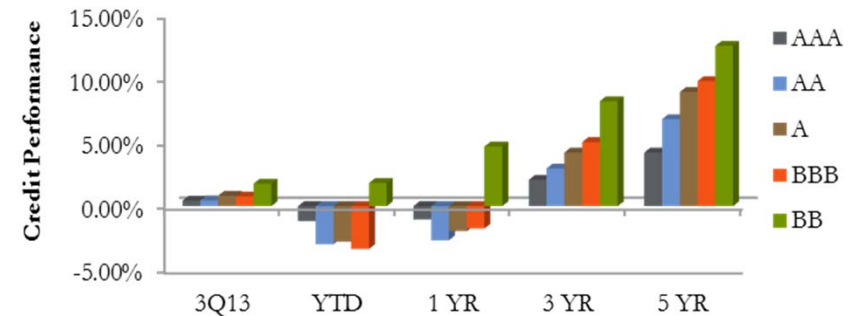
10 year treasury yield



Data Sources: Bloomberg LP, Wells Fargo Securities, LLC, FactSet, Zephyr StyleAdvisor, Barclays

Bonds make slight gains across credit quality and sectors

- Fixed income markets halted their decline this quarter. Gains ranged from 0.77% for the lowest investment grade debt (BBB) to 0.43% for AAA paper. Year-to-date returns for BBB rated bonds rose to -3.36% from -4.10%, while AAA rated bonds are down 1.18%.
- By sector, high yield had the largest gain this quarter, up 2.28%, followed by mortgage paper, up 1.02%. Government debt gained 0.12% and corporate debt gained 0.82%.
- Yields moved higher this quarter based on improving economic sentiment and fear the Fed would curtail its bond buying program.



Data Sources: Bloomberg LP, Wells Fargo Securities, LLC, FactSet, Zephyr StyleAdvisor, Barclays

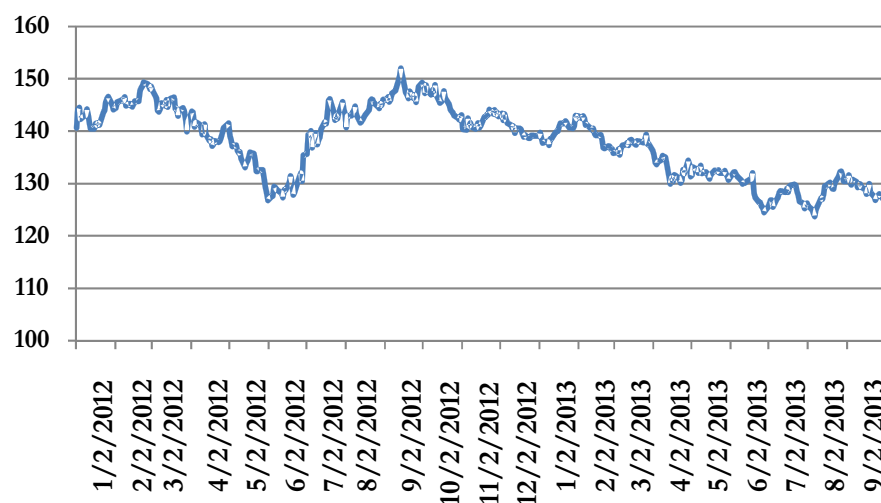
Commodity prices remain under pressure

➤ Continued slow economic growth around the world has kept downward pressure on commodity prices.

➤ Gold prices were volatile this quarter largely due to political uncertainty in the Middle-East and funding uncertainty in the United States. Gold's lack of ability to sustain a rally may indicate the precious metal has lost some value as a necessary safe haven investment. The price of gold, measured per Troy ounce, is down nearly 25% from a year ago.

➤ Crude oil is moving opposite of the trend in general commodity prices. Crude, priced per barrel is up 11.58% through the third quarter this year due largely to the current turmoil in the middle east.

DJ UBS Commodity Index



Commodities	Current	3 Months Ago	1 Year Ago
	9/30/2013	6/28/2013	9/28/2012
Gold (per Troy ounce)	\$1,332.90	\$1,223.80	\$1,771.10
Oil (per barrel)	\$102.45	\$96.97	\$92.19
Copper (per pound)	\$3.32	\$3.06	\$3.77

Source: Bloomberg LP, FactSet, and Wells Fargo Advisors, LLC

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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.

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.

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.

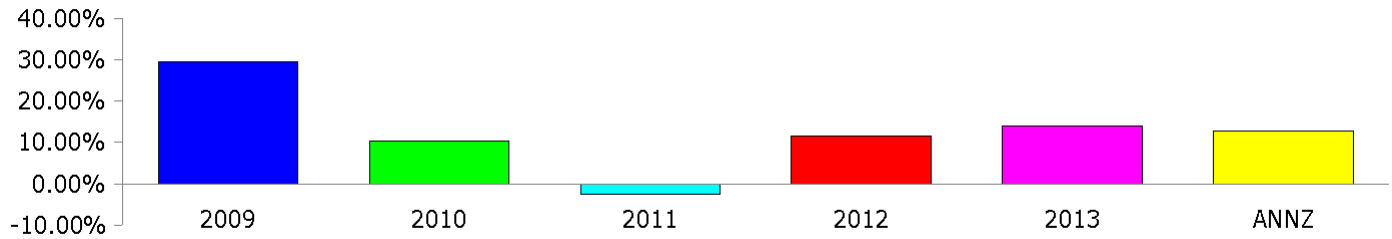
Citigroup 3 Month Treasury Bill - Representing the monthly return equivalents of yield averages that are not marked to market, this index is an average of the last three three-month Treasury bill issues.

50/50 Blend (S&P 500/BCIGC) - A blended benchmark consisting of 50% S&P 500 and 50% Barclays Capital Government/Credit Intermediate indices.

Time-Weighted Performance for 11893008

COLLEGE OF WILLIAM AND MARY- GREEN FUND

Gross Time-Weighted Rates of Return



Performance Summary

Performance Inception Date: Jan 23, 2009

Balances:

Beginning Market Value (January 1, 2013):	\$216,619
Contributions:	40,000
Withdrawals:	0
Appreciation/Depreciation:	31,004
Ending Market Value (October 31, 2013):	\$287,623

Time-Weighted Returns:

Since Inception:	12.75 %
2013 YTD:	14.02 %
<hr/>	
2012	11.55 %
2011	-2.53 %
2010	10.25 %
2009	29.67 %

Returns are calculated net of transaction costs and gross of advisory account program fees. If advisory account program fees were included, performance would be lower. Performance based on current market prices, as available.

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. Selected 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.

Based on availability of historical performance information, Time-Weighted inception dates may differ from Money-Weighted inception dates.

Included within Appreciation/Depreciation is: Income \$1,557

Accrued Income is included within values: Beginning \$107 Ending \$0

One or more year(s) excluded (if applicable).

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Securities and Insurance Products:

NOT INSURED BY FDIC OR ANY FEDERAL GOVERNMENT AGENCY	MAY LOSE VALUE	NOT A DEPOSIT OF OR GUARANTEED BY A BANK OR ANY BANK AFFILIATE
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This presentation is not complete unless accompanied by the detailed explanation included in the Glossary of Terms. This report is not the official record of your account. However, it has been prepared to assist you with your investment planning and is for informational purposes only. Your Client Statement is the official record of your account. Therefore, if there are any discrepancies between this report and your Client Statement, you should rely on the Client Statement and call your local Branch Manager with any questions. Cost data and acquisition dates provided by you are not verified. Transactions requiring tax consideration should be reviewed carefully with your accountant or tax advisor. Unless otherwise indicated, market prices/values are the most recent closing prices available at the time of this report, and are subject to change. Prices may not reflect the value at which securities could be sold. Past performance does not guarantee future results.

This information is provided to complement but not replace your account-specific advisory performance report.

RICHARD BLAND COLLEGE COMMITTEE
November 21, 2013
4:15 – 5:45 p.m.
Board Room – Blow Memorial Hall

John E. Littel, Chair
Ann Green Baise, Vice Chair

- I. Introductory Remarks – Mr. Littel
- II. Approval of Minutes – September 26, 2013
- III. General Reports
 - A. Report from President Debbie L. Sydow
 - 1. Launching Intercollegiate Athletics – Chuck Moore
 - B. Report from Vice President, Administration and Finance – Annette S. Parker
 - C. Report from Director, Center for Strategic Initiatives – J. Tyler Hart
 - D. Report from Faculty Representative – Barbara M. Morgan
 - E. Report from Student Representative – Eric A. Monge
- IV. Action Material
 - A. Appointments to Fill Vacancies in the Professionals and Professional Faculty **Resolution 1**
 - 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, 2013 (*joint with William and Mary*). **Resolution 8**
- V. Informational Material
 - A. 2013-2014 Operating Budget Update **Enclosure A**
 - B. Capital Outlay Progress Report **Enclosure B**
- VI. Closed Session (if necessary)
- VII. Discussion
- VIII. Adjourn

RICHARD BLAND COLLEGE COMMITTEE

MINUTES – SEPTEMBER 26, 2013

MINUTES
Richard Bland College Committee
September 26, 2013
Board Conference Room – Blow Memorial Hall

Attendees: John E. Littel, Chair; Ann Green Baise, Vice Chair; Lynn M. Dillon; Sue H. Gerdelman; faculty representative Barbara M. Morgan and student representative Eric A. Monge. Others present: Rector Todd A. Stottlemeyer; President Debbie L. Sydow, Jenifer L. Blair, C. Scott Davis, Chandragupta Gudena, Deborah A. Love, Sarah Melchior, Annette S. Parker, Sandra J. Wilms.

Chair John Littel called the Committee to order at 7:45 a.m. In his opening remarks, Mr. Littel reported on his visit to campus on September 18, where he met with a group of honors students and student-athletes. Progress on the strategic plan is evident and morale is improving.

Recognizing that a quorum was present, Mr. Littel asked for a motion to approve the minutes of the meeting of April 18, 2013. Motion was made by Ms. Baise, seconded by Ms. Gerdelman, and approved by voice vote of the Committee.

President Sydow reviewed goals for 2013-2014 which align with the Strategic Plan, and noted the focus this year would be on enrollment, student enhancement and expanding the portfolio of academic programs.

Jenifer Blair and President Sydow presented a PowerPoint presentation focused on strategic enrollment management and admission criteria, noting quality improvements from 2011 to 2013. A brief discussion ensued.

Annette Parker reviewed the proposed reorganization and reallocation of resources to meet Phase 1 goals of the strategic plan, noting that increasing revenue was an important part of the plan. She discussed the \$700,000 shortfall and the plans underway to address it during 2013-2014. Ms. Parker and President Sydow discussed the new marketing material and branding work, noting that the updated website was recently launched. A brief discussion ensued.

Faculty representative Professor Barbara Morgan reported that the faculty were now working to bring the core curriculum in line with the Strategic Plan and the Faculty Senate was active. The faculty were also seeing the increased quality of the student body in their classes. Student representative Eric Monge reported on student appreciation for the honors program recognition, the new branding initiative and the improvements in the athletic programs. A brief discussion ensued.

President Sydow reviewed **Resolution 1**, Appointments to Fill Vacancies in the Instructional Faculty; and **Resolution 2**, Appointments to Fill Vacancies in the Professionals and Professional Faculty, noting that the College was starting to utilize more non-tenure track faculty. Mr. Littel reviewed the history behind the need for **Resolution 3**, Repurpose of a College Facility.

Richard Bland College Committee
MINUTES
Page 2

Noting that in accordance with the *Bylaws*, **Resolution 22**, 2014-2020 Six-Year Plan, and **Resolution 23**, 2014-2016 Operating Budget Requests, were distributed at the request of the President, Ms. Parker advised that they were being brought to the Committee on the same schedule as William and Mary's resolutions.

Following brief discussion on the action material, Mr. Littel asked for a motion to approve as a block **Resolution 1**, Appointments to Fill Vacancies in the Instructional Faculty; **Resolution 2**, Appointments to Fill Vacancies in the Professionals and Professional Faculty; **Resolution 3**, Repurpose of a College Facility; **HANDOUT Resolution 22**, 2014-2020 Six-Year Plan and **HANDOUT Resolution 23**, 2014-2016 Operating Budget Requests. Motion was made by Ms. Dillon, seconded by Ms. Gerdelman and approve by voice vote of the Committee. (**Resolution 22** and **Resolution 23** are appended.)

Mr. Littel moved that the Committee convene in Executive Session for the purpose of discussing personnel matters pertaining to the performance and evaluations of specific executive employees, as provided for in Section 2.2-3711.A.1., of the Code of Virginia. Motion was seconded by Ms. Baise and approved by voice vote. The Committee went into Executive Session at 8:45 a.m.

The Committee reconvened in open session at 9:35 a.m. Mr. Littel reviewed the topic discussed during closed session, and then moved adoption of the **Resolution** certifying the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Ms. Gerdelman and approved by roll call vote of the Board members conducted by Executive Assistant to the Board Sandy Wilms. (Certification **Resolution** is appended.)

There being no further business, the Committee adjourned at 9:35 a.m.

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

2014-2020 SIX-YEAR PLAN

WHEREAS, it is the mission of Richard Bland College to prepare students for university transfer through academically rigorous programs grounded in the liberal arts tradition of The College of William and Mary and to expand access to college credentials through strategic partnerships, specialized programming, and scalable innovation; and

WHEREAS, Richard Bland College has a longstanding tradition of providing the citizens of Central Virginia and the Commonwealth a high-value liberal arts education designed for transfer; and

WHEREAS, 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, in April, 2013 the aforesaid revised mission was approved by The College of William and Mary Board of Visitors; and

WHEREAS, in April 2013, the Board also approved the 2014-2019 Richard Bland College Strategic Plan (RBC-19); and

WHEREAS, the College’s Six-Year Plan is rooted in RBC-19 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, student service, and administrative operations, prioritized those expenditures, and recommended funding through a combination of Commonwealth, College, and reallocated revenue; and

WHEREAS, the College continues to evaluate opportunities to improve the effectiveness and efficiency of its academic and administrative programs and activities, aware that fulfilling the goals of RBC-19 will require a combination of such efforts, tuition revenue, state support and greater philanthropy;

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of The College of William and Mary in Virginia approves expenditures proposed in the College’s Six-Year Plan, and that the Six-Year Plan be prepared and submitted according to the requirements of the Higher Education Opportunity Act of 2011 and subsequent guidance from the State Council of Higher Education.

**RICHARD BLAND COLLEGE
OF THE COLLEGE OF WILLIAM & MARY**

SIX-YEAR PLAN (2014 through 2020)

A. Institutional Mission

To prepare students for university transfer through academically rigorous programs grounded in the liberal arts tradition of William & Mary and to expand access to college credentials through strategic partnerships, specialized programming, and scalable innovation. This revised mission was approved by The College of William and Mary Board of Visitors in April 2013.

B. Strategies

Strategic Enrollment Management (SEM) Plan

- On July 1, 2013, the College hired a Vice President for Enrollment Services who will develop and implement a market-driven Strategic Enrollment Management (SEM) plan designed to achieve and maintain optimal enrollment at Richard Bland College through effective recruitment and retention.
- The College invested in a comprehensive branding study in 2013 to establish clarity about its mission and its promise to citizens of the Commonwealth. All college employees will be responsible for fulfilling the brand promise, and an investment will be made to market the College appropriately throughout the Commonwealth to ensure that prospective students and parents are aware of Richard Bland College's unique role as Virginia's only residential two-year college focused on affordable and high quality first- and second-year college coursework for those planning to transfer to selective universities.
- The College has redesigned the College website in support of SEM goals and objectives and continues to develop a robust web presence.
- The College will increase dual enrollment course offerings at 6 new high schools.
- The College will offer on-campus summer camps for dual enrollment.
- The College will offer all programming through non-traditional delivery modes (night, weekend, online, or offsite).
- The College will increase the number of Guaranteed Transfer and Articulation agreements to 40 with a focus of direct transfer to high-demand 4-year programs, e.g., STEM-h programs.
- The College will provide a robust student activities program based on student demand and participation, including intercollegiate athletics—NJCAA.

- The College will create an Academic Support and Student Counseling department that will develop an early academic warning system and intervention program to improve retention and graduation.
- The College created an Honors Program in fall 2013 that includes study abroad and a robust first-year experience.

Centralized One-Stop

- The College will re-engineer enrollment and support functions and co-locate all enrollment and support services to ensure optimal efficiency, convenience and ease for students at Richard Bland College with the big goal of creating a campus culture and environment that is singularly focused on student success.
- The College will realign all policies and procedures in support of a cross-functional, student-centered environment.
- 85% of student FAQ's will be answered by one-stop staff in person, by telephone or online.
- The One-Stop Center will house an advising center that will make accurate, consistent and high quality advising available to all students during College business hours, and all first-year students will receive advising at the One-Stop Center.
- Faculty advising will focus on assisting second year students in planning for degree completion and transfer.

Learning Outcomes Culture

- The College will assess all courses and programs on the basis of student learning outcomes, and modify offerings accordingly and with an emphasis on continuous improvement.
- The College will establish a culture of critical inquiry and innovation among students, faculty and staff.
- The College will reduce the full-time, tenure-track faculty teaching requirements to 12 credit hours to improve the quality of teaching and learning.
- The College will invest in faculty training and development to encourage continuous improvement and the utilization of best practices for inspiring and facilitating learning outcomes and student success.
- The College will establish a uniform standard for incoming students to be "remediation free" with a goal of reducing the need for developmental courses by 25% and increasing on-time degree completion.

Expanded Footprint

- The College will make all program offerings available via alternative delivery modes.
- The College will recruit students from densely populated areas, e.g., Northern Virginia, Tidewater region, making this unique residential, two-year, affordable college option available to more citizens of the Commonwealth.
- The College will establish strategic partnerships with public and private industry to facilitate programming designed to help students get jobs.
- The College will train faculty and staff on roles and responsibilities relative to the brand as identified in the branding study.
- The College will be recognized in the Commonwealth as a leader in the innovative utilization of instructional technologies and program delivery, e.g., MOOC-enhanced instruction. Faculty will utilize open source instructional materials to facilitate and inspire learning.

Academic Portfolio

- Through market/gap analysis and strategic partnerships, the College will expand its academic portfolio. One planned area of growth is in applied degree clusters (stackable credentials). Each strategic partner will lend resources and expertise to the development of a new set of academic program offerings centered on entrepreneurship. The vast majority of jobs are in small businesses, so the College seeks to drive entrepreneurship and economic development through the creation of a robust cluster of curricula in the following areas.
 1. Information Technology (Cyber Security, Computer Modeling, Simulation, & Gaming, and Logistics) – Building on a special appropriation from the Commonwealth in 2014, and in partnership with the Army's Training Brain Operations Center (TBOC), these programs will focus on the technical side of design, allowing students to halt or prevent cyber-attacks (identified as a developing issue from TBOC and Army Logistic University). Students will use computer modeling, simulation and gaming to build training simulations that will enhance their academic experience in Logistics and Cyber Security. The Science & Technology Center that opened in 2008 provides ideal space for this type of programming.
 2. Technical and Creative Arts (Film production, Videography, Art Design) – These programs will merge elements of RBC's existing art and business programs, as well as add new course offerings, to help students develop and practice entrepreneurial skills, utilizing the Center for Strategic Initiatives in conjunction with Virginia's only full production film studio located in Petersburg, Virginia, through a strategic partnership with New Millennium Studios.
 3. Agribusiness – In a partnership with Virginia State University (VSU), Richard Bland College will develop an Agribusiness program that utilizes the abundant natural resources already present on campus, e.g., wetlands, pecan grove, Loblolly forests, for program development and living laboratories. Students will benefit from seamless and direct transfer into the School of

Agriculture at VSU. Leaving the agriculture course offerings to VSU, RBC will focus on the entrepreneurial aspects of Agri-business, thereby providing new, real-world program options to a broader array of students.

4. Equine Therapy – Partnering with VSU to pool resources, beginning Spring 2014, Richard Bland College will offer an Equine Growth and Learning Association psychology certificate program. This program will utilize appropriate tracts on the 770-acre campus to provide therapy to children, veterans and others through a proven method of study. Renovations to buildings on the East side of campus, particularly the Barn, will ultimately be necessary to support this program as it builds over time.

All of these unique, applied entrepreneurial programs will provide students with marketable skills that are directly aligned with local, regional and statewide industry needs. The core competencies of entrepreneurship will allow for a common curriculum and programs of study that will provide students with the hands-on experience and stackable credentials necessary to secure gainful employment. The Center for Strategic Innovation will provide the workspace needed for meaningful and productive collaboration between curriculum designers and strategic partners, and it will serve as an innovation center to drive continuous improvement in learning outcomes.

Planning Culture

- All academic and administrative units will develop strategic plans that advance the College's mission, vision and strategic goals.
- The College will build systems (IT, staffing, budgeting, policy, etc.) to ensure that timely and accurate data is available to inform decisions and monitor progress towards goals.

Resource Alignment and Reallocation

- The College will administratively reorganize to ensure that (1) overhead expenses are minimized while elevating the professionalism of administrative staff, (2) optimal resources are invested in the core mission, and (3) timely and accurate data are available for decision making. Examples of these changes include reducing multiple administrative lines and reallocating part of the salary savings to hire a Vice President for Enrollment Services, Vice President for Administration and Finance, Chief Information Officer (CIO), and Comptroller.
- During FY13, the College began a Phase I reorganization to align with the goals of Top Jobs 21 and to redeploy resources into recruiting and retaining the right students and offering the right programming and delivery. Total Phase I reorganization: \$1,865,891. In FY14, the College will undertake a Phase II reorganization with the goal of reallocating an additional \$700,000 to support the goals outlined in RBC-19.

- The College intends to identify additional savings for reallocation of \$290,000 in the subsequent four years of the Six-Year Plan.

Sustainability

- The College will become more financially sustainable by increasing auxiliary revenue and reducing its reliance on the general fund appropriation.
- The College will move 95% of academic and student services to the West Side of Johnson Road to ensure student safety, optimal efficiency and the development of a more vibrant learning community.
- The College will increase safety and support features necessary to serve additional students at minimal additional cost by tapping existing capacity.

C. Financial Aid

The College currently allocates \$60,000 per year from tuition and fee revenue to offset the impact of tuition and fee increases on low- and middle-income students. This amount will continue in future years; however, instead of further investment, the college will utilize unfunded scholarships to advance SEM goals and to assist this student demographic. The utilization of unfunded scholarships will allow the college to assist more students by awarding additional institutional scholarships.

D. Evaluation of Prior Six-Year Plan

With funding for additional advisors and the additional appropriation for a highly robust distance learning platform (Main Street Virtual Learning or MSVL), the College is well on its way to offering the first completely online certificate program (stackable credential) in the Spring 2014 semester. Selected faculty members have been trained and are now certified to teach on the MSVL synchronous learning platform. With MSVL as its strategic partner, the College launched a "Language Institute" in the spring of 2013 and now offers over 70 different conversational languages in a completely place-neutral manner. Dual Enrollment and online offerings are both trending upward for the 2014 academic year. With additional advisors, the College was able to realign the advising program to better accommodate students' needs. Well trained advisors are now available during business hours, and faculty will begin to advise students on the basis of their major and completion/transfer goals. The College continues to make progress to improve advising services and has made significant strides to increase "program to program" articulation agreements with 4-year partners.

**RICHARD BLAND COLLEGE OF
THE COLLEGE OF WILLIAM & MARY**

2014-2016 OPERATING BUDGET REQUESTS

Using guidance from the Governor's Office, the Secretary of Education, and the State Department of Planning and Budget, Richard Bland College of the College of William and Mary has developed operating budget requests for consideration by the Governor as part of the Commonwealth's 2014-16 budget development process.

The initial step in the Commonwealth's budget development process was the spring 2013 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 2014-16 budget recommendations. Funding of new capital outlay projects remains heavily dependent on the state's ability to issue new long-term debt while maintaining its AAA bond rating.

Operating budget requests are limited in number and reflect assumptions underlying the College's Six Year Plan and fulfillment of the RBC Strategic Plan 2014-2019 (RBC-19). Funds are not requested for items typically considered "state-wide" issues by the Commonwealth of Virginia. State-wide issues include faculty and staff salaries, student financial assistance, and continuation of the Higher Education Equipment Trust Fund program.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of The College of William and Mary in Virginia approves the administration's recommended operating budget requests for Richard Bland College for submission to the Commonwealth as part of the 2014-16 budget development process.

**RICHARD BLAND COLLEGE OF
THE COLLEGE OF WILLIAM AND MARY**
2014-16 OPERATING BUDGET REQUESTS

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Priority 1—Investment in Increased Enrollment	\$125,000 GF	\$150,000 GF

This request provides funding to support in-state undergraduate enrollment growth to 2,000 students/1,500 FTEs at the College by 2019. The College plans to create and implement a data-driven Strategic Enrollment Management Plan (SEM) designed to support the recruitment and retention of an academically prepared, diverse student body and to prepare these students for graduation and transfer. Additionally, this request will support the creation of a Centralized One-Stop student services center to better serve new and enrolled students and to improve retention and graduation.

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Priority 2—Investment in Academic and Co-Curricular Programming	\$425,620 GF	\$635,954 GF

Using a combination of incremental and reallocated funds, the College is moving forward to establish a Learning Outcomes culture. The RBC Faculty will develop and deliver a core curriculum that reflects best practices in teaching, and will facilitate and inspire learning through proven and innovative methodologies designed to improve student learning, retention and completion rates. Additionally, the College will develop a robust portfolio of applied academic programs that are responsive to student demand, with an emphasis on convenience through new modalities and delivery times, and which are designed to improve student retention and completion rates.

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Priority 3—Support Investment in Campus Safety	\$35,000 GF	\$35,000 GF

The College will provide operational support and training in the proper use of high-tech systems to improve campus safety. This General Fund request for training supplements a request for the change of purpose of capital funding under an “Umbrella Project” (approved for RBC in 2012, but not yet expended) to support the creation of a comprehensive approach to campus safety. The capital plan calls for investment in surveillance cameras/monitors, communications equipment, proximity locks, lighting upgrades, etc.

**RICHARD BLAND COLLEGE OF
THE COLLEGE OF WILLIAM AND MARY
2014-16 OPERATING BUDGET REQUESTS**

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Priority 4—Improve Operational Efficiency	\$ 50,000 GF	\$ 85,000 GF
Support Costs of Renovated Space		\$100,000 GF

The College's human and capital resources will be aligned in direct support of the student-centered mission and vision, and an environment that attracts and develops the right and best faculty and staff will be established and maintained. Further, the College will redesign processes and train employees to gain efficiencies by more effectively utilizing administrative systems for transaction recording and management reporting.

Further, the College will need \$100,000 to bring Ernst Hall back on line, following the completion of renovations, including cost of utilities, maintenance, cleaning, etc. Expected timeframe for occupancy is FY16.

September 26, 2013

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Richard Bland College 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, §2.2-3712.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 Richard Bland College 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 Richard Bland College Committee.

VOTE

AYES: 5

NAYS: 0

ABSENT DURING CLOSED SESSION:



John E. Littel
Chair
Richard Bland College Committee

**RICHARD BLAND COLLEGE
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY**

Vacancies in the Professionals and Professional Faculty of Richard Bland College of The College of William and Mary have resulted because of a retirement, a vacancy, or a newly created position.

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:

ERIC J. KONDZIELAWA, Director of Property Management and Security,
effective September 30, 2013:

B.A. (1990), Syracuse University
Licensed Class A Contractor – Virginia
Licensed General Contractor – Florida
Licensed General Contractor – Louisiana

North Star Companies
Project Manager, 2011-2013

I.H. Construction
Project Manager/Facilities Manager, 2005-2010

Nash Construction
Project Manager, 2002-2005

Utica Community Action
Director of Construction, 1995-2002

LATASHA ELEY, Assistant Director of Admissions, effective October 25, 2013:

Ph.D., University of Maryland, Baltimore County, doctoral program in progress
M.Ed. (2009), The College of William and Mary
B.A. (2007), Christopher Newport University

University of Maryland, Baltimore County
Teaching Assistant, 2012-2013

LATASHA ELEY *(continued)*:

University of Maryland, Baltimore County
Orientation Advisor, 2011-2012

U.S. Department of Education
Program Analyst, 2010-2013

Christopher Newport University
Admissions Officer, 2009-2010

The College of William and Mary
Program Assistant, 2008

The College of William and Mary
Graduate Assistant, 2007-2008

Board of Visitors

November 20 - 22, 2013

Enclosure A

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**RICHARD BLAND COLLEGE
2013-14 OPERATING BUDGET UPDATE**

EDUCATIONAL & GENERAL

<u>REVENUE</u>	<u>Actual 2010-11</u>	<u>Actual 2011-12</u>	<u>Actual 2012-13</u>	<u>Approved 2013-14</u>	<u>To Date 9/30/2013</u>
General Funds	\$ 5,234,621	\$ 4,908,736	\$ 5,238,116	\$ 5,473,340	\$ 1,195,268
Nongeneral	3,714,578	3,733,224	3,876,508	4,448,906	2,016,052
Central Appropriations	(133,352)	86,971	198,551	150,000	86,933
Prior Year Reappropriations	24,800	177,533	96,131	10,000	-
ARRA	200,000	520,569	-	-	-
General Fund Reversion	-	-	-	-	-
General Fund Carryover	-	(96,131)	(26,971)	-	-
TOTAL REVENUE	\$ 9,040,646	\$ 9,330,902	\$ 9,382,335	\$ 10,082,246	\$ 3,298,253
<u>EXPENDITURES</u>					
Instruction	\$ 2,890,044	\$ 2,180,586	\$ 3,319,124	\$ 4,002,960	\$ 997,722
Public Service	-	400	-	1,080	-
Academic Support	291,137	312,967	309,205	457,000	122,972
Student Services	988,523	1,072,911	1,131,591	1,327,800	359,649
Institutional Support	2,773,697	2,748,172	2,702,558	2,820,000	862,351
Operation of Plant	1,719,711	1,957,696	1,802,893	1,379,920	505,596
ARRA	200,000	520,579	-	-	-
Contingency	-	-	-	93,486	-
TOTAL EXPENDITURES	\$ 8,863,114	\$ 8,793,311	\$ 9,265,371	\$ 10,082,246	\$ 2,848,290

November 20 - 22, 2013

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**RICHARD BLAND COLLEGE
2013-14 OPERATING BUDGET UPDATE**

**SCHOLARSHIPS AND LOAN ASSISTANCE
FINANCIAL AID**

<u>REVENUE</u>	<u>Actual</u> <u>2010-11</u>	<u>Actual</u> <u>2011-12</u>	<u>Actual</u> <u>2012-13</u>	<u>Approved</u> <u>2013-14</u>	<u>To Date</u> <u>9/30/13</u>
General Funds	\$ 331,255	\$ 398,528	\$ 447,803	454,107 *	\$ 219,373
Nongeneral Funds	50,000	60,000	60,000	60,000	27,950
<u>TOTAL REVENUE</u>	<u>\$ 381,255</u>	<u>\$ 458,528</u>	<u>\$ 507,803</u>	<u>\$ 514,107</u>	<u>\$ 247,323</u>
*Includes CS, CSAP, and VMSDEP					
<u>EXPENDITURES</u>					
Scholarships	\$ 381,255	\$ 458,528	\$ 507,803	\$ 514,107	\$ 247,223

**FINANCIAL ASSISTANCE
FOR E&G PROGRAMS**

<u>REVENUE</u>					
General Funds	\$ -	\$ -	\$ -	-	\$ -
Nongeneral Funds*	25,000		54,054	25,000	1,142
<u>TOTAL REVENUE</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ 54,054</u>	<u>\$ 25,000</u>	<u>\$ 1,142</u>
<u>EXPENDITURES</u>					
Sponsored Programs	\$ 7,863	\$ -	\$ 54,054	\$ 25,000	\$ 1,142

* EOY amount reflects budgeted Federal College Work Study and an unanticipated federal grant.

November 20 - 22, 2013

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**RICHARD BLAND COLLEGE
2013-14 OPERATING BUDGET UPDATE**

AUXILIARY ENTERPRISES

	Actual 2010-11	Actual 2011-12	Actual 2012-13	Approved 2013-14	To Date 9/30/13
Beginning Fund Balance	\$ 1,655,677	\$ 1,659,215	\$ 1,722,962	\$ 878,117	\$ 878,117
<u>REVENUE</u>					
Residences	2,073,819	2,125,838	2,140,560	2,600,000	1,128,468
Special Funds	9,840	5,100	-	10,000	-
Auxiliary Fees	164,692	172,976	188,360	120,094	74,322
Parking	144,915	133,603	123,925	140,000	62,020
Athletics	22,910	23,813	30,030	100,000	143,850
Student Activity Fee				100,000	36,000
Health Services	148,635	141,975	135,375	-	-
Food/Vending Services	79,500	91,490	93,975	80,000	11,425
TOTAL REVENUE	\$ 2,644,311	\$ 2,694,795	\$ 2,712,225	\$ 3,150,094	\$ 1,456,085

EXPENDITURES

Residences	\$ 348,679	\$ 461,371	\$ 877,838	\$ 700,000	\$ 311,917
Debt Service on Residence Halls	1,608,874	1,608,874	1,452,891	1,200,000	\$ 580,832
General Operating	232,473	110,957	356,460	100,000	38,854
Parking	138,013	2,223	388,210	50,000	46,944
Athletics	18,805	20,103	25,264	150,000	59,317
Health Services	20,150	17,929	10,141	-	900
Food Services	87,778	94,592	91,266	55,000	11,628
Indirect Costs	186,000	315,000	355,000	225,000	
Renewal/Replacement	-	-	-	500,000	8,957
TOTAL EXPENDITURES	\$ 2,640,772	\$ 2,631,049	\$ 3,557,070	\$ 2,980,000	\$ 1,059,349

Ending Fund Balance \$1,659,216 \$1,722,961 \$878,117 \$1,048,211 \$1,274,853

PRIVATE FUNDS

<u>REVENUE</u>					
Private Funds	\$ 7,690	\$ 16,033	\$ 16,021	\$ 22,000	\$ -
<u>EXPENDITURES</u>					
Scholarships	\$ 21,193	\$ 15,700	\$ 15,700	\$ 22,000	\$ 9,500

RICHARD BLAND COLLEGE CAPITAL OUTLAY PROGRESS REPORT

Ernst Hall Renovations

Ernst Hall, constructed in the 1960's as the College's science building, was vacated in 2011 when academic computing and biology, chemistry, physics, and mathematics classrooms and laboratories moved into the newly constructed James B. McNeer Hall. Ernst is slated to become home to Humanities and Social Sciences, as part of a long range plan to create a cohesive academic quadrangle on the west side of Johnson Road. The move will also improve accessibility and safety for students and faculty who currently cross Johnson Road between classes.

During spring 2013, faculty and staff participated with architects and the administration in classroom utilization and space planning. The detailed design phase of the Ernst Hall project has now been completed and the Bureau of Capital Outlay Management (BCOM) has concluded its value engineering process. BCOM replied to the process with only two suggestions, affirming that the design – completed by architects RRMM of Chesapeake, VA – conforms to their expectations closely. Construction funding, of \$7,800,000, has been approved by both BCOM and DPB. Currently, we are negotiating the RRMM for their fee to take the project to working drawings and construction administration. Additionally, we are prequalifying general contractors to ensure we have identified appropriate contractors to include in the RFP process. Construction is still planned to begin in early 2014 with opening scheduled for fall 2015.

2012 Umbrella Maintenance Project – Various Projects

This \$1.4 million project, approved by the Commonwealth in 2012, had initially been slated to include replacing the chiller in Statesman Hall, converting the key system at the Center for Student Affairs, and making significant improvements to the Maintenance Building, including upgrading the electrical system, adding sprinkler and monitored fire alarm systems, and installing an emergency power generator. The original project also included the construction of a metal storage facility near the Maintenance Building, where custodial and maintenance departments could stock supplies and materials and maintain, repair and store equipment.

After the Umbrella Project was approved, the William & Mary Board of Visitors approved the College's five-year strategic plan (RBC-19), setting the focus and direction of RBC's growth and renovation on the west side of Johnson Road. With the exception of the installation of a chiller in Statesman Hall (gymnasium), all of the aforementioned sub-projects focused renovations on the east side of Johnson Road. It was determined that it

November 20-22, 2013

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should be requested that funds provided by the Commonwealth align with the direction of RBC-19 and focus on building and renovation on the west side of Johnson Road, where

the new residence halls, the Library and Student Commons, McNeer Hall and Ernst Hall are all located.

To date, \$112,000 of the \$1.4 million 2012 Umbrella Project has been approved for detailed planning. The College is in the process of requesting approval by the Commonwealth to use the remainder of appropriated funds to align with the goals of RBC-19. These include replacing the chiller in Statesman Hall (as originally intended), providing access controls to Statesman Hall (controlled keycard access and safety), and providing the infrastructure for and constructing a consolidated storage facility on the west, rather than east, side of Johnson Road, thus improving efficiency for facilities staff when working on the academic, athletic and residential facilities of the campus.

RBC's First Pecan Harvest

The campus at Richard Bland includes 509 mature pecan trees on 35 acres, the oldest and largest pecan grove in Virginia. Staff members have been working with the Virginia Department of Forestry and VSU's agriculture program to establish best practices for the future care of the groves, and with the Virginia Farm Bureau to learn about harvesting and marketing the first commercially harvested RBC pecan crop. With the first frost, the nuts have begun to drop and staff and student workers are sweeping, cleaning, sorting, packaging, etc. While the groves have not yet been certified organic, they have always been maintained according to organic standards and will be marketed as "Virginia's Finest"—locally and all-naturally grown. Response to the initiative has been very positive and the press has been quite good:

http://www.timesdispatch.com/news/local/tri-cities/petersburg/richard-bland-tapping-a-natural-resource-pecans/article_6893243e-619d-5eab-808a-0ba52aab2c0b.html

Forestry Master Planning Study

In collaboration with the Virginia Department of Forestry (DOF), a preliminary Forestry Master Plan has been developed to establish best practices and, ultimately, a long-term master plan for the 637 acres of forestland on RBC's campus. The goals established for the project include:

- Creating an environment that is optimally conducive to student recruitment, engagement and learning and well-suited to educational programming and entrepreneurial activities
- Managing timberlands for generation of revenue and creation of self-sustaining operations
- Marking and protecting historic and environmentally significant resources
- Focusing on care of wildlife, forest health, and long-term viability

November 20-22, 2013

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Recommendations from DOF include managing and improving the pecan groves; timbering sections of the forestland sequentially (one section every five years or so) to

create a 20 to 25- year cycle for reforestation and reharvesting; targeted thinning and preserving some sections of mixed species forests for entrepreneurial and recreational use; and protecting the wetlands on campus. The plan also proposes clearing pines closest to Halifax Road and Carson Drive back 100 feet from the roads and planting a double row of pecan trees in that cleared space to enhance both driving safety and to create a new campus entrance off Halifax Road. (This is the route the VA Department of Transportation prefers for vehicular traffic off Routes 95 and 85.)

There is significant interest on campus in the potential timbering process, and the draft Forestry plan is currently under discussion in the College's shared governance system.

Updated Master Planning Study

RRMM, the Chesapeake, VA, architectural firm designing the renovations to Ernst Hall, has agreed to work with the campus to update the campus master plan *pro bono*. This work has begun and a copy of the current iteration is attached. In particular, proposed changes include:

- Redesigning RBC's main entrance to bring students and visitors into the College from Halifax Road (from the west). This concept has also been recommended by the VA Departments of Forestry and Transportation, as noted above.
- Repositioning proposed dorms to the corner of Johnson and Carson roads to increase the sense of vibrant campus activity when visitors approach from the north and to improve pedestrian access from residential to academic and athletic facilities. (Previous plans had placed student housing expansion to the west of Patriot and Freedom Halls.)
- The athletics complex includes the possibility of a new field house next to Statesman Hall, the existing gymnasium. The track would be relocated to the most northern boundary of campus and would become the first view of RBC when entering campus from the north. These additions place all athletics in the North West Quadrant to be contiguous to parking and Statesman Hall.
- Academic activity becomes concentrated in the lower left or southwestern quadrant. The proposed Academic Innovation and Resource Center – which formed the core of the Capital Six-Year Plan proposed to the state last summer – becomes a primary focal point when entering campus either from the south or the north and forms an academic quadrangle with McNeer, Ernst and the existing Student Commons/Library. This latter building is anticipated to become a One Stop Shop for student support services and administrative space after the library and IT move to the new Academic Innovation and Resource Center.
- An outdoor amphitheater is also planned in the green space just to the north of McNeer, further enhancing activity in the academic quad.

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- The eastern half of campus becomes “green,” enhancing our pecan groves and providing opportunities for other sustainability initiatives, academic projects and

agribusiness-related activities. (Conversations with VSU’s School of Agriculture are ongoing.) In the build out of a behavioral science associates degree, the concept of an equine therapy curriculum is being considered. The red building in the lower right corner of the campus map represents the possible site for a new barn or arena to complement the existing Barn. Extensive forest resources are expected to provide recreational opportunities, such as expanding our nature trails and wetlands research.

COMMITTEE ON STRATEGIC INITIATIVES AND NEW VENTURES

November 22, 2013

8:30 – 10:00 a.m.

Board Room – Blow Memorial Hall

Thomas R. Frantz, Chair
Edward L. Flippen, Vice Chair
John E. Littel, Vice Chair
Robert E. Scott, Vice Chair
Peter A. Snyder, Vice Chair
H. Thomas Watkins III, Vice Chair

- I. Introductory Remarks – Mr. Frantz
- II. Strategic Planning Discussion Topics -- Provost Michael R. Halleran and Vice President James R. Golden
 - A. University Dashboard – Enclosure J.
 - B. Dashboard to Track Implementation of the W&M Promise
 - C. Business Innovation Project
 - D. Early Admission Update
- III. Closed Session (if necessary)
- IV. Communications/Economic Development – Vice President Golden
- V. Adjourn

WILLIAM & MARY TOP LEVEL DASHBOARD

Measures+	W&M 2009-10	W&M 2010-11	W&M 2011-12	W&M 2012-13	W&M 2013-14	Target	UVA **	Brown **
Challenge: Leading Liberal Arts University								
1. Undergraduate acceptance rate ^a	34%	32%	35%	32%	33%	34%	30% (Fall 2013)	9% (Fall 2013)
2. Undergraduate yield rate ^a	34%	35%	33%	33%	32%	34%	41% (Fall 2013)	58% (Fall 2013)
3. Undergraduate 25 th – 75 th percentile SAT score range ^{b1}	1240-1450	1260-1440	1240-1450	1250-1460	1270-1460	1250-1450	1260-1460 (Fall 2012)	1320-1550 (Fall 2012)
4. Undergraduate graduation rates ^a	90% 2004 cohort	91% 2005 cohort	90% 2006 cohort	Avail. 5/2014 2007 cohort	Avail. 5/2015 2008 cohort	93%	93% 2006 cohort	95% 2006 cohort
5. Student: faculty ratio ^{b8}	12:1	12:1	12:1	12:1	Avail. 3/2014	<13:1	16:1 (Fall 2012)	8:1 (Fall 2012)
6. Undergraduate small class percentage (2-19 students) ^b	48%	47%	48%	49%	Avail. 2/2014	50%	54% (Fall 2012)	70% (Fall 2012)
Challenge: Diversity								
7. Undergraduate students who are members of historically underrepresented groups ^{a9}	23%	25%	26%	27%	28%		27% (Fall 2012)	33% (Fall 2012)
8. Undergraduate students who are nonresident aliens ^a	2%	3%	3%	4%	4%		6% (Fall 2012)	12% (Fall 2012)
9. Graduate/professional students who are members of historically underrepresented groups ^{a9}	13%	14%	15%	16%	15%		17% (Fall 2012)	22% (Fall 2012)
10. Graduate students who are nonresident aliens ^a	12%	11%	12%	13%	15%		12% (Fall 2012)	28% (Fall 2012)
11. Average per-borrower cumulative undergraduate debt ^{c3}	\$21,367 (2010 grads)	\$20,835 (2011 grads)	\$24,344 (2012 grads)	Avail. 2/2014 (2013 grads)	Avail. 2/2015 (2014 grads)	<\$20,000	\$21,591 (2012 grads)	\$23,521 (2012 grads)
Challenge: Lifelong Connection								
12. Alumni giving participation rate: undergraduates with degrees ^{d6}	23.4%	23.9%	23.6%	23.9%	Avail. 9/2014	40% by 2020	23% (USNews)	32.5% (FY2013)
Challenge: Business Plan								
13. US News & World Report: Financial resources rank ^b	85	97	112	114	Avail. 9/2014	<70	55 (2012-13)	24 (2012-13)
14. Total sponsored program expenditures (millions) ^a	\$54	\$57	\$55	Avail. 4/2014	Avail. 4/2015	\$60 by 2014	\$345 (2011-12)	\$124 (2011-12)
15. Debt Service as Percent of Operating Expense ^f	6.7%	5.9%	6.6%	6.9%	Avail. 9/2014	<7%	Not available	Not available
16. Annual Total Value of Private Gifts (in millions) ^d	\$43	\$41	\$44	\$70	Avail. 9/2014	50	\$230 (FY2012)	\$176 (FY2013)
17. Endowment per student ^e	\$71,406	\$81,408	\$82,870	\$87,963	Avail 10/2014		\$195,175 (2010-11)	\$298,425 (2010-11)
Challenge: Administrative Resources and Infrastructure								
18. All E&G Facilities Condition Index ^{e5}	7.6%	7.8%	6.3%	6.9%	Avail. 2/2014	<10%	6.6% (2012-13)	Not available
Challenge: Communications								
19. US News & World Report: National Universities ^b (Ranking for year data collected)	31 (tie)	33 (tie)	33 (tie)	32 (tie)	Avail. 9/2014		23 (tie) (2012-13)	14 (tie) (2012-13)
20. US News & World Report: Public Universities ^b (Ranking for year data collected)	6	6	6	6	Avail. 9/2014		2 (tie) (2012-13)	Not applicable

+Preliminary list. A measure of the quality of faculty is under discussion.

*Years vary by data availability as noted in W&M data

**Denotes schools with a medical school and engineering program

^a 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)

^b From US News & World Report: rankings published in September based on data submitted in previous spring. Reported for year data collected.

^c From Common Data Set (or institutional website, as available)

^d From Council for Aid to Education/Voluntary Support of Education

^e Calculated by facilities management for submission to State Council of Higher Education

^f Internal calculation using data included in the College's annual audited financial statements

^g From National Association of College and University Business Officers (NACUBO)

¹ Calculated by adding the 25th and 75th percentiles for Critical Reading and the percentiles for Math.

² Figures are estimates for current year or actual for previous year

³ Average 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

⁴ Includes 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).

⁵ The 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.

⁶ Annual rate based on Council for Aid to Education/Voluntary Support of Education. For UVa, 2-year average from US News & World Report is used

⁷ Also includes race reported as unknown and non-resident alien

⁸ Does not include faculty or students in stand-alone graduate or professional programs (i.e., Law and, prior to 2010, VIMS)

⁹ Underrepresented groups include American Indian or Alaska Native, Asian, Native Hawaiian/ Other Pacific Islander, Black or African American, Hispanic, Two or more races. Underrepresented groups do not include White, Unknown, Nonresident aliens.

September 15, 2013

**THE COLLEGE OF WILLIAM AND MARY
BOARD OF VISITORS
OFFICERS AND COMMITTEES**

2013-2014

EXECUTIVE COMMITTEE

Todd A. Stottlemeyer, Rector
Robert E. Scott, Vice Rector
Thomas R. Frantz, Secretary
Kendrick F. Ashton, Jr.
Ann Green Baise
Charles A. Banks III
Sue H. Gerdelman

COMMITTEE ON ACADEMIC AFFAIRS

Robert E. Scott, Chair
Kendrick F. Ashton, Jr., Vice Chair
Charles A. Banks III
Lynn M. Dillon
Thomas R. Frantz
William J. Hausman, faculty representative
Michael R. Halleran

COMMITTEE ON ADMINISTRATION, BUILDINGS AND GROUNDS

Ann Green Baise, Chair
John Charles Thomas, Vice Chair
L. Clifford Schroeder, Sr.
DeRonda M. Short
Peter A. Snyder
H. Thomas Watkins III
Michael R. Halleran
Anna B. Martin

COMMITTEE ON ATHLETICS

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Keith S. Fimian, Vice Chair
Sue H. Gerdelman
DeRonda M. Short
Ht. Thomas Watkins III
Edward C. Driscoll, Jr.

COMMITTEE ON AUDIT AND COMPLIANCE

John Charles Thomas, Chair
Leigh A. Pence, Vice Chair
Ann Green Baise
Edward L. Flippen
John E. Littel
Michael L. Stump
Kiersten L. Boyce
Samuel E. Jones
Anna B. Martin

COMMITTEE ON FINANCIAL AFFAIRS

Kendrick F. Ashton, Jr., Chair
John E. Littel, Vice Chair
Charles A. Banks, III, Vice Chair (Chair, Investment Subcommittee)
Edward L. Flippen, Vice Chair
Thomas R. Frantz
Robert E. Scott
H. Thomas Watkins III
Michael R. Halleran
Samuel E. Jones

RICHARD BLAND COLLEGE COMMITTEE

John E. Littel, Chair
Ann Green Baise, Vice Chair
Lynn M. Dillon
Edward L. Flippen
Sue H. Gerdelman
L. Clifford Schroeder, Sr.
Debbie L. Sydow

COMMITTEE ON ALUMNI RELATIONS

Lynn M. Dillon, Chair
Leigh A. Pence, Vice Chair
Keith S. Fimian
DeRonda M. Short
Peter A. Snyder
Karen R. Cottrell

COMMITTEES OF THE WHOLE:

COMMITTEE ON DEVELOPMENT

Sue H. Gerdelman, Chair
Lynn M. Dillon, Vice Chair
L. Clifford Schroeder, Sr., Vice Chair
H. Thomas Watkins III, Vice Chair
Matthew T. Lambert

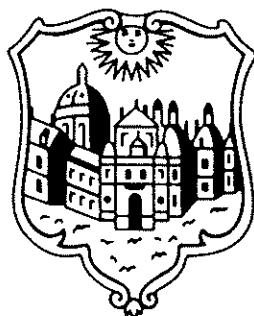
COMMITTEE ON STRATEGIC INITIATIVES AND NEW VENTURES

Thomas R. Frantz, Chair
Edward L. Flippen, Vice Chair
John E. Littel, Vice Chair
Robert E. Scott, Vice Chair
Peter A. Snyder, Vice Chair
H. Thomas Watkins III, Vice Chair
Michael R. Halleran
James R. Golden

COMMITTEE ON STUDENT AFFAIRS

Leigh A. Pence, Chair
Keith S. Fimian, Vice Chair
Peter A. Snyder, Vice Chair
Virginia M. Ambler

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



WILLIAM
& MARY

BOARD MEETING

Board Room - Blow Memorial Hall

November 22, 2013

MEETING AGENDA
Board of Visitors
The College of William and Mary

November 22, 2013 - 10:15 a.m.
Board Room - Blow Memorial Hall

- I. Welcome and call to order Rector Todd A. Stottlemeyer
- II. Approval of Minutes – September 25-27, 2013 Mr. Stottlemeyer
- III. Opening Remarks Mr. Stottlemeyer
President W. Taylor Reveley III
- IV. Closed Session (if necessary) Mr. Stottlemeyer
- V. Reports of Standing Committee chairs
 - A. Committee on Alumni Relations Lynn M. Dillon
 - B. Committee on Audit and Compliance John Charles Thomas
 - 1. **Resolution 2:** Approval of 2014 Internal Audit Work Plan *tab #2*
 - C. Committee on Athletics Peter A. Snyder
 - D. Committee on Administration, Buildings and Grounds Ann Green Baise
 - 1. **Resolution 7:** Resolution to Demolish Moxley House *tab #7*
 - E. Richard Bland College Committee John E. Littel
 - 1. **Resolution 1:** Appointments to Fill Vacancies in the Professionals and Professional Faculty *tab #1*
 - 2. **Resolution 8:** 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, 2013 *tab #8*
(joint with William and Mary)
 - F. Committee on Financial Affairs Kendrick F. Ashton, Jr.
 - 1. **Resolution 8:** 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, 2013 *tab #8*
(joint with Richard Bland)

Board of Visitors
MEETING AGENDA
November 22, 2013

2. **Resolution 9:** Receipt of the Financial Report of the
Intercollegiate Athletic Department for the
Fiscal Year Ended June 30, 2013 *tab #9*

G. Committee on Academic Affairs Robert E. Scott

1. **Resolution 3:** Appointments to Fill Vacancies in the
Professionals and Professional Faculty *tab #3*
2. **Resolution 4:** Faculty Leaves of Absence *tab #4*
3. **Resolution 5:** Retirement of Stephen L. Kaattari
School of Marine Science *tab #5*
4. **Resolution 6:** Retirement of Peter A. Van Veld
School of Marine Science *tab #6*

VI. Old Business Mr. Stottlemeyer

VII. New Business Mr. Stottlemeyer

VIII. Executive Session Mr. Stottlemeyer

IX. Closing remarks

X. Adjournment Mr. Stottlemeyer

GREAT HALL – SIR CHRISTOPHER WREN BUILDING:

1:00 p.m. Brafferton Rededication Lunch

2:00 p.m. Brafferton Rededication

Reception and tours

FULL BOARD MEETING

MINUTES – SEPTEMBER 25-27, 2013

MINUTES
Meeting of the Board of Visitors
The College of William and Mary in Virginia

September 25-27, 2013

The Board of Visitors of The College of William and Mary in Virginia met on the William and Mary campus in Williamsburg on Wednesday, Thursday and Friday, September 25-27, 2013.

On Wednesday, September 25, the Committee on Audit and Compliance met in the Board Conference Room from 3:30 to 4:54 p.m., the Committee on Alumni Relations met in the Board Room from 5:00 to 6:00 p.m. and the Executive Committee met in the Rector's Office from 5:00 to 6:50 p.m. That evening the full Board convened for dinner at Plumeri House at 119 Chandler Court.

Those present on Wednesday were:

Kendrick F. Ashton, Jr.	Leigh A. Pence
Ann Green Baise	L. Clifford Schroeder, Sr.
Charles A. Banks III	DeRonda M. Short
Lynn M. Dillon	Todd A. Stottlemeyer, Rector
Thomas R. Frantz	John Charles Thomas
Sue H. Gerdelman	H. Thomas Watkins III

Absent:	Keith S. Fimian	Robert E. Scott
	Edward L. Flippen	Peter A. Snyder
	John E. Littel	

Also present was William and Mary President W. Taylor Reveley III.

At 8:00 p.m. the Rector convened the full Board at Plumeri House, and asked for a motion that the Board of Visitors of the College of William & Mary convene in Executive Session for the purpose of discussing personnel matters pertaining to the performance and evaluations of specific executive employees, as provided for in Section 2.2-3711.A.1., of the Code of Virginia. Motion was made by Mr. Frantz, seconded by Mr. Banks and approved by voice vote. The observers were asked to leave the room and the Board went into closed session at 8:00 p.m.

The Board reconvened in open session at 8:45 p.m. Mr. Stottlemeyer reviewed the topic discussed during closed session for the benefit of the observers, then asked for a motion to adoption of the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was made by Mr. Frantz, seconded by Mr. Banks and approved by roll call vote of the Committee members conducted by Secretary of the Board Thomas R. Frantz. (Certification **Resolution** is appended.)

There being no further business, the Board adjourned at 8:45 p.m.

On Thursday, September 26, the Richard Bland College Committee and the Committee on Administration, Buildings and Grounds met in the Board Conference Room while the Committee on Athletics, the Committee on Academic Affairs, the Committee on Development, the Committee on Student Affairs and the Committee on Strategic Initiatives and New Ventures met in the Board Room.

Board of Visitors
MINUTES
Page 2

Those present on Thursday were:

Kendrick F. Ashton, Jr.	L. Clifford Schroeder, Sr.
Ann Green Baise	DeRonda M. Short
Charles A. Banks III	Peter A. Snyder
Lynn M. Dillon	Todd A. Stottlemeyer, Rector
Keith S. Fimian	John Charles Thomas
Thomas R. Frantz	H. Thomas Watkins III
Sue H. Gerdelman	Faculty representative: William J. Hausman
John E. Littel	Student representative: Chase B. Koontz
Leigh A. Pence	

Absent: Edward L. Flippen
Robert E. Scott

Others present were:

W. Taylor Reveley III	Kiersten L. Boyce
Michael R. Halleran	Karen R. Cottrell
Virginia M. Ambler	Michael J. Fox
Edward C. Driscoll, Jr.	Fanchon Glover
James R. Golden	Brian W. Whitson
Samuel E. Jones	Sandra J. Wilms
Matthew T. Lambert	
Anna B. Martin	

Also in attendance were University Counsel Deborah Love, Dean Katharine Conley, Dean Carrie Cooper, Dean Davison Douglas, Dean John Wells, members of the William & Mary Faculty and Student Liaison Committees, and other William & Mary and VIMS staff.

The Richard Bland College Committee met from 7:45 to 9:30 a.m.; the Committee on Athletics met from 9:04 to 9:35 a.m.; the Committee on Administration, Buildings and Grounds met from 9:40 to 10:45 a.m., the Committee on Academic Affairs met from 9:40 to 10:35 a.m., and the Committee on Development met from 10:44 to 11:32 a.m. At 11:50 a.m. the Board departed for the Commons Dining Hall for lunch, followed by a tour of three of the new residences in the fraternity complex.

At 2:00 p.m. the Board reconvened in the Board Room as a committee of the whole for the Provost Report and Faculty Presentation. The Rector introduced Provost Michael Halleran and Faculty Assembly President Professor Suzanne Raitt.

Provost Halleran asked Law School Dean Dave Douglas to briefly review how non-tenure eligible (NTE) faculty are integrated into the Law School. A brief discussion ensued..

The Provost commented on the impact of digital technology, and the efforts to integrate this into the schools and departments. A brief discussion ensued.

Board of Visitors
MINUTES
Page 3

Faculty Assembly President Suzanne Raitt introduced Susan Grover, who reported on the faculty perspective of the William & Mary Promise as well as current faculty initiatives and the integration of NTE faculty. Professor Grover advised that the Faculty Assembly had recently voted on and approved a resolution to recommend that all Virginia state universities extend benefits to all employees without regard to sexual orientation or gender identity, and provided brief background on the development of the resolution. A brief discussion ensued.

Following a short break, the Board convened at 3:00 p.m. as a committee of the whole for the **Committee on Student Affairs**. Ms. Pence presided as chair, briefly reviewed the agenda, and called on Vice President for Student Affairs Ginger Ambler.

Vice President Ambler reported on the opening of the academic year and the new residences at One Tribe Place and the new fraternity houses. Noting that one of the goals of Student Affairs is to create a community that values life in balance, and the vision for Student Affairs is to create an engaging learning environment where community is strengthened and individuals flourish, Ms. Ambler introduced Associate Vice President for Health and Wellness Dr. Kelly Crace. A brief discussion ensued.

Student liaisons Brian Focarino and Erin Spencer reported on student events since the opening of the academic year and how social media has expanded William and Mary relationships for current students. A brief discussion ensued.

There being no further business, the Committee adjourned at 3:48 p.m.

Mr. Stottlemeyer moved that the Board of Visitors of the College of William & Mary convene in Closed Session for the purpose of discussing specific recommendations related to fundraising initiatives, priorities and strategies as well as gifts and bequests, as provided for in Section 2.2-3711.A.8., of the Code of Virginia. Motion was seconded by Mr. Watkins and approved by voice vote. The observers were asked to leave the room and the Board went into closed session at 3:48 p.m.

The Board reconvened in open session at 4:40 p.m. Mr. Stottlemeyer reviewed the topics discussed during closed session, then moved to adopt the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Frantz and approved by roll call vote of the Board members conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended.)

Following a short break the Board convened at 4:48 p.m. as a committee of the whole for the meeting of the **Committee on Strategic Initiatives and New Ventures**. Mr. Frantz presided as chair and moved that the Committee convene in Closed Session for the purpose of discussing the award of public contracts involving expenditure of public funds where discussion in open session would adversely affect the bargaining position, as provided for in Section 2.2-3711.A. 29., 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 4:50 p.m.

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The Committee reconvened in open session at 5:52 p.m. Mr. Frantz reviewed the topics discussed during closed session, then moved to adopt the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Littel and approved by roll call vote of the Board members conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended.) The Committee recessed until Friday morning and the Board members moved to the Blue Room in the Wren Building for the annual welcoming of new members and signing of the Board Roster for 2013-14.

On Friday, September 27, the Board reconvened in the Board Room as a committee of the whole. Those present were:

Kendrick F. Ashton, Jr.	Leigh A. Pence
Ann Green Baise	L. Clifford Schroeder, Sr.
Charles A. Banks III	DeRonda M. Short
Lynn M. Dillon	Peter A. Snyder
Keith S. Fimian	Todd A. Stottlemeyer, Rector
Edward L. Flippen	John Charles Thomas
Thomas R. Frantz	H. Thomas Watkins III
Sue H. Gerdelman	Faculty representative: William J. Hausman
John E. Littel	Student representative: Chase B. Koontz

Absent: Robert E. Scott

Others present were:

W. Taylor Reveley III	Kiersten L. Boyce
Michael R. Halleran	Karen R. Cottrell
Virginia M. Ambler	Michael J. Fox
Edward C. Driscoll, Jr.	Fanchon Glover
James R. Golden	Earl T. Granger III
Samuel E. Jones	Michael L. Stump
Matthew T. Lambert	Brian W. Whitson
Anna B. Martin	Sandra J. Wilms

Also in attendance were University Counsel Deborah Love, Dean Katharine Conley, Dean Davison Douglas, Dean John Wells, members of the William & Mary Faculty Liaison Committee, and other William & Mary, Richard Bland and VIMS staff.

At 8:00 a.m. Chair Tom Frantz reconvened the **Committee on Strategic Initiatives and New Ventures** and called on Vice President for Strategic Initiatives Jim Golden for the remainder of the agenda items.

Provost Michael Halleran and Mr. Golden presented a PowerPoint presentation and led a general discussion that included an update on the University Dashboard, as detailed in Enclosure F. The dashboard will also track the implementation of the William & Mary Promise. Associate Provost and Chief Information Officer Courtney Carpenter reported on IT issues

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relating to e-Learning, including the infrastructure as well as the capacity to support it. A brief discussion ensued.

Mr. Golden provided an update on communications, noting the creation of a communications hub in Discovery II at New Town that provides another step to integrate alumni and development communications efforts and will be useful in promoting William & Mary faculty endeavors. Following a brief discussion and there being no further business, the Committee adjourned at 8:32 a.m.

The Committee on Financial Affairs met from 8:33 to 10:40 a.m.

Following a short break, Rector convened the meeting of the full Board at 10:55 a.m.

Those present were:

Kendrick F. Ashton, Jr.	Leigh A. Pence
Ann Green Baise	L. Clifford Schroeder, Sr.
Charles A. Banks III	DeRonda M. Short
Lynn M. Dillon	Peter A. Snyder
Keith S. Fimian	Todd A. Stottlemeyer, Rector
Edward L. Flippen	John Charles Thomas
Thomas R. Frantz	H. Thomas Watkins III
Sue H. Gerdelman	Faculty representatives: William J. Hausman
John E. Littel	Barbara M. Morgan
	Student representative: Chase B. Koontz

Absent: Robert E. Scott

Others present were:

W. Taylor Reveley III	Kiersten L. Boyce
Debbie L. Sydow	Karen R. Cottrell
Michael R. Halleran	Michael J. Fox
Virginia M. Ambler	Fanchon Glover
Edward C. Driscoll, Jr.	Annette S. Parker
James R. Golden	Michael L. Stump
Samuel E. Jones	Brian W. Whitson
Matthew T. Lambert	Sandra J. Wilms
Anna B. Martin	

Also in attendance were University Counsel Deborah Love, Dean Katharine Conley, Dean Davison Douglas, Dean John Wells, members of the William & Mary Faculty Liaison Committee, and other William & Mary, Richard Bland and VIMS staff.

Recognizing that a quorum was present, Mr. Stottlemeyer asked for a motion to approve the minutes of the meeting of April 17-19, 2013, and the Board Retreat on August 16-17, 2013. Motion was made by Ms. Baise; seconded by Mr. Frantz; and approved by voice vote.

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In his opening remarks Mr. Stottlemeyer welcomed members of the Board to the first meeting of the academic year and briefly commented on his recent visits to campus and productive meetings with faculty, students and staff.

President Reveley advised that the year was off to a good start and noted that the William & Mary Promise has in a very fundamental sense reformed the approach to tuition. Improvement on productivity through creative adaptation is being realized. The College will continue to look at strategies to implement merit compensation in a meaningful way.

The Rector asked Dean Davison Douglas to report on the Lewis B. Puller, Jr. Veterans Benefits Clinic at the Law School, which was invited in August by the Department of Veterans Affairs to join the Fully Developed Claims (FDC) Community of Practice to assist veterans with claims for disability benefits. The Puller Clinic is the first law school clinic in the nation to be invited to join the FDC Community of Practice to handle expedited claims. Virginia Senator Mark Warner has been encouraging other law schools to follow the Puller Clinic's example. A brief discussion ensued.

Mr. Stottlemeyer moved that the Board of Visitors of the College of William & Mary convene in Closed Session for the purpose of approving personnel actions pertaining to the appointment, promotion, tenure and leaves of specific executive, instructional and professional faculty; consultation with legal counsel employed by a public body regarding specific legal matters requiring the provision of legal advice by such counsel; discussing specific recommendations related to fundraising initiatives, priorities and strategies as well as current development activities, gifts and bequests; and to discuss the award of public contracts involving expenditure of public funds where discussion in open session would adversely affect the bargain position,; as provided for in Section 2.2-3711.A.1., 7., 8., and 29., 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 Board went into closed session at 11:16 a.m.

The Board reconvened in open session at 11:26 a.m. Mr. Stottlemeyer reviewed the topics discussed during closed session, then moved to adopt the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Ashton and approved by roll call vote of the Board members conducted by Secretary to the Board Michael Fox. (Certification **Resolution** is appended.)

The Rector called for the reports of the standing committees.

Mr. Thomas reported for the **Committee on Audit and Compliance**, and briefly reviewed the agenda. There were no action items.

Ms. Dillon reported for the **Committee on Alumni Relations**, and briefly reviewed the agenda. There were no action items.

Mr. Littel reported for the **Richard Bland College Committee**, and briefly reviewed the agenda.

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Mr. Littel reported on his recent visit to the Richard Bland campus, noting the campus community is very supportive of the strategic plan. With the strategic planning process and the branding study complete, President Sydow advised that the senior management team is now in place and this year will focus on building the base, aligning resources and finding efficiencies to channel support to the students.. She introduced Vice President of Financial Services and Administration Annette Smith Parker, Vice President of Enrollment Services Jenifer Blair, and Chief Information Officer Chandragupta Gudena. The President commented on the introduction of inter-collegiate athletics. She also noted the increase in honors students and advised that the GPA for freshmen is trending upward. A brief discussion ensued.

Mr. Littel moved adoption as a block **Resolution 1**, Appointments to Fill Vacancies in the Instructional Faculty; **Resolution 2**, Appointments to Fill Vacancies in the Professionals and Professional Faculty; **Resolution 3**, Repurpose of a College Facility; **HANDOUT Resolution 22**, 2014-2020 Six-Year Plan, and **HANDOUT Resolution 23**, 2014-2016 Operating Budget Requests, noting that in accordance with the *Bylaws*, Resolution 22 and Resolution 23 were presented at the request of the President. Motion was seconded by Ms. Baise and approved by voice vote. (**Resolution 22** and **Resolution 23** are appended.)

Mr. Snyder reported for the **Committee on Athletics**, and briefly reviewed the agenda. There were no action items.

Ms. Baise reported for the **Committee on Administration, Buildings and Grounds**, and briefly reviewed the agenda.

Ms. Baise moved adoption as a block of **Resolution 4**, Resolution of the Board of Visitors of the College of William and Mary - 9(D) Pooled Bond Program: Improve Athletic Facilities, Improve Auxiliary Facilities, Improve Marshall-Wythe School of Law and Acquire Property & Repair Requirements; **Resolution 5**, Resolution of the Rector and the Board of Visitors of the College of William and Mary - 9(C) Revenue Bond Program: Renovate Dormitories; and **Resolution 6**, Resolution of the Board of Visitors of the College of William and Mary Declaring the Intention to Reimburse the Cost of Certain Expenditures. Motion was seconded by Mr. Thomas and approved by voice vote.

Mr. Snyder left the meeting at 11:40 a.m. and asked that his departure be noted in the minutes.

Ms. Gerdelman reported for the **Committee on Development**, and briefly reviewed the agenda.

Ms. Gerdelman moved adoption as a block of **Resolution 13**, Establishment of the Marjorie A. Colman Quasi-Endowment; **Resolution 14**, Establishment of the Nancy D. Kane Scholarship Quasi-Endowment; and **Resolution 15**, Establishment of the Ronald Hoffman Fund for the Omohundro Institute of Early American History and Culture One-Year Postdoctoral Research Fellowship. Motion was seconded by Mr. Ashton and approved by voice vote.

Mr. Ashton reported for the **Committee on Financial Affairs** and briefly reviewed the agenda.

Mr. Ashton moved adoption as a block of **Resolution 16**, College of William and Mary 2014-

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2020 Six-Year Plan; **Resolution 17**, College of William and Mary 2014-2016 Operating Budget Requests, **Resolution 18**, Virginia Institute of Marine Science 2014-2020 Six-Year Plan; **Resolution 19(R)**, Virginia Institute of Marine Science 2014-2016 Operating Budget Requests; and **Resolution 20**, Establishment of the Virginia Institute of Marine Science Equipment Quasi-Endowment. Motion was seconded by Ms. Baise and approved by voice vote. (**Resolution 19(R)** is appended.)

In the absence of Mr. Scott, Mr. Ashton reported for the **Committee on Academic Affairs**, and briefly reviewed the agenda.

Mr. Ashton moved adoption as a block of **Resolution 7**: Appointment to Fill Vacancies in the Executive Faculty; **Resolution 8**: Appointments to Fill Vacancies in the Instructional Faculty; **Resolution 9**, Appointments to Fill Vacancies in the Professional Faculty; **Resolution 10**, Award of Academic Tenure; **Resolution 11**, Designated Professorships; and **Resolution 12**, Faculty Leaves of Absence. Motion was seconded by Mr. Littel and approved by voice vote.

There was no report for the **Executive Committee**.

There was no Old Business.

Under New Business, Mr. Stottlemeyer asked University Counsel Deb Love to discuss **Resolution 21**, Revisions to the Bylaws of the Board of Visitors of the College of William and Mary. Ms. Love reported that, in order to conform to new provisions in the Code of Virginia adopted during the 2013 General Assembly session, changes were needed in several sections of the Bylaws, which she briefly reviewed.

Mr. Stottlemeyer advised that because the matter was within a 30 day window of notice in order to amend the Bylaws, they must first be suspended by a three-fourths affirmative vote.

Mr. Stottlemeyer moved to suspend the Bylaws in order to discuss several amendments. Motion was seconded by Mr. Ashton and approved by unanimous voice vote. Mr. Stottlemeyer then moved to amend the Bylaws as outlined in **Resolution 21**, effective immediately. Motion was seconded by Mr. Ashton and approved by unanimous voice vote.

Mr. Stottlemeyer moved that the Board of Visitors convene in Executive Session for the purpose of discussing personnel matters pertaining to the performance and evaluations of specific executive employees, as provided for in Section 2.2-3711.A.1., 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 Board went into Executive Session at 11:50 p.m.

The Board reconvened in open session at 1:10 p.m. Mr. Stottlemeyer reviewed the topics discussed during closed session, then moved to adopt the **Resolution** certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was seconded by Mr. Frantz 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 1:10 p.m.

Board of Visitors

September 25, 2013

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: 12

NAYS: 0

ABSENT DURING CLOSED SESSION:


Todd A. Stottlemeyer
Rector of the College

Board of Visitors

September 26, 2013

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:



Todd A. Stottlemeyer
Rector of the College

September 26, 2013

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Visitors Committee on Strategic Initiatives and New Ventures 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;

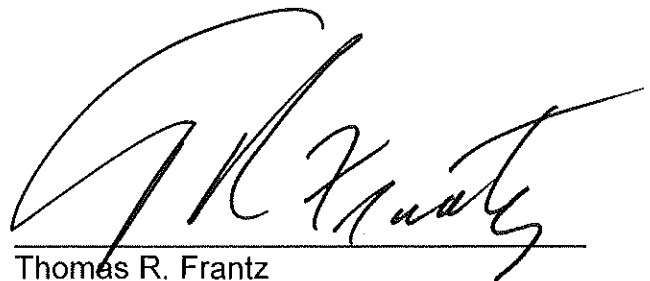
NOW, THEREFORE, BE IT RESOLVED, That the Committee on Strategic Initiatives and New Ventures, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in 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 Financial Affairs.

VOTE

AYES: 15

NAYS: 0

ABSENT DURING CLOSED SESSION:

A handwritten signature in black ink, appearing to read 'T. R. Frantz', is written over a horizontal line.

Thomas R. Frantz
Chair
Committee on Strategic Initiatives and
New Ventures

Board of Visitors

September 27, 2013

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;

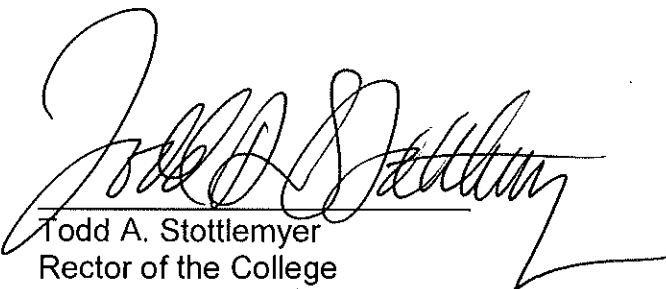
NOW, THEREFORE, BE IT RESOLVED, That the Board of Visitors, reconvening in open session, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this 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:


Todd A. Stottlemeyer
Rector of the College

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

2014-2020 SIX-YEAR PLAN

WHEREAS, it is the mission of Richard Bland College to prepare students for university transfer through academically rigorous programs grounded in the liberal arts tradition of The College of William and Mary and to expand access to college credentials through strategic partnerships, specialized programming, and scalable innovation; and

WHEREAS, Richard Bland College has a longstanding tradition of providing the citizens of Central Virginia and the Commonwealth a high-value liberal arts education designed for transfer; and

WHEREAS, 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, in April, 2013 the aforesaid revised mission was approved by The College of William and Mary Board of Visitors; and

WHEREAS, in April 2013, the Board also approved the 2014-2019 Richard Bland College Strategic Plan (RBC-19); and

WHEREAS, the College’s Six-Year Plan is rooted in RBC-19 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, student service, and administrative operations, prioritized those expenditures, and recommended funding through a combination of Commonwealth, College, and reallocated revenue; and

WHEREAS, the College continues to evaluate opportunities to improve the effectiveness and efficiency of its academic and administrative programs and activities, aware that fulfilling the goals of RBC-19 will require a combination of such efforts, tuition revenue, state support and greater philanthropy;

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of The College of William and Mary in Virginia approves expenditures proposed in the College’s Six-Year Plan, and that the Six-Year Plan be prepared and submitted according to the requirements of the Higher Education Opportunity Act of 2011 and subsequent guidance from the State Council of Higher Education.

**RICHARD BLAND COLLEGE
OF THE COLLEGE OF WILLIAM & MARY**

SIX-YEAR PLAN (2014 through 2020)

A. Institutional Mission

To prepare students for university transfer through academically rigorous programs grounded in the liberal arts tradition of William & Mary and to expand access to college credentials through strategic partnerships, specialized programming, and scalable innovation. This revised mission was approved by The College of William and Mary Board of Visitors in April 2013.

B. Strategies

Strategic Enrollment Management (SEM) Plan

- On July 1, 2013, the College hired a Vice President for Enrollment Services who will develop and implement a market-driven Strategic Enrollment Management (SEM) plan designed to achieve and maintain optimal enrollment at Richard Bland College through effective recruitment and retention.
- The College invested in a comprehensive branding study in 2013 to establish clarity about its mission and its promise to citizens of the Commonwealth. All college employees will be responsible for fulfilling the brand promise, and an investment will be made to market the College appropriately throughout the Commonwealth to ensure that prospective students and parents are aware of Richard Bland College's unique role as Virginia's only residential two-year college focused on affordable and high quality first- and second-year college coursework for those planning to transfer to selective universities.
- The College has redesigned the College website in support of SEM goals and objectives and continues to develop a robust web presence.
- The College will increase dual enrollment course offerings at 6 new high schools.
- The College will offer on-campus summer camps for dual enrollment.
- The College will offer all programming through non-traditional delivery modes (night, weekend, online, or offsite).
- The College will increase the number of Guaranteed Transfer and Articulation agreements to 40 with a focus of direct transfer to high-demand 4-year programs, e.g., STEM-h programs.
- The College will provide a robust student activities program based on student demand and participation, including intercollegiate athletics—NJCAA.

- The College will create an Academic Support and Student Counseling department that will develop an early academic warning system and intervention program to improve retention and graduation.
- The College created an Honors Program in fall 2013 that includes study abroad and a robust first-year experience.

Centralized One-Stop

- The College will re-engineer enrollment and support functions and co-locate all enrollment and support services to ensure optimal efficiency, convenience and ease for students at Richard Bland College with the big goal of creating a campus culture and environment that is singularly focused on student success.
- The College will realign all policies and procedures in support of a cross-functional, student-centered environment.
- 85% of student FAQ's will be answered by one-stop staff in person, by telephone or online.
- The One-Stop Center will house an advising center that will make accurate, consistent and high quality advising available to all students during College business hours, and all first-year students will receive advising at the One-Stop Center.
- Faculty advising will focus on assisting second year students in planning for degree completion and transfer.

Learning Outcomes Culture

- The College will assess all courses and programs on the basis of student learning outcomes, and modify offerings accordingly and with an emphasis on continuous improvement.
- The College will establish a culture of critical inquiry and innovation among students, faculty and staff.
- The College will reduce the full-time, tenure-track faculty teaching requirements to 12 credit hours to improve the quality of teaching and learning.
- The College will invest in faculty training and development to encourage continuous improvement and the utilization of best practices for inspiring and facilitating learning outcomes and student success.
- The College will establish a uniform standard for incoming students to be "remediation free" with a goal of reducing the need for developmental courses by 25% and increasing on-time degree completion.

Expanded Footprint

- The College will make all program offerings available via alternative delivery modes.
- The College will recruit students from densely populated areas, e.g., Northern Virginia, Tidewater region, making this unique residential, two-year, affordable college option available to more citizens of the Commonwealth.
- The College will establish strategic partnerships with public and private industry to facilitate programming designed to help students get jobs.
- The College will train faculty and staff on roles and responsibilities relative to the brand as identified in the branding study.
- The College will be recognized in the Commonwealth as a leader in the innovative utilization of instructional technologies and program delivery, e.g., MOOC-enhanced instruction. Faculty will utilize open source instructional materials to facilitate and inspire learning.

Academic Portfolio

- Through market/gap analysis and strategic partnerships, the College will expand its academic portfolio. One planned area of growth is in applied degree clusters (stackable credentials). Each strategic partner will lend resources and expertise to the development of a new set of academic program offerings centered on entrepreneurship. The vast majority of jobs are in small businesses, so the College seeks to drive entrepreneurship and economic development through the creation of a robust cluster of curricula in the following areas.
 1. Information Technology (Cyber Security, Computer Modeling, Simulation, & Gaming, and Logistics) – Building on a special appropriation from the Commonwealth in 2014, and in partnership with the Army's Training Brain Operations Center (TBOC), these programs will focus on the technical side of design, allowing students to halt or prevent cyber-attacks (identified as a developing issue from TBOC and Army Logistic University). Students will use computer modeling, simulation and gaming to build training simulations that will enhance their academic experience in Logistics and Cyber Security. The Science & Technology Center that opened in 2008 provides ideal space for this type of programming.
 2. Technical and Creative Arts (Film production, Videography, Art Design) – These programs will merge elements of RBC's existing art and business programs, as well as add new course offerings, to help students develop and practice entrepreneurial skills, utilizing the Center for Strategic Initiatives in conjunction with Virginia's only full production film studio located in Petersburg, Virginia, through a strategic partnership with New Millennium Studios.
 3. Agribusiness – In a partnership with Virginia State University (VSU), Richard Bland College will develop an Agribusiness program that utilizes the abundant natural resources already present on campus, e.g., wetlands, pecan grove, Loblolly forests, for program development and living laboratories. Students will benefit from seamless and direct transfer into the School of

Agriculture at VSU. Leaving the agriculture course offerings to VSU, RBC will focus on the entrepreneurial aspects of Agri-business, thereby providing new, real-world program options to a broader array of students.

4. Equine Therapy – Partnering with VSU to pool resources, beginning Spring 2014, Richard Bland College will offer an Equine Growth and Learning Association psychology certificate program. This program will utilize appropriate tracts on the 770-acre campus to provide therapy to children, veterans and others through a proven method of study. Renovations to buildings on the East side of campus, particularly the Barn, will ultimately be necessary to support this program as it builds over time.

All of these unique, applied entrepreneurial programs will provide students with marketable skills that are directly aligned with local, regional and statewide industry needs. The core competencies of entrepreneurship will allow for a common curriculum and programs of study that will provide students with the hands-on experience and stackable credentials necessary to secure gainful employment. The Center for Strategic Innovation will provide the workspace needed for meaningful and productive collaboration between curriculum designers and strategic partners, and it will serve as an innovation center to drive continuous improvement in learning outcomes.

Planning Culture

- All academic and administrative units will develop strategic plans that advance the College's mission, vision and strategic goals.
- The College will build systems (IT, staffing, budgeting, policy, etc.) to ensure that timely and accurate data is available to inform decisions and monitor progress towards goals.

Resource Alignment and Reallocation

- The College will administratively reorganize to ensure that (1) overhead expenses are minimized while elevating the professionalism of administrative staff, (2) optimal resources are invested in the core mission, and (3) timely and accurate data are available for decision making. Examples of these changes include reducing multiple administrative lines and reallocating part of the salary savings to hire a Vice President for Enrollment Services, Vice President for Administration and Finance, Chief Information Officer (CIO), and Comptroller.
- During FY13, the College began a Phase I reorganization to align with the goals of Top Jobs 21 and to redeploy resources into recruiting and retaining the right students and offering the right programming and delivery. Total Phase I reorganization: \$1,865,891. In FY14, the College will undertake a Phase II reorganization with the goal of reallocating an additional \$700,000 to support the goals outlined in RBC-19.

- The College intends to identify additional savings for reallocation of \$290,000 in the subsequent four years of the Six-Year Plan.

Sustainability

- The College will become more financially sustainable by increasing auxiliary revenue and reducing its reliance on the general fund appropriation.
- The College will move 95% of academic and student services to the West Side of Johnson Road to ensure student safety, optimal efficiency and the development of a more vibrant learning community.
- The College will increase safety and support features necessary to serve additional students at minimal additional cost by tapping existing capacity.

C. Financial Aid

The College currently allocates \$60,000 per year from tuition and fee revenue to offset the impact of tuition and fee increases on low- and middle-income students. This amount will continue in future years; however, instead of further investment, the college will utilize unfunded scholarships to advance SEM goals and to assist this student demographic. The utilization of unfunded scholarships will allow the college to assist more students by awarding additional institutional scholarships.

D. Evaluation of Prior Six-Year Plan

With funding for additional advisors and the additional appropriation for a highly robust distance learning platform (Main Street Virtual Learning or MSVL), the College is well on its way to offering the first completely online certificate program (stackable credential) in the Spring 2014 semester. Selected faculty members have been trained and are now certified to teach on the MSVL synchronous learning platform. With MSVL as its strategic partner, the College launched a "Language Institute" in the spring of 2013 and now offers over 70 different conversational languages in a completely place-neutral manner. Dual Enrollment and online offerings are both trending upward for the 2014 academic year. With additional advisors, the College was able to realign the advising program to better accommodate students' needs. Well trained advisors are now available during business hours, and faculty will begin to advise students on the basis of their major and completion/transfer goals. The College continues to make progress to improve advising services and has made significant strides to increase "program to program" articulation agreements with 4-year partners.

**RICHARD BLAND COLLEGE OF
THE COLLEGE OF WILLIAM & MARY**

2014-2016 OPERATING BUDGET REQUESTS

Using guidance from the Governor's Office, the Secretary of Education, and the State Department of Planning and Budget, Richard Bland College of the College of William and Mary has developed operating budget requests for consideration by the Governor as part of the Commonwealth's 2014-16 budget development process.

The initial step in the Commonwealth's budget development process was the spring 2013 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 2014-16 budget recommendations. Funding of new capital outlay projects remains heavily dependent on the state's ability to issue new long-term debt while maintaining its AAA bond rating.

Operating budget requests are limited in number and reflect assumptions underlying the College's Six Year Plan and fulfillment of the RBC Strategic Plan 2014-2019.(RBC-19). Funds are not requested for items typically considered "state-wide" issues by the Commonwealth of Virginia. State-wide issues include faculty and staff salaries, student financial assistance, and continuation of the Higher Education Equipment Trust Fund program.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of The College of William and Mary in Virginia approves the administration's recommended operating budget requests for Richard Bland College for submission to the Commonwealth as part of the 2014-16 budget development process.

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

2014-16 OPERATING BUDGET REQUESTS

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Priority 1—Investment in Increased Enrollment	\$125,000 GF	\$150,000 GF

This request provides funding to support in-state undergraduate enrollment growth to 2,000 students/1,500 FTEs at the College by 2019. The College plans to create and implement a data-driven Strategic Enrollment Management Plan (SEM) designed to support the recruitment and retention of an academically prepared, diverse student body and to prepare these students for graduation and transfer. Additionally, this request will support the creation of a Centralized One-Stop student services center to better serve new and enrolled students and to improve retention and graduation.

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Priority 2—Investment in Academic and Co-Curricular Programming	\$425,620 GF	\$635,954 GF

Using a combination of incremental and reallocated funds, the College is moving forward to establish a Learning Outcomes culture. The RBC Faculty will develop and deliver a core curriculum that reflects best practices in teaching, and will facilitate and inspire learning through proven and innovative methodologies designed to improve student learning, retention and completion rates. Additionally, the College will develop a robust portfolio of applied academic programs that are responsive to student demand, with an emphasis on convenience through new modalities and delivery times, and which are designed to improve student retention and completion rates.

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Priority 3—Support Investment in Campus Safety	\$35,000 GF	\$35,000 GF

The College will provide operational support and training in the proper use of high-tech systems to improve campus safety. This General Fund request for training supplements a request for the change of purpose of capital funding under an “Umbrella Project” (approved for RBC in 2012, but not yet expended) to support the creation of a comprehensive approach to campus safety. The capital plan calls for investment in surveillance cameras/monitors, communications equipment, proximity locks, lighting upgrades, etc.

**RICHARD BLAND COLLEGE OF
THE COLLEGE OF WILLIAM AND MARY**
2014-16 OPERATING BUDGET REQUESTS

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Priority 4—Improve Operational Efficiency	\$ 50,000 GF	\$ 85,000 GF
 Support Costs of Renovated Space		\$100,000 GF

The College's human and capital resources will be aligned in direct support of the student-centered mission and vision, and an environment that attracts and develops the right and best faculty and staff will be established and maintained. Further, the College will redesign processes and train employees to gain efficiencies by more effectively utilizing administrative systems for transaction recording and management reporting.

Further, the College will need \$100,000 to bring Ernst Hall back on line, following the completion of renovations, including cost of utilities, maintenance, cleaning, etc. Expected timeframe for occupancy is FY16.

VIRGINIA INSTITUTE OF MARINE SCIENCE
FY 2014-16 OPERATING BUDGET REQUESTS

The Virginia Institute of Marine Science has developed operating budget requests as part of the Commonwealth's 2014-16 budget development process consistent with the guidance set forth by the Governor's Office, the Secretary of Education, and the State's Department of Planning and Budget. All of the requests are included in the Institute's Six Year Plan.

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 2014-16 budget development process.

VIRGINIA INSTITUTE OF MARINE SCIENCE**FY 2014-16 OPERATING BUDGET REQUESTS**

	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Graduate Financial Aid	\$496,987 GF 0.0 FTE	\$496,987 GF 0.0 FTE

This initiative requests funds to support the Graduate Program at VIMS. VIMS and its faculty provide tuition, stipend and basic health insurance coverage for all graduate students who are in good academic standing and making satisfactory progress in their research. Without this commitment, VIMS would not be competitive for top-tier students. It is critical to note that virtually all graduate programs in marine science with which VIMS competes for top students provide full tuition and stipend, and many also provide health insurance coverage. This is the norm in graduate level science education in the U.S. and is a model that has been widely emulated worldwide because it is a proven path to innovation and impact. These funds are not only crucial to maintaining VIMS' competitiveness with others, but will in fact assist VIMS with increasing its enrollment growth by 25% in STEM fields, a major objective of the Higher Education Opportunity Act.

Chesapeake Bay Water Quality Modeling & Monitoring	\$873,797 GF 3.0 FTE	\$1,525,896 GF 5.0 FTE
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This initiative requests funds to enhance the water quality modeling and monitoring in Virginia's tributaries to support efforts by the state and local governments to meet state and federally-mandated water quality goals. The need to assess and verify the effectiveness of public fund expenditures to restore water quality in Chesapeake Bay is critically important. Currently, the Commonwealth is largely dependent upon the EPA Chesapeake Bay Program's model and monitoring data to assess progress towards meeting established Bay water quality goals. VIMS is uniquely positioned with its expertise, state-of-the-art modeling capabilities, advanced monitoring technologies and mandated role as the scientific advisor to the Commonwealth on marine and coastal natural resource issues to provide this critical need. The proposed program would build on these strengths to develop and utilize models that more accurately represent conditions in Virginia waters and to couple these models with real-time water quality data to provide a comprehensive, high-resolution view of water quality that far exceeds the spatial extent, temporal coverage, and accuracy of the current monitoring program. This program would establish a Commonwealth Chesapeake Bay Observing System and leverage further support from the Chesapeake Bay National Estuarine Research Reserve Program housed at VIMS. Such information would furnish decision makers with the information necessary to make more informed decisions related to Bay restoration and TMDL (Total Maximum Daily Load) implementation.

Chesapeake Bay Fish and Shellfish Surveys\$470,579 GF
3.30 FTE\$476,862 GF
3.30 FTE

This proposal requests supplemental state support to continue long-term monitoring of fish and oyster 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.

Base Operating Support\$619,094 GF
4.0 FTE\$645,375 GF
4.0 FTE

This proposal requests funds for research and academic support operational items such as service contracts for sophisticated scientific equipment purchased by the Equipment Trust Fund, increased library journal subscriptions, and staffing needs in selected academic and research program support areas. VIMS does not receive "Base Adequacy" funds due to the framework of the current model for allocations. Therefore, it is essential for the Commonwealth to maintain basic operational funding for VIMS to ensure high quality and uninterrupted services as outlined in more than 30 sections of the *Code of Virginia*.

Commonwealth Coastal & Marine Fellowship Program\$203,792 GF
1.0 FTE\$207,495 GF
1.0 FTE

This initiative requests funds to support three 12-month post-graduate fellowships in coastal and marine science policy and management. The proposed program would be modeled after the highly successful national Sea Grant Knauss Marine Policy Fellowship and similar state fellowship programs operated by state Sea Grant programs in Washington and California. Commonwealth Fellows would be placed with host offices in relevant state coastal and marine resource agencies in Virginia, such as the Virginia Marine Resources Commission and Department of Environmental Quality. The program would provide "on the job" experience in the integration of coastal and marine resource science, policy and management.

Board of Visitors

September 27, 2013

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:



Todd A. Stottlemeyer
Rector of the College

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

November 20-22, 2013
Board Room - Blow Memorial Hall

RICHARD BLAND COLLEGE

- | | |
|-----------------------------|---|
| Resolution 1, <i>tab #1</i> | Appointments to Fill Vacancies in the
Professionals and Professional Faculty |
| Resolution 8, <i>tab #8</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, 2013 (<i>joint with William and Mary</i>) |

COLLEGE OF WILLIAM AND MARY

- | | |
|-----------------------------|--|
| Resolution 2, <i>tab #2</i> | Approval of 2014 Internal Audit Work Plan |
| Resolution 3, <i>tab #3</i> | Appointments to Fill Vacancies in the
Professionals and Professional Faculty |
| Resolution 4, <i>tab #4</i> | Faculty Leaves of Absence |
| Resolution 5, <i>tab #5</i> | Retirement of Stephen L. Kaattari
School of Marine Science |
| Resolution 6, <i>tab #6</i> | Retirement of Peter A. Van Veld
School of Marine Science |
| Resolution 7, <i>tab #7</i> | Resolution to Demolish Moxley House |
| Resolution 8, <i>tab #8</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, 2013 (<i>joint with Richard Bland College</i>) |
| Resolution 9, <i>tab #9</i> | Receipt of the Financial Report of the
Intercollegiate Athletic Department for the
Fiscal Year Ended June 30, 2013 |

RICHARD BLAND COLLEGE
RESOLUTIONS

**RICHARD BLAND COLLEGE
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY**

Vacancies in the Professionals and Professional Faculty of Richard Bland College of The College of William and Mary have resulted because of a retirement, a vacancy, or a newly created position.

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:

ERIC J. KONDZIELAWA, Director of Property Management and Security,
effective September 30, 2013:

B.A. (1990), Syracuse University
Licensed Class A Contractor – Virginia
Licensed General Contractor – Florida
Licensed General Contractor – Louisiana

North Star Companies
Project Manager, 2011-2013

I.H. Construction
Project Manager/Facilities Manager, 2005-2010

Nash Construction
Project Manager, 2002-2005

Utica Community Action
Director of Construction, 1995-2002

LATASHA ELEY, Assistant Director of Admissions, effective October 25, 2013:

Ph.D., University of Maryland, Baltimore County, doctoral program in progress
M.Ed. (2009), The College of William and Mary
B.A. (2007), Christopher Newport University

University of Maryland, Baltimore County
Teaching Assistant, 2012-2013

LATASHA ELEY (*continued*):

University of Maryland, Baltimore County
Orientation Advisor, 2011-2012

U.S. Department of Education
Program Analyst, 2010-2013

Christopher Newport University
Admissions Officer, 2009-2010

The College of William and Mary
Program Assistant, 2008

The College of William and Mary
Graduate Assistant, 2007-2008

COLLEGE OF WILLIAM AND MARY
RESOLUTIONS

COLLEGE OF WILLIAM AND MARY and RICHARD BLAND COLLEGE
APPROVAL OF 2014 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 2014 Work Plan for the Office of Internal Audit includes the following areas; items *italicized* are management requests:

- Auditor of Public Accounts support*
- Board of Visitors resolution/policy compilation and review*
- Centralized billing and VA benefits*
- EVMS*
- *Fair Labor Standards Act (FLSA) Compliance - VP Martin*
- Fraud, Waste and Abuse Hotline; internal hotline and investigations*
- *Muscarelle Museum - Provost's request*
- Personnel hiring and evaluation committees*
- President's Business Innovation Committee*
- Related foundations*
- *RBC - management projects - President's request – deferred*
- RBC - President's expense reimbursement - employment agreement (p3, F, 2) – APA will conduct audit
- Risk Management Committee*
- Small purchase cards*
- *Tribe Computer Store - management request*
- William and Mary Police Department - assist investigations*
- *Additional requests from the Board and management*

*Ongoing projects

The 2014 Work Plan has been reviewed by the Committee on Audit and Compliance 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 2014 Work Plan for the Office of Internal Audit is approved by the Board of Visitors.

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

Vacancies in the 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 effective with the dates listed below:

TAMEKKA K. DAVIS, Associate Director of Prospect Management, Office of University Development, effective October 25, 2013

B.A., Pennsylvania State University, 1999

College of William & Mary
Associate Director, Prospect Development and Information Strategy,
Office of University Development, 2009-2013
Senior Research Analyst, Development Information Management,
Office of University Development, 2007

The Pennsylvania State University
Assistant Director, Senior Research Analyst, Office of University
Development, 2000-2007
Preservation Collections Care Assistant, University Libraries, 1999-2000

KAREN S. FERGUSON, Recording Secretary, University Development,
effective November 10, 2013

B.F.A., Carnegie Mellon University, 2005

Georgetown University, Office of Advancement
Executive Assistant/Project Coordinator to the Associate Vice President
for Campaign and Development Operations, 2013
Executive Assistant/Project Coordinator to the Associate Vice President
for University Development, 2009-2013

Carnegie Mellon University, College of Fine Arts
Assistant to the Dean, College of Fine Arts, 2006-2008
Assistant to the Director of Development, College of Fine Arts, 1998-2006

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

ERIC Z. LIU, Assistant Director of Reporting and Data Services,
Office of Institutional Analysis and Effectiveness, effective
November 18, 2013

B.S., Beijing University of Technology, Beijing, China, 1994
M.S., Bowling Green State University, 2007

Grand Canyon University
Institutional Research Specialist, 2007-2013

APRIL J. PALMER, Area Director, Office of Residence Life, effective
October 25, 2013

B.A. (2003); M.Ed. (2005), Clemson University

Newberry College
Assistant Dean of Students, 2012-2013

Coker College
Director of Residence Life, 2010-2012

University of South Carolina Upstate
Resident Manager, 2009-2010
Assistant Director of Student Life, 2006-2009

JESSICA RAYMOND, Assistant Director for Community Development,
Office of Residence Life, effective October 10, 2013

B.A., Ferrum College, 1996
M.A., Virginia Polytechnic Institute and State University, 1998

College of William & Mary
Assignments Specialist, Office of Residence Life, 2010-2013
Area Director, Office of Residence Life, 1999-2006

Ann Taylor Loft
Sales Lead/Assistant Manager, 2010
Associate, 2009-2010

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

JESSICA RAYMOND, **cont'd.**

University of Central Florida
Assistant Director, Housing and Residence Life, 2006-2009

Virginia Polytechnic Institute and State University
Residence Director, 1998-1999

JULIE G. SUMMS, Director of Economic Development and Business
Innovation, effective January 10, 2014

B.A., College of William & Mary, 1992
M.U.R.P., Virginia Commonwealth University, 1997

Orange County, Virginia
County Administrator, 2009-2013
Acting County Administrator, 2009-2010
Assistant County Administrator, 2007-2009
Director of Economic Development, 2005-2009

inge-glas, USA, LLC
Chief Executive Officer, 2002-2004
Vice President, 2000-2002

Virginia Economic Development Partnership
Associate Manager, 1999-2000
Strategic Analyst, Legislative, 1999
Strategic Analyst, Executive, 1998-1999
Project Research Associate, 1997-1998
Administrative Staff Specialist, 1994-1997

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

ANNA C. UMBREIT, Assistant Director, Internship Coordinator and
Liaison to the Center for Student Diversity, Cohen Career Center, effective
November 18, 2013

B.A. (2002); M.S. (2004), Shippensburg University

Emerson College

Assistant Director for the School of the Arts, Career Services, 2007-2013

Assistant Director/Internship Coordinator, Career Services, 2007-2011

James Madison University

Academic and Career Advisor, Career and Academic

Planning, 2005-2007

MARK C. WESTON, Assistant Director for Student Conduct, Office
of the Dean of Students, effective October 16, 2013

B.A., Mississippi College, 2006

M.Div., Duke University, 2009

Duke University

Residence Coordinator, Housing, Dining and Residence Life, 2010-2013

Research Aide, Center for Child and Family Policy, 2009-2010

Graduate Assistant, Office of Student Conduct, 2006-2009

COLLEGE OF WILLIAM AND MARY
FACULTY LEAVES OF ABSENCE

The following faculty members have requested leaves of absence without pay or with partial pay during the 2013-14 academic year for the reasons given.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves these leaves of absence:

ALAN C. BRADDOCK, Ralph H. Wark Associate Professor of Art and Art History and American Studies, to accept an appointment at Princeton University as a visiting associate professor.

SARAH L. DAY, Associate Professor of Mathematics, to participate in a thematic year program on Scientific and Engineering Applications of Algebraic Topology at the Institute for Mathematics and its Applications.

MAX G. KATZ, Assistant Professor of Ethnomusicology, to focus on research.

CHI-KWONG LI, Ferguson Professor of Mathematics, to participate in research opportunities with the Polytechnic University of Hong Kong and the Institute of Quantum Computing in Waterloo, Canada.

COLLEGE OF WILLIAM AND MARY
RETIREMENT OF STEPHEN L. KAATTARI
SCHOOL OF MARINE SCIENCE

Stephen L. Kaattari joined the faculty of the College of William & Mary in 1993 as a Professor in the School of Marine Science/Virginia Institute of Marine Science. In 2001, he was named the CSX Professor and has deservedly held the title ever since. Dr. Kaattari served as Department Chair of the Department of Environmental and Aquatic Animal Health from 2002 to 2004. Prior to joining the College, he was Professor of Microbiology at Oregon State University where he served on the faculty for ten years.

Professor Kaattari received both his B.S. in Bacteriology in 1973 and his Ph.D. in Microbiology in 1979 from the University of California, Davis. He served as a post-doctoral research associate from 1979-1982 at the Oregon Health and Science University.

Professor Kaattari's productive and creative research program has melded basic research in immunology with applied end goals to provide innovative and practical new tools for the scientific community and the public. His research has provided new understanding of basic immune function, produced vaccines to protect aquaculture organisms from disease, and created immunological-based analytical methods that are now being used routinely to analyze pollutants in the Chesapeake Bay. Products from his research have resulted in new patents in the United States and Britain and have led to new areas of research that continue today. Throughout his career Professor Kaattari has emphasized collaboration and has been a valued mentor to students, fellow faculty and collaborators around the world. He has advised 20 graduate students, 11 postdoctoral trainees and served on over 75 graduate student committees.

Professor Kaattari has excelled at securing numerous competitive research grants from highly competitive federal and state agencies that enabled him to develop an internationally recognized, highly productive research program in immunology. During his time at the Virginia Institute of Marine Science, he has been principal investigator or co-principal investigator on extramural research grants totaling over \$8 million. He has authored or co-authored over 90 technical articles and books. As a well-respected researcher he is sought out as a reviewer of proposals, scientific papers and science programs. Professor Kaattari has reviewed over 350 proposals and more than 400 manuscripts for the scientific community and has served on numerous advisory committees for professional societies. He was awarded a special achievement award by the American Fisheries Society in 2004.

Professor Kaattari is highly respected as a researcher internationally, is an extraordinary mentor and teacher and has provided leadership and governance service to VIMS, the Commonwealth of Virginia and the international community. Overall, he has fully demonstrated the valuable and varied qualities of a William & Mary faculty member. He is highly respected by students, post-doctoral researchers, fellow faculty members, administrators, regulatory agencies, and particularly by the international scientific community.

BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of CSX Professor Stephen L. Kaattari; expresses its appreciation to him for the many contributions he has made to the College of William & Mary; and approves, with deep gratitude for his 20 years of devoted service to the University, a change in status from CSX Professor of Marine Science to CSX Professor of Marine Science, Emeritus.

BE IT FURTHER RESOLVED, That this resolution be spread upon the minutes of the Board and a copy of the same be delivered to Professor Stephen L. Kaattari with best wishes for continuing and creative work in the years ahead.

COLLEGE OF WILLIAM AND MARY
RETIREMENT OF PETER A. VAN VELD
SCHOOL OF MARINE SCIENCE

Peter A. Van Veld joined the faculty of the College of William & Mary in 1989 as an Assistant Professor in the School of Marine Science. He was promoted to Associate Professor in 1995. He received his B.S. in Biology in 1975 from the University of North Carolina, Chapel Hill, his M.S. in Marine Science in 1980 from the College of William & Mary, and his Ph.D. in Environmental Toxicology in 1987 from the University of Georgia. From 1987 to 1989 Professor Van Veld was an NIH Postdoctoral Fellow at the Roswell Park Cancer Institute in Buffalo, New York.

Professor Van Veld's research has focused broadly in the field of Aquatic Toxicology, and specifically on the biochemical mechanisms of contaminant exposure. He has published over 50 peer-reviewed papers and book chapters during his career, and has been associated as Principal or Co-Principal Investigator in securing over \$3 million in grant funding while at VIMS.

A significant portion of his research has focused on the relationship between cancer development and creosote exposure in a small minnow-like fish (the mummichog) living in polluted habitats in the Elizabeth River, Virginia. He has published numerous seminal scientific articles on biochemical mechanisms, specifically cytochrome P450 induction, involved in liver carcinogenesis in this system. Results of these studies have been published in top journals such as *Cancer Research*, *Carcinogenesis*, *Toxicology and Applied Pharmacology*, *Aquatic Toxicology*, *Infection and Immunity* and *Science of the Total Environment*. Additionally, he has conducted and published research on induction of metallothionein mRNA following dietary exposure to cadmium and benzo(a)pyrene, endocrine disruption mechanisms following poultry litter leachate and PCB exposures, and CYP1A induction and DNA damage following exposures to biosolids. For many years he was funded to conduct biomarker studies in fishes exposed to kraft pulp mill effluents. He has thus made significant contributions to our understanding of the adverse impacts on the health of fishes incurred by chemical exposure and how the xenobiotic metabolizing enzyme systems of the liver modulate the chronic disease process.

Professor Van Veld has made important contributions to graduate education in the School of Marine Science through teaching and mentoring. He co-taught the School's "Fundamentals of Environmental Chemistry, Toxicology and Pathology" course

November 20-22, 2013

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for six years and taught the "Aquatic Toxicology" course for seventeen years. Other courses he taught included "Protein Biochemistry in Marine Organisms," "Biochemical Responses of Marine Organisms to Pollutants," "Algal Toxins in the Marine Environment," "Biochemistry and Molecular Biology of Marine Organisms," "Endocrine Effects in Aquatic Organisms" and "Experimental Design in the Marine Science Laboratory." He served as major advisor to seven masters and three doctoral students. His students have secured positions in prestigious academic and government institutions. In addition, his generosity and knowledge of aquatic biochemistry and toxicology resulted in him being selected to serve on almost fifty graduate student advisory committees. Professor Van Veld also has been a selfless contributor to University governance, having served on the Institutional Animal Care and Use Committee, Academic Council, as chair of the Academic Status and Degrees Committee, the Faculty Status and Tenure Review Committee, the Admissions Committee and as an Exam Moderator for Graduate Student Committees, as well as many awards and faculty search committees.

BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of Professor Peter A. Van Veld; expresses its appreciation to him for the many contributions he has made to the College of William & Mary; and approves, with deep gratitude for his 24 years of devoted service to the University, a change in status from Associate Professor of Marine Science to Associate Professor of Marine Science, Emeritus.

BE IT FURTHER RESOLVED, That this resolution be spread upon the minutes of the Board and a copy of the same be delivered to Professor Van Veld with best wishes for continuing and creative work in the years ahead.

**VIRGINIA INSTITUTE OF MARINE SCIENCE
RESOLUTION TO DEMOLISH
MOXLEY HOUSE**

WHEREAS, the Virginia Institute of Marine Science requests Board of Visitors' approval to demolish one building, the Moxley House, to allow for future development on the Gloucester Point Campus. This building is in very poor condition and not suitable for renovation and reuse; and

WHEREAS, the College and the Commonwealth entered into a 2006 Management Agreement (the "Agreement"), governed by the restructured Higher Education Financial and Administrative Operations Act of 2005, Chapter 4.10 of the Title 23 of the *Code of Virginia*; and

WHEREAS, the Agreement was renewed in 2009; and

WHEREAS the Agreement authorizes the College's Board of Visitors to approve demolition of buildings subject to review by the Art and Architectural Review Board and the Department of Historic Resources; and

WHEREAS, the Virginia Institute of Marine Science will follow established policies and procedures for each demolition; thus,

THEREFORE, BE IT RESOLVED, by the Rector and the Board of Visitors of The College of William and Mary in Virginia, that approval is given to the Virginia Institute of Marine Science to demolish the Moxley House (268-00B05) in accordance with all authorities, policies, and procedures in force and necessary to accomplish same; and

BE IT FURTHER RESOLVED, That the Vice President of Administration, the VIMS Chief Operations Officer, and the College Building Official are authorized to execute any and all documents pertaining to the removal of said building.

**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, 2013**

The Consolidated Financial Report of The College of William and Mary in Virginia and Richard Bland College for the fiscal year ended June 30, 2013, 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 2012-2013. 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 the Year Ended June 30, 2013 (*see separate booklet*) for The College of William and Mary in Virginia and Richard Bland College is hereby received by the Board of Visitors.

Board of Visitors

Resolution 9

November 20-22, 2013

Page 1 of 1

**COLLEGE OF WILLIAM AND MARY
RECEIPT OF THE FINANCIAL REPORT OF
THE INTERCOLLEGIATE ATHLETIC DEPARTMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

The summarized Financial Report of the Intercollegiate Athletic Department for the fiscal year ended June 30, 2013, 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 Unaudited Financial Report of Intercollegiate Athletics for the Year Ended June 30, 2013 (*see separate booklet*), is hereby received by the Board of Visitors.

Board of Visitors

Resolution 10

November 20-22, 2013

Page 1 of 1

COLLEGE OF WILLIAM AND MARY
AWARD OF ACADEMIC TENURE

The following member of the Executive Faculty at the College of William and Mary has been recommended for the award of academic tenure by the appropriate committee, 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 approve the following member of the Faculty be awarded academic tenure, effective with the beginning of the 2013-2014 academic year:

SPENCER GAREY NILES, Dean, School of Education

APPROVAL OF CONTINUED APPOINTMENT
AND AMENDED CONTRACT OF EMPLOYMENT

The Board of Visitors of The College of William and Mary in Virginia formalized the appointment of the 27th College President in the form of a contract of employment adopted on November 21, 2008.

W. Taylor Reveley III has served the College of William and Mary as its President with honor and distinction. The Board of Visitors believes it is in the best interest of the College to ensure the continued leadership of President Reveley, and expresses its appreciation to him for his outstanding service to the College of William and Mary and to the Commonwealth of Virginia.

THEREFORE, BE IT RESOLVED, That the Board of Visitors of the College of William and Mary hereby delegates to the Rector of the College authority to amend the contract with President Reveley dated April 27, 2012, to adjust the provisions and duration of the Agreement through June 30, 2017.

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

2013

November 20-22

2014

February 5-7 (Charter Day February 7)

April 23-25 (Commencement weekend May 9-11)

September 24-26

November 19-21 (November 20 at Richard Bland College)

NOVEMBER 2013