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

WILLIAM & MARY

COMMITTEE MEETINGS

Board Rooms - Blow Memorial Hall
Matoaka Woods Room – School of Education

February 6 – 8, 2013
**SCHEDULE**
Board of Visitors Committee Meetings
The College of William and Mary
February 6 - 8, 2013
Blow Memorial Hall - College of William and Mary
Matoaka Woods Room – School of Education

**WEDNESDAY, FEBRUARY 6:**

**RECTOR’S OFFICE - EXECUTIVE COMMITTEE**

5:15-6:30 p.m. **Executive Committee**

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

Robert E. Scott
Todd A. Stottlemyer
Michael Tang
John C. Thomas

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

**ROOM 201 – BLOW MEMORIAL HALL:**

6:30 p.m. Reception and Dinner
Board of Visitors
SCHEDULE
February 6-8, 2013

THURSDAY, FEBRUARY 7:

BOARD DINING ROOM

7:30 a.m.  Continental breakfast available

BOARD ROOM - COMMITTEE ON ADMINISTRATION, BUILDINGS AND GROUNDS

8:00-9:00 a.m.  Committee on Administration, Buildings and Grounds
                 (Provost Halleran, Ms. Martin)
                 Ann Green Baise
                 Thomas R. Frantz
                 Sue H. Gerdelman
                 L. Clifford Schroeder, Sr.
                 Peter A. Snyder
                 John C. Thomas

                 Charles A. Banks III, Chair
                 Dennis H. Liberson, Vice Chair

A.  Approval of Minutes
B.  Report from Building Official
    1.  Enclosure H, page 12
C.  Report from Virginia Institute of Marine Science Dean/Director
    1.  Enclosure I, page 13-15
    2.  Enclosure J, page 16
D.  Report from Vice President for Administration
    1.  Enclosure K, pages 17-24
    2.  Enclosure L, page 25
E.  Closed Session (if necessary)

BLOW ROOM 201 – JOINT MEETING: COMMITTEE ON ATHLETICS AND
W&M FOUNDATION ATHLETICS SUBCOMMITTEE

9:00-10:00 a.m.  Committee on Athletics
                  (Mr. Driscoll)
                  Keith S. Fimian
                  Thomas R. Frantz
                  Sue H. Gerdelman
                  Todd A. Stottlemyer

                  Peter A. Snyder, Chair
                  Kendrick F. Ashton, Jr., Vice Chair

A.  Approval of Minutes
    2.  Committee on Athletics – November 28, 2012
B.  Closed Session (if necessary)
C.  Student-Athlete Speaker
D.  Recent Athletic Endowment Gifts
E.  Events
THURSDAY, FEBRUARY 7:

BOARD ROOM - COMMITTEE ON AUDIT AND COMPLIANCE

9:00-10:00 a.m.  Committee on Audit and Compliance
(Mr. Stump)
Edward L. Flippen
John E. Littel
Leigh A. Pence
L. Clifford Schroeder, Sr.

John C. Thomas, Chair
Michael Tang, Vice Chair

A. Approval of Minutes
B. Closed Session (if necessary)
C. Report from Director of Internal Audit
   1. Enclosure M, page 29
   2. Resolution 2, pages 30-34
   3. Resolution 3, pages 35-37
D. Report from Compliance and Policy Officer

BOARD CONFERENCE ROOM - RICHARD BLAND COLLEGE COMMITTEE

10:00-11:00 a.m. Richard Bland College Committee
(President Sydow)
Kendrick F. Ashton, Jr.
Keith S. Fimian
Edward L. Flippen
Sue H. Gerdelman
John E. Littel

Dennis H. Liberson, Chair
Ann Green Baise, Vice Chair

A. Approval of Minutes
B. General Reports
C. Action Material
   1. Resolution 1, pages 39-40
D. Informational Material
   1. Enclosure A, pages 41-57
   2. Enclosure B, pages 58-59
   3. Enclosure C, pages 60-62
   4. Enclosure D, page 63
   5. Enclosure E, page 64
   6. Enclosure F, page 65
   7. Enclosure G, page 66
E. Closed Session (if necessary)
THURSDAY, FEBRUARY 7:

BOARD ROOM - COMMITTEE ON ACADEMIC AFFAIRS / PROVOST REPORT / FACULTY PRESENTATION

10:00-10:45 a.m. Committee on Academic Affairs (Provost Halleran)  Robert E. Scott, Chair
Peter A. Snyder
Michael Tang
Todd A. Stottlemyer, Vice Chair

A. Approval of Minutes
B. Report from Provost
C. Report from Faculty Liaison Committee Chair
D. Closed Session (if necessary)
E. Action Material
   1. Resolution 4, pages 68-69
   2. Resolution 5, page 70
   3. Resolution 6, page 71
   4. Resolution 7, page 72
   5. Resolution 8, pages 73-74
   6. Resolution 9, page 75
   7. Resolution 10, pages 76-77
   8. Resolution 11, pages 78-79

11:00-11:45 a.m. Provost Report and Faculty Presentation  Mr. Scott

BOARD ROOM - COMMITTEE ON STUDENT AFFAIRS

11:45-12:15 p.m. Committee on Student Affairs (Ms. Ambler)  Leigh A. Pence, Chair
John C. Thomas, Vice Chair

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

12:30 p.m. Depart for School of Education

DOGWOOD ROOM – SCHOOL OF EDUCATION

12:45-1:45 p.m. Joint Lunch with W&M Foundation Board of Trustees and Alumni Association Board of Directors
THURSDAY, FEBRUARY 7:

MATOAKA WOODS ROOM

JOINT MEETING - BOARD OF VISITORS / W&M FOUNDATION BOARD OF TRUSTEES / ALUMNI ASSOCIATION BOARD OF DIRECTORS

1:45 p.m.       A. Call to Order – Jeffrey B. Trammell, Rector
                 B. Welcome – H. Thomas Watkins III, W&M Foundation President
                     Peter M. Nance, Alumni Association President
                 C. Remarks – W. Taylor Reveley III, President
                 D. Round Table Discussion – Fundraising Updates, Initiatives and Priorities
                    1. Ellen R. Stofan, Chair, W&M Foundation Development Committee
                    2. Thomas R. Frantz, Chair, Board of Visitors Committee on Development
                 E. Closed Session

5:15 p.m.       Adjourn Joint Meeting

JOINT RECEPTION AND DINNER with Board of Visitors / W&M Foundation Board of Trustees / Alumni Association Board of Directors / Muscarelle Foundation Executive Board / Swem Executive Board / Annual Giving Board

MUSCARELLE MUSEUM:

6:00 p.m.       Reception

SWEM LIBRARY:

7:15 p.m.       Dinner
FRIDAY, FEBRUARY 8:

BOARD DINING ROOM

8:00 a.m. Continental breakfast available

BOARD ROOM - COMMITTEE ON FINANCIAL AFFAIRS

8:30-9:30 a.m. Committee on Financial Affairs (Provost Halleran, Mr. Jones)
Todd A. Stottlemyer, Chair
Charles A. Banks III, Vice Chair
Edward L. Flippen, Vice Chair
Kendrick F. Ashton, Jr.
Thomas R. Frantz
Robert E. Scott

A. Approval of Minutes
B. Closed Session (if necessary)
C. Report from Vice President for Finance
   1. Enclosure N, page 83-84
   2. Enclosure O, pages 85-94
   3. Resolution 12, pages 95-106
   4. Resolution 13, page 107
D. Report from Virginia Institute of Marine Science Dean
   1. Enclosure P, page 108
   2. Enclosure Q, page 109
E. Investment Portfolio Evaluation Overview
   1. Enclosure R (see separate booklet)

BOARD ROOM - COMMITTEE ON STRATEGIC INITIATIVES AND NEW VENTURES

9:30-10:30 a.m. Committee on Strategic Initiatives and New Ventures (Provost Halleran, Mr. Golden)
Michael Tang, Chair
Edward L. Flippen, Vice Chair
Robert E. Scott, Vice Chair
Peter A. Snyder, Vice Chair

A. Strategic Planning
   1. Strategic Planning Draft Initiatives FY2014-2018
   2. Enclosure S, pages 111-112
B. New Ventures
   1. EVMS Update
   2. School of Business MBA E-Learning Initiative
C. Legislative Update
Board of Visitors
SCHEDULE
February 6-8, 2013

FRIDAY, FEBRUARY 8:

BOARD ROOM - COMMITTEE ON DEVELOPMENT

10:30-10:35 a.m.  Committee on Development
(Mr. Granger)  Thomas R. Frantz, Chair
L. Clifford Schroeder, Sr., Vice Chair
Michael Tang, Vice Chair

A. Approval of Minutes
B. Resolution 14, page 114

10:35 a.m.  Adjourn Committee meetings

BOARD ROOM - BOARD OF VISITORS MEETING:

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

BOARD DINING ROOM:

Lunch with Cypher Society members

CHARTER DAY CEREMONY

WILLIAM AND MARY HALL:

3:30 p.m.  Official Party Robing / Rooms 221 and 225

4:00 p.m.  Charter Day Ceremony / Kaplan Arena
AGENDA ITEMS
Board of Visitors Meeting
The College of William and Mary in Virginia

February 6-8, 2013
Board Room - Blow Memorial Hall

RICHARD BLAND COLLEGE

Resolution 1, pages 39-40  Appointments to Fill Vacancies in the Professional Faculty
Enclosure A, pages 41-57  Strategic Plan 2013-2018 (Draft)
Enclosure B, pages 58-59  Part-Time Administrative Assignments
Enclosure C, pages 60-62  2012-2013 Operating Budget Update
Enclosure D, page 63  2012-2013 Enrollment Update
Enclosure E, page 64  2013 General Assembly Update
Enclosure F, page 65  Faculty Representative Report
Enclosure G, page 66  Student Representative Report

COLLEGE OF WILLIAM AND MARY

Resolution 2, pages 30-34  Revision of the Office of Internal Audit Charter
Resolution 3, pages 35-37  Compliance Program Charter
Resolution 4, pages 68-69  Appointments to Fill Vacancies in the Professionals and Professional Faculty
Resolution 5, page 70  Award of Academic Tenure
Resolution 6, page 71  Faculty Promotions
Resolution 7, page 72  Designated Professorships
Resolution 8, pages 73-74  Retirement of Robert J. Diaz School of Marine Science
Board of Visitors
AGENDA ITEMS
February 6-8, 2013

Resolution 9, page 75
Retirement of Carl H. Hobbs, III
School of Marine Science

Resolution 10, pages 76-77
Retirement of Howard I. Kator
School of Marine Science

Resolution 11, pages 78-79
Retirement of John D. Milliman
School of Marine Science

Resolution 12, pages 95-106
Cash Management Investment Policy

Resolution 13, page 107
Corporate Resolution to Transact Business
and Confirm Authorized Business Agents for
the College of William and Mary

Resolution 14, page 114
Amendment of the Roby-Sherman Scholarship
Fund

Enclosure H, page 12
College Building Official Report

Enclosure I, pages 13-15
Virginia Institute of Marine Science Capital
Outlay Project Progress Report

Enclosure J, page 16
Virginia Institute of Marine Science Draft 2014-
2020 Six-Year Capital Plan

Enclosure K, pages 17-24
College of William and Mary Capital Outlay
Project Progress Report

Enclosure L, page 25
College of William and Mary Draft 2014-2020
Six-Year Capital Plan

Enclosure M, page 29
Report of Internal Audit Activity Since
November 28, 2012

Enclosure N, pages 83-84
College of William and Mary Summary of
Operating and Capital Budget Amendments
Submitted to 2013 General Assembly

Enclosure O, pages 85-94
College of William and Mary FY 2012-2013
Operating Budget Summary
<table>
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<tr>
<td>P</td>
<td>108</td>
<td>Virginia Institute of Marine Science Summary of Operating and Capital Budget Amendments Submitted to 2013 General Assembly</td>
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<tr>
<td>Q</td>
<td>109</td>
<td>Virginia Institute of Marine Science FY 2012-2013 Operating Budget Summary</td>
</tr>
<tr>
<td>R</td>
<td></td>
<td>Investment Portfolio Evaluation for Periods Ending December 31, 2012 <em>(see separate booklet)</em></td>
</tr>
<tr>
<td>S</td>
<td>111-112</td>
<td>University Dashboard Update</td>
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EXECUTIVE COMMITTEE
February 6, 2013
5:15 – 6:30 p.m.
Rector's Office - Blow Memorial Hall

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

I. Introductory Remarks - Mr. Trammell

II. Approval of Minutes – November 28, 2012

III. Closed Session (if necessary)

IV. Open Session - Certification of Closed Session Resolution

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

V. Adjourn
EXECUTIVE COMMITTEE

MINUTES – NOVEMBER 28, 2012
MINUTES
Executive Committee
November 28, 2012
Rector’s Office – Blow Memorial Hall

Attendees: Jeffrey B. Trammell, Chair; Charles A. Banks III, Vice Chair; Dennis H. Liberson; Robert E. Scott; Michael Tang and John C. Thomas. Others in attendance: President W. Taylor Reveley III, and Michael J. Fox.

Chair Jeffrey B. Trammell called the meeting to order at 5:05 p.m. Recognizing that a quorum was present, Mr. Trammell moved adoption of the minutes of the meeting of September 19, 2012. Motion was seconded by Mr. Banks and approved by voice vote of the Committee.

Mr. Trammell moved that the Executive Committee of the Board of Visitors of the College of William and Mary convene in Closed Session for the purpose of discussing personnel matters pertaining to the evaluation of a specific executive employee, and matters pertaining to the consideration of honorary degrees for Charter Day and Commencement 2013, as provided for in Section 2.2-3711.A.1. and 10., 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 Committee went into closed session at 5:08 p.m.

The Executive Committee reconvened in open session at 6:25 p.m. Mr. Trammell 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. Liberson 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 6:25 p.m.
CERTIFICATION OF CLOSED SESSION

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

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

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

VOTE

AYES: 6

NAYS: 0

ABSENT DURING CLOSED SESSION:

[Signature]

Jeffrey B. Trammell
Chair
Executive Committee
COMMITTEE ON ADMINISTRATION, BUILDINGS AND GROUNDS
February 7, 2013
8:00 – 9:00 a.m.
Board Room - Blow Memorial Hall

Charles A. Banks III, Chair
Dennis H. Liberson, Vice Chair

I. Introductory Remarks – Mr. Banks

II. Approval of Minutes – November 30, 2012


IV. Report from Virginia Institute of Marine Science – Dean/Director John T. Wells
   A. Capital Outlay Project Progress Report. Enclosure __I__.

V. Report from Vice President for Administration - Anna B. Martin
   A. Capital Outlay Project Progress Report. Enclosure __K__.

VI. Closed Session (if necessary)

VII. Open Session - Certification of Closed Session Resolution

VIII. Discussion

IX. Adjourn
MINUTES
Committee on Administration, Buildings and Grounds
November 30, 2012
Board Room – Blow Memorial Hall

Attendees: Charles A. Banks, III, Chair; Dennis H. Liberson, Vicc Chair; Ann Green Baise, Thomas R. Frantz, John C. Thomas. Other Board members present: Rector Jeffrey B. Trammell, Kendrick F. Ashton, Jr., John E. Littel, Leigh A. Pence, Robert E. Scott, Todd A. Stottlemyer, Michael Tang, faculty representative William J. Hausman, student representative Curtis A. Mills and staff liaison Lydia C. Whittaker. Others present: Provost Michael A. Halleran, Dean John T. Wells, Vice President Anna B. Martin, Vice President Virginia A. Ambler, Vice President Samuel E. Jones, University Counsel General Deborah A. Love, Building Official Robert P. Dillman and other administrative staff.

Chair Charles Banks called the meeting to order at 8:07 a.m. Recognizing that a quorum was present, Mr. Banks requested a motion to approve the minutes of the meeting of September, 20, 2012. Motion was made by Ms. Baise, seconded by Mr. Thomas, and approved by voice vote of the Committee.

Provost Halleran had no report.

Building Official Robert Dillman reported on permits issued and certificates of occupancy issued. The Committee had no questions.

Dean Wells updated the Committee on capital project progress from the 2012 General Assembly, and VIMS written report, as detailed in Enclosure G. He also reported on the storm surge impact of Hurricane Sandy relative to Hurricane Isabel. There was no damage to report.

Vice President Martin updated the Committee on capital project progress from the College’s written report, detailed in Enclosure H. The Committee had no questions.

Ms. Martin reported on administrative actions. The July 2012 APA Audit recommended reviewing authorities, written policies and procedures, and Board of Visitors Bylaws to ensure the College was current since its 2006 restructured status. It was determined that contractual authority required review and clear delineation. With the approvals of President Reveley, Michael Stump (internal Audit), and Deborah Love (University Counsel), the College will implement a new contracting policy in January 2013.

Ms. Martin presented Resolution 11, Resolution to Approve Purchase of Properties: 427 Scotland Street & 406 Jamestown Road; Resolution 12, Resolution to Approve the Inter-Agency Transfer Agreement of Longhill Connector Land to Eastern State; and Resolution 13, Resolution to Approve Closure of Landfill and Recordation of Deed, for recommendation to the full Board. Mr. Thomas moved adoption of all three resolutions. Motion was seconded by Ms. Baise, and approved by voice vote of the Committee.

There being no further business, the Committee adjourned at 8:47 a.m.
To: Charles A. Banks III, Chair, Committee on Administration, Buildings and Grounds

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

Date: January 15, 2013

Re: College Building Official Report/February 2013

Since the previous Board meeting in November, 2012, we have completed the Sadler Center Dining Addition Code reviews of construction documents and issued a building permit to allow construction to begin on the site work, foundations and steel erection. Work began in December, 2012.

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

cc: Anna Martin, Vice President for Administration
VIRGINIA INSTITUTE OF MARINE SCIENCE  
CAPITAL OUTLAY PROJECT PROGRESS REPORT

268-17950 Research Vessel
Appropriation Amount: $8,050,000  Biennium: 2012-2014
Design Team: TBD  Obligated to Date: $28,285
Fund Sources: VCBA Bonds  Contractor: TBD

This appropriation funds the planning and construction of a new custom designed research vessel to replace the R/V Bay Eagle. The steering committee has finalized the design requirements for the research vessel and has advertised a Request for Proposals (RFP) to hire a marine architect. The proposals are due on February 18, 2013. A local structural engineering firm has been hired to submit plans for potential modification of the boat basin to support the berthing for the new research vessel.

268-17993 Consolidated Scientific Research Facility
Appropriation Amount: $823,438  Biennium: 2012-2014
Design Team: TBD  Obligated to Date: $0
Fund Sources: Central Capital Planning Fund  Contractor: TBD
Higher Education Operating

This appropriation funds the planning of a new 32,000 square-foot building to provide research, study, office and technology space for Marine Advisory Services, the Center for Resource Management (CCRM), the Physical Sciences modeling group and the Publication/Communication and Computer Centers in a single facility. Planning is expected to be underway by Spring 2013.

268-17447 Electrical Upgrades, Chesapeake Bay Hall
Appropriation Amount: $267,500  Biennium: 2006-2008
Design Team: McKinney & Company  Obligated to Date: $248,119
Fund Source: General Funds  Contractor: E.G. Middleton, Inc.
VCBA Bonds

This project involved upgrading the electrical distribution system at Chesapeake Bay Hall. The construction project was completed, inspected, and accepted on July 16, 2012. The remaining funds are being used to procure additional UPS units that are essential to support laboratory equipment. The project will be completed in the Winter of 2013.
Board of Visitors

February 6-8, 2013

Enclosure: [I]

268-17400 Property Acquisition: CBNERRVA

Appropriation Amount: $1,490,500  Biennium: 2006-2008
Fund Source: Federal Funds  Obligated to Date: $820,138

This appropriation involves the purchase of master plan properties to support the CBNERRVA program. VIMS received a federal grant to purchase an additional 455 acres of the Catlett Islands. VIMS purchased the Catlett Islands from Timberneck, L.L.C. in May 2012 and the appropriation remains open for future properties to become available.

268-16634 Property Acquisition: VA-NERRS

Appropriation Amount: $350,000  Biennium: 2000-2002
Fund Source: Federal Funds  Obligated to Date: $193,000

This project acquires property by the Virginia Estuarine & Coastal Research Reserve System using federal grants. To date, VIMS has purchased a parcel on the Dragon Run (the upper Piankatank River) in November 2002 and a portion of the Catlett Islands in June 2003 for the Reserve System. The appropriation remains open for future acquisitions.

268-16299 Property Acquisition: Master Plan Properties

Appropriation Amount: $1,100,000  Biennium: 2000-2002
Fund Sources: VCBA Bonds  Obligated to Date: $768,306
Higher Education Operating

This appropriation involves the purchase of properties contiguous to the Gloucester Point campus. VIMS acquired the Moxley property on Greate Road in December 2012. We are now in the process of having appraisals completed for the Abrahamson and Stanaway properties located on Spencer Road.

268-16149 Property Acquisition: Wachapreague

Fund Sources: Private Funds  Obligated to Date: $733,028
Higher Education Operating

This appropriation involves the purchase of properties at the Eastern Shore Laboratory campus at Wachapreague, Virginia. No purchases have been made since June 2011; however the appropriation remains open for future acquisitions.
Board of Visitors

February 6-8, 2013

268-12331 Maintenance Reserve

Appropriation Amounts:

<table>
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<th>Fund Source</th>
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<td>$193,060</td>
<td>2012</td>
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<td>$193,060</td>
<td>2013</td>
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The following Maintenance Reserve projects are scheduled for repairs this fiscal year:

- Replace the Roof on the Customer Service Building and Laboratory
- Repairs to CBH Exhaust System
- Point Up Exterior of Three Buildings
- Dredge the Boat Basin Channel at Gloucester Point
# Virginia Institute of Marine Science Six-Year Capital Plan

## 2014 - 2020

<table>
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<tr>
<th>Priority</th>
<th>Project Description</th>
<th>Fund</th>
<th>General Funds</th>
<th>Non-General Funds</th>
<th>Total Project Request</th>
<th>Prior Appropriations</th>
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<td>6</td>
<td>Property Acquisitions, Gloucester Point and Wachapreague</td>
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### 2014 - 2016 Biennium Totals

| | | | | $40,618,000 | | $823,438 |

## 2016 - 2018

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<td>Construct Addition to the Fisheries Science Building</td>
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### 2016 - 2018 Biennium Totals

| | | | | $26,914,000 | | $26,914,000 |

## 2018 - 2020

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<td>0100</td>
<td>$700,000</td>
<td></td>
<td>$700,000</td>
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<tr>
<td>12</td>
<td>Construct Field Support Complex, Phase II</td>
<td>0100</td>
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<td>$3,683,000</td>
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<td>13</td>
<td>Construct Eastern Shore Visiting Scientist Complex</td>
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<td>$9,924,000</td>
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<td>15</td>
<td>Property Acquisitions, Gloucester Point and Wachapreague</td>
<td>0100</td>
<td>$1,300,000</td>
<td></td>
<td>$1,300,000</td>
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</tbody>
</table>

### 2018 - 2020 Biennium Totals

| | | | | $20,374,000 | | $20,374,000 |
COLLEGE OF WILLIAM AND MARY
CAPITAL OUTLAY PROJECT PROGRESS REPORT

204-17650_Construct: Integrated Science Center Ph 3
Design Team: EYP
Budget: $85 million
Funding Source: VCBA

Biennium: 2008-2010
Contractor: Whiting Turner
Obligated to date: $2,784,621

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: Preliminary design is complete and design documents have been submitted for College code review. Cost data was submitted to BCOM on November 9th for cost review and determination of the total project budget. A Dec 13th Funding Report recommended $74.180M in lieu of the $85.0 M requested. The Project Team is conducting a budget review to determine the extent of non-programmatic changes which can be realized without reducing the 113,000 GSF project scope.

204-17651_Construct/Replace: Cooling Plant & Utilities Improvements (Umbrella)
Appropriation Amount: $31,540,332
Fund Source: VCBA, 9d Bond

Biennium: 2008-2010
Obligated to Date: $30,995,362

204-17651-01_Construct: Cooling Plant Addition COMPLETE
Budget: $6,020,401

Obligated to Date: $5,241,530

204-17651-03_Replace: Historic Campus Utility Improvements COMPLETE
Budget: $802,000

Obligated to Date: $616,794

204-17651-02 & 04_Replace: Historic Campus Utility Improvements COMPLETE
Design Team: RMF Engineering
Budget: $24,717,931

Biennium: 2008-2010
Obligated to Date: $25,137,039

Description: Design and installation of distribution piping to support steam and chilled water from the central district utility plant to the Historic Campus.

Progress: A final inspection was conducted and completed in November, 2012. Project close-out is underway.
204-17652 Renovate: Tucker Hall
Design Team: Cunningham-Quill
Budget: $11,530,576
Funding Source: VCBA
Biennium: 2008-2010
Contractor: Donley’s
Obligated to date: $10,050,565

Description: The project reconfigures and improves the 1909 era Tucker Hall, last upgraded in 1980 when the Law School moved to its South Henry Street campus, and the department of English moved in. Building systems, instructional space, access, and technology will be modernized.

Progress: Structural demolition of floor slabs is complete. Installation of an additional stair tower, elevator and select structural steel reinforcement is underway. Framing and rough-in of the third floor are in progress. Project completion is expected by August, 2013 to enable classes to resume in fall 2013.

204-17809 Improve: Athletic Facilities (Umbrella)
Design Team: Multiple
Budget: $2,589,437 ($6.5M in authority)
Funding Source: 9d bonds
Biennia: 2012-2014
Contractor: Multiple
Obligated to Date: $1,137,374

Description: Three sub-projects will address long standing athletic facility deficiencies. The sub-projects are William & Mary Hall Roof Replacement, Busch Field Lighting Repairs and Zable Stadium Window Replacement.

Progress: In 2012, Busch Field lighting repairs were completed on June 24th, and W&M Hall Roof replacement was completed October 30th. Replacement of Zable Stadium Windows is scheduled for summer 2013.

204 – 17934 Sadler Center Dining Addition
Design Team: Clark-Nexsen
Budget: $8,000,000
Funding Source: VCBA (9d bond)
Biennium: 2012-2014
Contractor: Whiting Turner
Obligated to date: $1,337,525

Description: The project will create 300 additional seats to the Sadler dining room and re-configure the serving area in order to meet student demand resulting from implementation of the mandatory meal plan program in 2011-12.

Progress: Construction of the foundation, structural frame and chilled water system began in January, 2013. The Guaranteed Maximum Price (GMP) has been negotiated, and construction and supporting procurement are on schedule to allow substantial completion by the first week of August, in time for the fall 2013 semester.
Board of Visitors

February 6-8, 2013

204 – 17994 Renovate: Tyler Hall
Design Team: Mitchell-Mathews
Budget: $547,000
Funding Source: HEO, to be reimbursed by VCBA

Biennium: 2012-2014
Contractor: W.M. Jordan
Obligated to date: $1,337,525

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: Schematic drawings were simultaneously submitted for College code review and BCOM cost review to enable reassessment of a September 5, 2012 BCOM project budget recommendation of $13.559M versus the $16.364M (-$2.805M) requested.

BCOM’s Schematic Cost Review Report of January, 2013, restored a portion of the funds requested, to $15.192M. The project team performed a value management review (formerly “value engineering”) to reduce costs. The College will continue to appeal the reductions taken by BCOM. The completion of Preliminary Drawings (detailed design) for BCOM cost review is scheduled for April, 2013. Completion of construction drawings is estimated for September, 2013. Construction will begin once Tyler Hall is vacated by the current occupants who will move back to the renovated Tucker Hall and other spaces on campus. It is anticipated that this will be no later than February 2014.

204 – 18001 Renovate: The Brafferton and Brafferton Kitchen
Design Team: GWWO
Budget: $3.4M
Funding Source: Private funds/VCBA funds

Biennium: 2012-2014
Contractor: Virtexco
Obligated to date: $2,931,389

Description: The project renews building systems within the Brafferton and Brafferton kitchen. The project will seal the exterior envelope (roof, windows, foundation), install state of the art building systems (HVAC, Fire systems, HA access), and restore affected building fabric.

Progress: Excavation to enable placement of new basement floor slabs, underpinning of selected basement walls and selective demolition of building systems and third floor partitions are complete. Project completion: July, 2013.

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: $0

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:** Site investigations have been completed, a design scope determined and an A/E design proposal received. Design is underway to support phased construction at multiple sites on campus. Construction will begin in summer 2013.

### 204 – 18003 Improve: Lake Matoaka Dam Spillway

**Design Team:** Draper Aden  
**Biennium:** 2012-2014  
**Budget:** $3,169,182  
**Contractor:** TBD  
**Funding Source:** VCBA  
**Obligated to date:** $0

**Description:** State Dam Safety Regulations now require that the spillways of all high hazard dams must pass two times (2x) the probable maximum flood (PMF) and withstand overtopping. The project will enable the dam to withstand overtopping by armorring the downstream face of the dam using articulated concrete blocks (ACB).

**Progress:** The College has coordinated the design concept with the Division of Dam Safety. Topographic survey, geotechnical field work, and stream alignment/wetlands coordination with the Division of Dam Safety and the U.S. Army Corps of Engineers are in progress. Data collection will inform geotechnical analysis for preliminary design development and review in April and May. Construction drawings expected complete by Sept, 2013. Six month construction is anticipated to begin May, 2014, following extensive project review of completed design by multiple agencies.

### 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:** $0

**Description:** The College will create a new Stormwater Management Plan to achieve compliance with new state stormwater regulation and emerging federal Total Maximum Daily Limit (TMDL) pollutant guidelines for the protection of the Chesapeake Bay. The plan will ensure future projects achieve regulatory compliance. Planning will include inventory of existing stormwater structures, and "watershed modeling" to determine existing stormwater flow and sediment/contaminant loadings.

**Progress:** The College has completed fee negotiations, and an allotment request for initial pre-planning was submitted to BCOM in January. The funds are required to support due diligence studies/analysis to update stormwater infrastructure and map "gaps"; identify future campus growth; determine the College's Total Maximum Daily Load (TMDL) waste load allocation, and develop compliance strategies to retrofit
existing Best Management Practices (BMPs); and design stormwater projects to address any TMDL reduction requirements. The Master Plan will require nine months to complete, and will inform subsequent design/construction requirements.

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

<table>
<thead>
<tr>
<th>Design Team</th>
<th>RMF</th>
<th>Biennium: 2012-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>$3,500,000</td>
<td>Contractor: TBD</td>
</tr>
<tr>
<td>Funding Source</td>
<td>VCBA</td>
<td>Obligated to date: $0</td>
</tr>
</tbody>
</table>

**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 existing three 900 ton chillers.

**Progress:** Engineers have initiated design, which will be complete by May 2013, to enable a summer 2013 start. Estimated construction duration is six months.

**204-17555 Improve: Dormitory Renovations**

<table>
<thead>
<tr>
<th>Design Team</th>
<th>Multiple</th>
<th>Biennium: 2008-2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>$2.5M</td>
<td>Contractor: Multiple</td>
</tr>
<tr>
<td>Funding Source</td>
<td>9c bonds</td>
<td>Obligated to Date: $2,414,072</td>
</tr>
</tbody>
</table>

**Description:** The last project is design of Barrett Hall window replacement and chilled water piping to accommodate air-conditioning (2013).

**Progress:** Design, code review, and bidding are complete. Window replacement is scheduled for summer 2013 under project 204-17933. Chilled water piping connections will be installed in summer 2014.

**204-17808 Construct: New Fraternity Housing**

<table>
<thead>
<tr>
<th>Design Team</th>
<th>Moseley-Treanor Associates</th>
<th>Biennium: 2010-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>$26.8M</td>
<td>Contractor: WM Jordan</td>
</tr>
<tr>
<td>Funding Source</td>
<td>9c Bonds</td>
<td>Obligated to date: $24,432,498</td>
</tr>
</tbody>
</table>

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

**Progress:** Structural framing is in progress on all eleven houses. Substantial completion is scheduled for July, 2013.
**204-17811 Improve: Dormitory Renovations (Umbrella)**
Design Team: Multiple  
Biennium: 2010-2012  
Budget: $4.5M  
Contractor: Multiple  
Funding Source: 9c bonds  
Obligated to Date: $3,814,460

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

**Progress:** Code review of the fire alarm design is complete. Elimination of condensation issues is under review. Summer 2013 installation is still expected.

---

**204-17933 Improve: Dormitory Renovations (Umbrella)**
Design Team: Multiple  
Biennium: 2010-2012  
Budget: $5.0M  
Contractor: Multiple  
Funding Source: 9c bonds  
Obligated to Date: $670,451

**Description:** Project will include construction of Barrett Hall window replacement and chilled water piping; Old Dominion window replacement; Landrum roof replacement; and renovations of Chandler and Landrum Halls if funding permits.

**Progress:** As noted above, Barrett Hall window replacement and chilled water piping designs have been executed under project 204-17555. Bids for the window replacement were received in November, 2012. Design for Chandler Hall renovation is in progress. The RFP for design of Landrum Hall renovation was issued in December.

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**204-17933-01 Renovate: Chandler Hall**
Design Team: Boynton-Rothschild-Rowland  
Biennium: 2012-2014  
Budget: $841,300  
Contractor: TBD  
Funding Source: 9c bonds  
Obligated to date: $670,451

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

**Progress:** Design is scheduled for completion by February, 2013, and project completion by June, 2014.

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**204- TBD Construct: Law School Expansion**
Design Team: TBD  
Biennium: 2012-2014  
Budget: $14.0M  
Contractor: TBD  
Funding Source: 0302; 9(d) debt  
Obligated to date: $0
Description: Proposed project includes expansion and small renovation to accommodate 1) small seminars; 2) law practicums/legal clinics; and 3) food & dining for students. Enrollment has grown nearly 20%, and the need for additional programming space along with it. Law Students do not have access to food facilities like students do on main campus, or even at the Schools of Business and Education.

Progress: The College has submitted an amendment to the 2013 General Assembly for non-general fund support, with authorization to issue debt. The debt incurred would be supported by a mix of student fees and private funds.

204 - TBD Performing Arts Quarter Feasibility Study
Design Team: Moseley/HGA
Budget: TBD
Funding Source: HEO 0306

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

Progress: AE's Moseley/Hammel Green Abrahamson (HGA) were selected following interviews in December, 2012. Four workshops will be conducted from January to March to enable development of a draft study based on a revised scope. The College expects sufficient information to be developed in time for the Board of Visitors' April 2013 meeting to approve inclusion in the College's 2014-2020 capital plan.

204- TBD Campus Master Plan
Design Team: TBD
Budget: TBD
Funding Source: College O&M

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: A/E proposals are due on February 21st. Short listing of firms for interviews is scheduled for March 6th, and interviews are scheduled for March 14th and 15th. The plan will be developed in annual increments based on funds available. Development is anticipated to cross three fiscal years.
Board of Visitors

February 6-8, 2013

2012 – 2014 Major Repair and Maintenance Reserve

2010 - 2012 (Carry Forward): $2,092,949
2012 - 2014 Appropriation: $2,825,634

FY 2013: $1,412,817
FY 2014: $1,412,817

Grand Total: $4,918,583

2010 - 2012
Projects Completed/Spent to Date: $2,759,144

2012 - 2014
Projects Completed:
- 204 – TBD Old Dominion Fire Alarm Repair (E&G) $ 30,002

Projects ready for bid/award:
- 204 – 00050 Replace: Halon Systems (Blow) $472,611

Projects in design:
- 204 – 00007 ADA Accessibility (Jones Hall Elevator) $117,818
- 204 – 00027-1 Ewell Hall Attic Fire Alarm Replacement $161,693
- 204 – TBD Hoke House Addition Repairs $ 44,000
- 204 – TBD Muscarelle Fire Alarm/Fire Sprinkler Repl $ 475,680
- 204 – 00009 – 5 Sorority Court Waterline Repairs $ 350,000
- 204 – 00009 – 6 W&M Hall Area Street Lighting Repairs $ 50,000
- 204 – 06014 Jones Hall HVAC Repairs $ 200,000
- 204 – TBD Swem Pavilion B Roof/Lintel Repairs $ 207,000

Total $4,867,858
## DRAFT 2014-2020 COLLEGE OF WILLIAM AND MARY SIX-YEAR CAPITAL PLAN

### 2014 - 2016 Capital Program Request

<table>
<thead>
<tr>
<th>Priority</th>
<th>Project Name</th>
<th>General Fund</th>
<th>Non-General Fund</th>
<th>Total Project Fund</th>
<th>Prior Year Appropriations</th>
<th>Comments</th>
</tr>
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<tbody>
<tr>
<td>1a</td>
<td>Maintenance Reserve</td>
<td>0100</td>
<td>$6,305,000</td>
<td>$0</td>
<td>$6,305,000</td>
<td>Nov '12 program, Update required.</td>
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<tr>
<td>2</td>
<td>Construct: Fine and Performing Arts Complex, Ph 1</td>
<td>0100/00302</td>
<td>$50,000,000</td>
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<td>Pending 2013 Planning Study - Draft due 4/1/13. Prior request for Music Facility only.</td>
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<td>$0</td>
<td>$0</td>
<td>Pending 2013 Planning Study - Draft due 2/1/13</td>
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<tr>
<td>4</td>
<td>Construct: IT Data Center/Remote Operations Site</td>
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<td>$17,500,000</td>
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<td>$17,500,000</td>
<td>Update 2012-2018 request.</td>
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<td>5</td>
<td>Improve: Athletic Facilities</td>
<td>0815</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
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<tr>
<td>6</td>
<td>Improve: Auxiliary Facilities</td>
<td>0815</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>7</td>
<td>Renovate: Dormitories</td>
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<td>$15,875,000</td>
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<td>$15,875,000</td>
<td>Landrum Reno, Units A - M Design, GO Window Deal</td>
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### 2014-2016 Biennium Totals

<table>
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<td>$69,779,000</td>
<td>$11,380,000</td>
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### 2016 - 2018 Capital Program Request

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<tr>
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<td>$7,210,000</td>
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<td>8</td>
<td>Construct: Fine and Performing Arts Complex, Ph 2</td>
<td>0100/00362</td>
<td>$0</td>
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<td>Pending 2013 Planning Study - Draft due 4/1/13</td>
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<td>9</td>
<td>Construct: Sanitary Sewer</td>
<td>0100</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>Add air to Landrum Pump Station line replacement</td>
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<td>10</td>
<td>Improve: Blow Hall Exterior Envelope</td>
<td>0100</td>
<td>$8,200,000</td>
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<td>$8,200,000</td>
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<td>$15,000,000</td>
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<td>$900K for planning only.</td>
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<td>0815</td>
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<td>$0</td>
<td>$0</td>
<td>Athletics coordination meeting 1/30</td>
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<tr>
<td>15</td>
<td>Improve: Auxiliary Facilities</td>
<td>0815</td>
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<td>$0</td>
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<td>Auxiliary coordination meeting 1/31</td>
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<td>16</td>
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<td>GO Windows, Units K-M HVAC/ADA, Morrow HVAC</td>
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### 2016-2018 Biennium Totals

<table>
<thead>
<tr>
<th>General</th>
<th>Non-General</th>
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<td>$37,335,000</td>
<td>$20,425,000</td>
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### 2019 - 2020 Capital Program Request

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<th>Project Name</th>
<th>General Fund</th>
<th>Non-General Fund</th>
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<th>Prior Year Appropriations</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1c</td>
<td>Maintenance Reserve</td>
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<td>$0</td>
<td>$7,500,000</td>
<td>Nov '12 program, Update required.</td>
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<td>17</td>
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<td>Pending 2013 Planning Study - Draft due 4/1/13</td>
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<td>18</td>
<td>Renovate: Ewell Hall</td>
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<td>$5,300,000</td>
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<td>19</td>
<td>Construct: Moore Hall</td>
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<tr>
<td>20</td>
<td>Construct: Hugh Jones Hall</td>
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<td>21</td>
<td>Construct: Adair Hall</td>
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<td>2012 - 2018 renovation estimate. Update required.</td>
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<tr>
<td>22</td>
<td>Improve: Washington Hall</td>
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<td>23</td>
<td>Renovate: William and Mary Hall Infrastructure</td>
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<td>Auxiliary coordination meeting 1/31</td>
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### 2019-2020 Biennium Totals

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**Board of Visitors**
February 6-8, 2013

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Page 1 of 1
JOINT MEETING

February 7, 2013
9:00 – 10:00 a.m.
Room 201 – Blow Memorial Hall

COMMITTEE ON ATHLETICS

Peter A. Snyder, Chair
Kendrick F. Ashton, Jr., Vice Chair

W&M FOUNDATION ATHLETICS SUBCOMMITTEE

H. Thomas Watkins III, Foundation Chair

I. Introductory Remarks – Mr. Snyder and Mr. Watkins

II. Approval of Minutes
   A. Athletics Subcommittee – October 25, 2012
   B. Committee on Athletics – November 28, 2012

III. Closed Session (if necessary)

IV. Open Session – Certification of Closed Session Resolution

V. Student-Athlete Speaker

VI. Recent Athletic Endowment Gifts

VII. Events
   - Lord Botetourt Auction - 7 PM, Friday, February 8, 2013
   - Celebration of Women’s Athletics – Noon, Saturday, February 9, 2013
   - Scholarship Luncheon – 1 PM Sunday, February 10, 2013
   - Athletic Hall of Fame - Saturday, April 13, 2013
   - Athletic Awards Reception - Tuesday, April 23, 2013

VIII. Adjourn
COMMITTEE ON ATHLETICS

MINUTES – NOVEMBER 28, 2012
MINUTES
Committee on Athletics
November 28, 2012
Board Room – Blow Memorial Hall

Committee members present: Peter A. Snyder, Chair; Kendrick F. Ashton, Jr., Vice Chair; Thomas R. Frantz. Board members present: Charles A. Banks III. Others present: President W. Taylor Reveley III; Edward C. Driscoll, Jr., Michael J. Fox, Jeremy P. Martin, Brian W. Whitson, and Sandra J. Wims.

Chair Peter A. Snyder called the meeting to order at 4:04 p.m. and briefly reviewed the agenda.

Recognizing that a quorum was present, Mr. Snyder moved adoption of the minutes of the September 20, 2012, meeting. Motion was seconded by Mr. Ashton and approved by voice vote.

Mr. Snyder moved that the Committee on Athletics of the Board of Visitors of the College of William and Mary convene in Closed Session for the purpose of discussing gifts, bequests and fundraising activities, 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 4:05 p.m.

The Committee on Athletics reconvened in open session at 4:29 p.m. Mr. Snyder reviewed the topic 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 Secretary to the Board Michael Fox (Certification Resolution is appended).

Director of Athletics Terry Driscoll introduced senior co-captain of the women’s soccer team, student-athlete Mallory Schaffer, and showed a video interview with William and Mary women’s soccer head coach John Daly discussing her outstanding career and her candidacy for the 2012 Mac Hermann Trophy and the Senior Class Award. Mr. Driscoll provided some background information on these two prestigious awards. A brief discussion ensued between the Committee members and Ms. Schaffer.

Mr. Driscoll provided a membership update on the Colonial Athletic Association and conference realignment, then provided an update on the Athletic Department vision project, which should be completed by next spring. A brief discussion ensued.

Mr. Driscoll demonstrated the Tribe Athletics website and its digital platform, noting that all of this was done in house. The use of social media to drive traffic to the site, promote Athletics’ marketing initiatives and sponsorship support for the Athletics Department was highlighted A brief discussion ensued.

There being no further business, the Committee adjourned at 5:07 p.m.
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:

[Signature]
Peter A. Snyder
Chair
Committee on Athletics
COMMITTEE ON AUDIT AND COMPLIANCE
February 7, 2013
9:00 – 10:00 a.m.
Board Room - Blow Memorial Hall

John C. Thomas, Chair
Michael Tang, Vice Chair

I. Introductory Remarks - Mr. Thomas

II. Approval of Minutes – November 28, 2012

III. Closed Session (if necessary)

IV. Open Session - Certification of Closed Session Resolution

V. Report from Director of Internal Audit - Michael L. Stump
   A. Report of Internal Audit Activity Since November 28, 2012 - Enclosure _M_.
   B. Revision of the Office of Internal Audit Charter – Resolution _2_.

VI. Report from Compliance and Policy Officer – Kiersten L. Boyce
   A. Compliance Program Charter – Resolution _3_.

VII. Discussion

VIII. Adjourn
COMMITTEE ON AUDIT AND COMPLIANCE

MINUTES – NOVEMBER 28, 2012
MINUTES  
Committee on Audit and Compliance  
November 28, 2012  
Board Conference Room - Blow Memorial Hall  

Attendees: John C. Thomas, Chair; Michael Tang, Vice Chair; and Leigh A. Pence. Board members present: Rector Jeffrey B. Trammell and Ann Green Baise. From the Auditor of Public Accounts: Laurie Hicks. Others present: Kiersten L. Boyce; Henry R. Broaddus; Courtney M. Carpenter; Robert P. Dillman; Michael J. Fox; Michael R. Halloran; Samuel E. Jones; Jennifer B. Latour; Deborah A. Love; Anna B. Martin; Beverly Morris; Michael L. Stump; and Brian W. Whitson  

Chair John C. Thomas called the meeting to order at 3:30 p.m. and, recognizing that a quorum was present, asked for a motion to approve the minutes of the September 20, 2012, meeting. Motion was made by Mr. Tang, seconded by Ms. Pence and approved by voice vote of the Committee.  

Mr. Thomas introduced Laurie Hicks. Ms. Hicks discussed the upcoming fiscal year 2012 audit and the required communications documents, which were distributed to the Committee. The Committee asked Ms. Hicks to explain the thresholds she used for audit work and how that affected work at Richard Bland College. Ms. Hicks explained that the thresholds are determined as part of audit planning and that some work would be performed at Richard Bland. Mr. Thomas thanked Ms. Hicks for her efforts and asked her to contact him if she had any concerns during the next audit.  

Mr. Stump presented the proposed 2013 Internal Audit Work Plan, as detailed in Resolution 5. Following discussion, Ms. Pence moved adoption of Resolution 5, Approval of 2013 Internal Audit Work Plan. Motion was seconded by Mr. Tang and approved by voice vote of the Committee.  

Mr. Broaddus presented the Repeal of the Code of Conduct Governing Student Loan Practices, as detailed in Resolution 6. Following discussion, Ms. Pence moved adoption of Resolution 6, Repeal of the Code of Conduct Governing Student Loan Practices. Motion was seconded by Mr. Tang and approved by voice vote of the Committee.  

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, briefings by legal counsel or staff members pertaining to specific legal matters, and discussion of reports or plans related to security of any College facility, building or structure, as provided for in Section 2.2-3711.A. 1., 7., and 19., of the Code of Virginia. Motion was seconded by Mr. Tang and approved by voice vote. Observers were asked to leave the room and the Committee went into closed session at 3:42 p.m.  

The Committee reconvened in open session at 4:44 p.m. Mr. Thomas reviewed the topics discussed in the closed session and moved the adoption of the Resolution certifying the closed session was held in accordance with the Freedom of Information Act. Motion was seconded by
Mr. Tang and approved by roll call vote conducted by Mr. Thomas (Certification Resolution is appended.)

Mr. Thomas congratulated Ms. Boyce on the successful completion of the Corporate Compliance and Ethics Professional (CCEP) certification and asked Ms. Boyce for her report. Ms. Boyce gave the Committee an update on the College’s controls for preventing, detecting, and remediating sexual abuse of minors. She informed the Committee that work continues on the sexual harassment policy and that the new on-line process for reviewing draft policies is working well. Ms. Boyce continues her efforts to ensure that College employees are aware of their reporting duties under the Clery Act and the Commonwealth’s suspected child abuse law. She informed the Committee that her review of the College’s background check policy continues.

Ms. Boyce hopes to fill the vacant position in her office within the next six months.

Mr. Thomas thanked Ms. Boyce for her report and efforts.

There being no further business, the Committee adjourned at 4:50 p.m.
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:

[Signature]
John C. Thomas
Chair
Committee on Audit and Compliance
COLLEGE OF WILLIAM AND MARY and RICHARD BLAND COLLEGE
REPORT OF INTERNAL AUDIT ACTIVITY SINCE NOVEMBER 28, 2012

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<tr>
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<tr>
<td>Data centers review</td>
<td>Dec 11</td>
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<td>BoV resolution compilation and analysis</td>
<td>April 2013</td>
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<td>Centralized billing and VA benefits – management request</td>
<td>Ongoing</td>
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<td>EVMS financial evaluation</td>
<td>Ongoing</td>
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<td>Highland – Judge Thomas’ request</td>
<td>April 2013</td>
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<tr>
<td>Hotline RBC</td>
<td>March 2013</td>
</tr>
<tr>
<td>PBK Hall, Theatre &amp; Speech – management request</td>
<td>June 2013</td>
</tr>
<tr>
<td>President’s Business Innovation Comm – President’s request</td>
<td>Ongoing</td>
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<td>Risk Management Steering Committee – management request</td>
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<tr>
<td>Small Purchase Charge Card Program</td>
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<tr>
<td>Vendor create/modify controls – management request</td>
<td>April 2013</td>
</tr>
<tr>
<td>VIMS/SMS Vessel Operations</td>
<td>Sept 2013</td>
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COLLEGE OF WILLIAM AND MARY
REVISION OF THE OFFICE OF INTERNAL AUDIT CHARTER

The Office of Internal Audit Charter was last revised at the February 2011 meeting of the Board of Visitors. It is appropriate to review such documents periodically.

The revised Office of Internal Audit Charter (attached) has been reviewed by the Chair of the Audit and Compliance Committee, the President and Vice President for Finance of the College of William and Mary, the President of Richard Bland College, and the Director of Internal Audit. The revisions address changes in the Board of Visitors Bylaws and various auditing standards.

The Audit and Compliance Committee also oversees the work of the College of William and Mary’s Compliance Office. The Board of Visitors Bylaws will be amended to reflect this during the next revision of the Bylaws.

Proposed additions to the existing text are shown in **bold italics**; proposed deletions are struck-through.

BE IT RESOLVED, That the Office of Internal Audit Charter is approved by the Board of Visitors as revised, effective immediately.
Article I, section 14 of the Board of Visitors Bylaws, revised November 30, 2012, states: The Committee on Audit and Compliance shall oversee the Office of Internal Audit, which is charged with the responsibility of auditing the College of William and Mary and Richard Bland College and shall consider and make recommendations on policy matters pertaining to campus safety and security and risk management. The Director of Internal Audit shall be directly responsible to the Committee on Audit and Compliance in the formation of an annual Audit Plan. The President of the College and the President of Richard Bland College may advise and consult with the Committee on any matter pertaining to internal auditing. The Committee shall perform an annual evaluation of the Director of Internal Audit during the Board's annual meeting for recommendation to the full Board.

Article II, section 10 of the Board of Visitors Bylaws, revised November 30, 2012, states: The Board of Visitors shall, on recommendation of the President of the College and the President of Richard Bland College, appoint a Director of Internal Audit. The Director of Internal Audit shall report directly to the Committee on Audit and Compliance and shall be responsible to the Committee for the administration and operation in the Office of Internal Audit and for the formation of an annual Audit Plan. The budget for and authorization of positions in the Office of Internal Audit shall be reviewed and approved by the Committee on Audit and Compliance. The Director of Internal Audit shall consult with the President of the College and the President of Richard Bland College in the administration and operation of the Office of Internal Audit. The Director of Internal Audit shall be evaluated annually by the Committee on Audit and Compliance during the Board's annual meeting for recommendation to the full Board.

Mission

The mission of the Office of Internal Audit is to support the respective missions of the College of William and Mary and Richard Bland College by providing auditing services to the Board of Visitors and the colleges. The mission statements follow:

The College of William and Mary, a public university in Williamsburg, Virginia, is the second-oldest institution of higher learning in the United States. Established in 1693 by British royal charter, William and Mary is proud of its role as the Alma Mater of generations of American patriots, leaders, and public servants. Now, in its fourth century, it continues this tradition of excellence by combining the best features of an undergraduate
college with the opportunities offered by a modern research university. Its moderate size, dedicated faculty, and distinctive history give William and Mary a unique character among public institutions, and create a learning environment that fosters close interaction among students and teachers.

The university's predominantly residential undergraduate program provides a broad liberal education in a stimulating academic environment enhanced by a talented and diverse student body. This nationally acclaimed undergraduate program is integrated with selected graduate and professional programs in five faculties — Arts and Sciences, Business, Education, Law, and Marine Science. Masters and doctoral programs in the humanities, the sciences, the social sciences, business, education, and law provide a wide variety of intellectual opportunities for students at both graduate and undergraduate levels.

At William and Mary, teaching, research, and public service are linked through programs designed to preserve, transmit, and expand knowledge. Effective teaching imparts knowledge and encourages the intellectual development of both student and teacher. Quality research supports the educational program by introducing students to the challenge and excitement of original discovery, and is a source of the knowledge and understanding needed for a better society. The university recognizes its special responsibility to the citizens of Virginia through public and community service to the Commonwealth as well as to national and international communities. Teaching, research, and public service are all integral parts of the mission of William and Mary.

Richard Bland College, of The College of William and Mary in Virginia was founded in 1930. It is The Junior College of the Commonwealth of Virginia. The College offers a traditional curriculum in the liberal arts and sciences leading to the associate degree, and other programs appropriate to a junior college. The curriculum is intended to allow students to acquire junior status upon transferring to a four-year college, or to pursue expanded career opportunities. The College also recognizes its responsibility to serve the public by providing educational and cultural opportunities for the community at large.

Overview Background

Audit and advisory reports are addressed to the Chair of the Committee on Audit and Compliance with copies to members of the Committee, the appropriate college president, and others directly impacted by audit findings. All reports are reviewed and signed by the Director. The Director also provides summarized reports to the Committee on Audit and Compliance. Whenever the Director learns of any manner of fraud, waste, or abuse of
Commonwealth or private resources, and any other matter deemed significant by the Director, he must promptly report such information to the Chair of the Committee on Audit and Compliance, presidents, and when appropriate, the Inspector General, Auditor of Public Accounts (APA), William and Mary Police, or and the State Police. The Director regularly consults with the presidents, provosts, deans, and vice presidents of the colleges. The Office shall have unrestricted access to all activities, properties, personnel, and records of the colleges to the fullest extent of the law. The Office retains and releases records in compliance with the Commonwealth's laws. Should the Director leave employment for any reason, the Committee on Audit and Compliance of the Board of Visitors will interview the departing Director.

**Professional Auditing Standards and Statements**

Internal auditing is an advisory function. The Office We objectively analyzes, reviews, and evaluates existing procedures and activities; reports on conditions found; and recommends actions for consideration. This includes an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the colleges. The Office’s work is completed with care, prudence, and professionalism. The Office will We report weak or missing controls, inefficiencies, fraud, illegal activities, or impediments to the Office’s work in accordance with the following:

- American Institute of Certified Public Accountants (AICPA) pronouncements
- Commonwealth of Virginia (CoV) laws and regulations
- Financial Accounting Standards Board (FASB) statements
- Generally Accepted Auditing Standards (GAAS) including Statements of Auditing Standards (SAS) and the Government Accountability Office’s (GAO) Governmental Auditing Standards (Yellow Book)
- Governmental Accounting Standards Board (GASB) statements
- Institute of Internal Auditors (IIA) pronouncements

**Audit and Advisory Services**

Consulting: Provide consulting and advisory services as requested by the Board of Visitors, presidents, provosts, deans, and vice presidents of the colleges. Such services should improve the colleges’ governance, risk management, and control processes - without the Office of Internal Audit assuming management responsibility.

Compliance: In cooperation with the Office of Compliance, determine compliance with policies, procedures, laws and regulations established by the colleges, the Commonwealth, the Federal Government and applicable certain external bodies, such as the National Collegiate Athletic Association (NCAA).
Financial: Audit internal control systems and financial transactions of the colleges, including capital projects.

Operational: Provide an **Evaluate** evaluation of operational efficiency and effectiveness in accordance with the goals and policies established by the colleges, Commonwealth, and/or the Federal Government.

Technology: Evaluate the design, development, implementation, and internal controls of information technology systems.

**Responsibilities of the Director**

- The Director represents the Office, the colleges, the Commonwealth, and the auditing profession at all times. Consequently, the Director must always be mindful of his/her actions.

- The Director must maintain a high level of professionalism within the Office. Accordingly, the Director is responsible for providing continuing professional education required by professional standards.

- The Director should prepare a report of Office activities for the Committee on Audit and Compliance on a regular basis. This report may be sent to presidents, provosts, vice presidents, and, at the discretion of the Director, others directly impacted by audit findings. The report should be concise with supporting detail available upon request.

- The Director prepares a comprehensive annual work plan based upon judgment and a risk assessment model. This should be discussed with the presidents, provosts, vice presidents, and anyone else the Director deems necessary before the plans are presented to the Committee on Audit and Compliance for approval.

- The Director is responsible for the work of all auditors in the Office.

- The Director is responsible for the efficient and effective use of Internal Audit resources.

- The Director is the primary liaison to all external audit entities including the Federal Government and the Commonwealth.

- The Director is responsible for periodic external reviews of the Office, if funds are available. These reviews should be performed in accordance with professional auditing standards. A written report should be provided to the Committee on Audit and Compliance and the presidents.
WHEREAS, The Committee on Audit and Compliance oversees the Compliance Program of the College of William and Mary; and

WHEREAS, The proposed Compliance Program Charter (attached) has been reviewed by the Chair of the Audit and Compliance Committee, the President, the Provost, and other College officials;

NOW, THEREFORE, BE IT RESOLVED, That the Compliance Program Charter is approved by the Board of Visitors, effective immediately.
THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA

COMPLIANCE PROGRAM CHARTER

William and Mary, as a public institution of higher education, is regulated by both the federal government and the Commonwealth of Virginia. The responsibility for compliance with these legal obligations is shared by all members of the university community:

- Employees must obey the laws, regulations, and policies applicable to their university activities, and report illegal or unethical action that comes to their attention.¹

- Supervisors must ensure that employees have the knowledge and skills to fulfill their obligations, and address or elevate reported violations or similar issues.

- Members of senior management must promote a culture of compliance and ethical behavior, and ensure that the university has policies and standards reasonably designed to prevent compliance violations in their areas of operation.

As federal and state laws increase and become more complex, the university has charged the Compliance and Policy Office with the coordination, monitoring and, when appropriate, improvement, of the array of compliance functions. This Office works closely with other offices providing general compliance services, particularly Internal Audit, University Counsel, and Human Resources. To assist employees, the university also has offices and officers with expertise and responsibilities in various compliance areas, such as the Office of Sponsored Programs for compliance obligations arising in the conduct of research, the Environmental Health & Safety Department for workplace safety compliance, and the Assistant Athletics Director for Compliance and Educational Services, for NCAA compliance.

Collectively, these institutional expectations, responsibilities, and services comprise the university’s compliance and ethics program. As defined by federal regulations, the program is “reasonably designed, implemented, and enforced” to prevent and detect illegal conduct through “due diligence and the promotion of an organizational culture that encourages ethical conduct and a commitment to compliance with the law.”

¹ Code of Ethics of the College of William and Mary.
The Chief Compliance Officer has overall responsibility for the compliance program.\textsuperscript{2} The Compliance Officer, working with senior management and other employees and in close cooperation with Internal Audit, University Counsel, and Human Resources, strives to:

1. ensure that the university has policies and procedures reasonably designed to satisfy existing or new legal obligations.

2. ensure that the university has procedures aimed at detecting and remediying compliance problems and risks, including methods for employees to "report or seek guidance regarding potential or actual" illegal conduct without fear of retaliation.

3. conduct or assist with certain internal compliance investigations and otherwise help management address compliance violations reported or detected.\textsuperscript{3}

4. ensure the university has practices and systems to communicate key policies and other relevant aspects of the compliance and ethics program to affected employees. The Compliance and Policy Office also directly communicates new and proposed policies to the campus community.

5. assist senior management and others promote and enforce the compliance program.

6. assist in identifying and addressing significant compliance risks, for example by conducting compliance gap analyses and risk assessments (including under the auspices of the university’s Risk Management Committee) and providing compliance resources and guidance.

The Committee on Audit and Compliance of the Board of Visitors provides oversight of the compliance program. The Chief Compliance Officer reports regularly to the Committee regarding the status and effectiveness of the compliance program, and brings to the Committee’s attention significant compliance risks and matters.

\textsuperscript{2} Federal regulations require that a specific, "high-level" individual be given "overall responsibility" for the compliance and ethics program. The Chief Compliance Officer reports to the President and directs the Office of Compliance and Policy.

\textsuperscript{3} Reported or suspected violations may be investigated by any number of individuals, committees, or offices, under university policies.
RICHARD BLAND COLLEGE COMMITTEE
February 7, 2013
10:00 – 11:00 a.m.
Board Conference Room – Blow Memorial Hall

Dennis H. Liberson, Chair
Ann Green Baise, Vice Chair

I. Introductory Remarks

II. Approval of Minutes -- November 29, 2012

III. Closed Session (if necessary)

IV. Open Session – Certification of Closed Session Resolution

V. General Reports

A. Report from President Debbie L. Sydow

B. Report from Interim Chief Operating Officer – Ms. Annette Parker

C. Report from Faculty Representative – Professor Barbara Morgan

D. Report from Student Representative – Ms. Jessica Salazar

VI. Action Material

A. Appointments to Fill Vacancies in the Professional Faculty Resolution __

VII. Informational Material

A. Strategic Plan 2013-2018 (Draft) Enclosure __A__

B. Part-Time Administrative Assignments Enclosure __B__

C. 2012-2013 Operating Budget Update Enclosure __C__

D. 2012-2013 Enrollment Update Enclosure __D__

E. 2013 General Assembly Update Enclosure __E__

F. Faculty Representative Report Enclosure __F__

G. Student Representative Report Enclosure __G__

VIII. Discussion

IX. Adjourn
RICHARD BLAND COLLEGE COMMITTEE

MINUTES – NOVEMBER 29, 2012
MINUTES
Richard Bland College Committee
November 29, 2012
Room 104 – James B. McNeer Hall
Richard Bland College

Attendees: Dennis H. Liberson, Chair; Ann Green Baise, Vice Chair; Kendrick F. Ashton, Jr.; John E. Littel. Board members present: Rector Jeffrey B. Trammell, Charles A. Banks III; Leigh A. Pence; Robert E. Scott; Peter A. Snyder; Michael Tang; John C. Thomas; faculty representative Barbara Morgan and student representative Jessica Salazar. Others present: President Debbie L. Sydow, C. Scott Davis, Michael J. Fox, J. Tyler Hart, Jeanne Holmes, Nate Jellerson, Deborah A. Love, Jeremy P. Martin, Chuck Moore, Beverly Morris, Michael L. Stump, Evanda Watts-Martinez, Sandra J. Wilms, Lois Wray, and other members of the Richard Bland faculty and administration.

Following tours of McNeer Hall, the new Integrated Science and Technology building, and the residence halls, Chair Dennis Liberson called the Committee to order at 10:00 a.m. and welcomed everyone to Richard Bland College, noting that the business portion would be deferred until later in the meeting.

Mr. Liberson called on President Debbie Sydow to introduce the Strategic Planning forum. Prior to beginning, the President and Mr. Liberson asked those present to introduce themselves.

President Sydow advised that Interim Director of Academic and Institutional Effectiveness J. Tyler Hart would assist with the PowerPoint presentation. Mr. Hart provided a snapshot of the process and President Sydow reviewed the historical backdrop that has led the College to this point. President Sydow and Mr. Hart proceeded to review the information gathered to date through forums focusing on strengths, weaknesses, opportunities and threats; discussed key data and trends and outlined the future focus to differentiate, brand and build a demand-driven portfolio of academic programs.

President Sydow then opened the forum to a general discussion of the plan to re-focus, re-invest and re-invent the College so as to align its mission and goals with the educational and economic development of the Commonwealth over the next five years.

The President outlined the timeline and various phases and advised that the goal of this process was to present the draft strategic plan articulating the mission, vision and goals of the College to the Board at the April meeting.

President Sydow and Mr. Liberson facilitated a dialogue between the Board members, administrators and members of the faculty.

Mr. Liberson concluded the discussion at 11:15 a.m. and advised that there would be a Richard Bland College Committee meeting on April 25 on the Richard Bland campus to focus specifically on the Strategic Plan and the mission and goals for Richard Bland College.
Prior to taking a short break, Mr. Liberson moved to approve the minutes of the meeting of September 20, 2012. Motion was seconded by Ms. Baise, and approved by voice vote of the Committee.

Mr. Liberson reconvened the Richard Bland College Committee at 11:30 a.m.

President Sydow presented a PowerPoint report that reviewed the partnership potential of William and Mary and Richard Bland College, focusing on a guaranteed/dual admission proposal, using as an example Oxford College of Emory University in Georgia. A general discussion ensued.

Interim Director of Financial Management Beverly Morris provided an update on the 2012-2013 Operating Budget, as detailed in Enclosure B, and reported briefly on capital outlay progress, as detailed in Enclosure C.

Interim Director of Student Enrollment Management Jeanne Holmes provided an update on 2012-2013 enrollments, as detailed in Enclosure D. A brief discussion ensued.

Faculty representative Professor Barbara Morgan commented on the proposed Faculty Senate and the Bylaws from the faculty perspective, noting it was modeled after the William and Mary Faculty Assembly.

The report from student representative Jessica Salazar was contained in the agenda book at Enclosure E.

President Sydow reviewed Resolution 2, Resolution to Approve the Establishment of the Richard Bland College Faculty Senate and Bylaws of the Organization. She discussed the newly established shared governance model and the use of a Faculty Senate, College Council and college committees, as detailed in Enclosure A. A brief discussion ensued focusing on the role and responsibilities of adjunct faculty as well as concern that the faculty role be advisory only. President Sydow expressed confidence that this system would encourage faculty input into the decision-making process.

President Sydow presented the two retirement resolutions for Dr. Russell E. Whitaker, Jr., Vice President of Administration and Finance, and Frances S. Scarbrough, Human Resources Director. Mr. Liberson noted that Dr. Whitaker has been very helpful and supportive of the new president.

Mr. Hart discussed the updates made to the 2012-2018 Six-Year Plan to incorporate funding actions by the Commonwealth, update tuition and fees, and including the additional goals and strategies set forth by the new administration to advance the organizational efficiency and effectiveness of the College, as detailed in Resolution 1. A brief discussion ensued.
Mr. Liberson asked for a motion to approve as a block Resolution 1, 2012-2018 Six-Year Plan (Update); Resolution 2, Resolution to Approve the Establishment of the Richard Bland College Faculty Senate and Bylaws of the Organization; Resolution 3, Retirement of Dr. Russell E. Whitaker, Jr., Vice President of Administration and Finance; Resolution 4, Retirement of Frances S. Searbrough, Human Resources Director; and Resolution 14, 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, 2012, presented jointly with William and Mary. Motion was made by Mr. Ashton, seconded by Mr. Littel and approved by voice vote of the Committee.

There being no further business, the Committee adjourned at 12:20 p.m.
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 appointment of the following individual to fill these positions:

Charles T. Moore, Jr., Director of Athletics and Recreation, effective October 15, 2012

B.S. (1999), Christopher Newport University
M.A. (2010), American Public University

Randolph Macon College
Assistant Men’s Basketball Coach, 2010-2012

Virginia Commonwealth University
Coordinator of Work Study and Student Development, 2011-2012
Fitness Programs Assistant, 2009-2011

Patrick Henry Community College
Head Coach – Men’s Basketball, 2007-2009

Amelia Academy
Athletic Director/Boys Basketball Coach, 2001-2007

Jeremy M. Colb, Admissions Counselor/Academic Advisor, effective November 14, 2012

B.S. (2010), Christopher Newport University

TYGES International, Executive Recruiter, May 2012-August 2012

Christopher Newport University, Admissions Officer, August 2010-May 2012

Newport News/Williamsburg International Airport, Marketing/Public Relations Intern, January 2010-August 2010
RICHARD BLAND COLLEGE
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONAL FACULTY

Lashrece D. J. Aird, Assistant to the President, effective November 25, 2012
B.A. (cum laude) (2008), Virginia State University
Virginia House of Delegates
Legislative Aide to Delegate Rosalyn R. Dance, 2006-2007 and 2008-2012

Jason M. Brown, Director of Human Resources, effective January 10, 2013
B.S. (1993), Virginia Commonwealth University
M.A. (2006), Webster University
City of Richmond
Human Resources Division Chief, 2011-2012
Benefits Administrator, 2010-2011
Department of Defense
U.S. Army Officer, 1995-2010
CHARTING THE FUTURE: RBC 2018

Debbie L. Sydow, Ph.D., President
February 7, 2013

The College of William and Mary
Board of Visitors Committee on
Richard Bland College
Mission

To serve as Virginia's university “gateway” by consistently delivering a distinctive learning experience and an excellent liberal arts education that aligns with university expectations for general education courses leading to associate’s degrees designed for transfer and baccalaureate completion.
To be recognized as the college of choice for Virginia's university-bound students, offering a distinctively creative, rigorous and engaging learning experience to residential, commuter and distance students alike in an environment where the first priority is student success.

With values grounded in the liberal arts tradition and its relevance to the global 21st-century society and economy, the college delivers academic programs and services that: (1) are responsive to market and societal demand; (2) are custom-designed on the basis of current research and best practices in the discipline relative to learning outcomes; (3) teach the core knowledge and skills required for success in life and transfer to baccalaureate programs at selective colleges and universities.
Snapshot of Strategic Planning Process

**Tomorrow's Students**
- Who are they?
- What do they need?
- What do they want?

**Tomorrow's Products/Services**
What programs and services will meet those needs and wants?

**Tomorrow's Delivery Systems**
How can we use new/existing delivery systems to meet those needs and wants?

**Environment**
- Larger market share in Southern Virginia
- Distinctive niche to compete outside the area
- New, more effective business models for higher education

**Strengths**

**Weaknesses**

**Opportunities**

**Threats**
### 2013 - 2018 SWOT

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Successful Alumni</td>
<td>• Student completion rates (22%)</td>
</tr>
<tr>
<td>• Highly credentialed faculty</td>
<td>• Brand and Image</td>
</tr>
<tr>
<td>• Staff are friendly and feel proud to work at RBC</td>
<td>• Lack of continuous improvement systems and transparent culture</td>
</tr>
<tr>
<td>• Location</td>
<td>• Data integrity</td>
</tr>
<tr>
<td>• Strong economy</td>
<td>• Access to information</td>
</tr>
<tr>
<td>• Proximity to historic/tourist destinations</td>
<td>• Fragmented enrollment and advising systems</td>
</tr>
<tr>
<td>• Physical campus - pecan groves, wetlands, new buildings</td>
<td>• 5% decrease in retention over previous 5 years</td>
</tr>
<tr>
<td>• William and Mary brand name and affiliation</td>
<td>• 14% decrease in graduation rate over the previous 5 years</td>
</tr>
<tr>
<td>• Relationships (Army Logistics University, Dual Enrollment)</td>
<td>• No enrollment management plan</td>
</tr>
<tr>
<td>• Capacity for enrollment growth</td>
<td>• Closed culture</td>
</tr>
<tr>
<td>• Unique status as state's only residential &quot;junior college&quot;</td>
<td>• Silos, under-developed inter-departmental cooperation</td>
</tr>
<tr>
<td>• Support of William and Mary Board of Visitors</td>
<td>• 86% of students from local area</td>
</tr>
<tr>
<td>• Size and scale - smallest public college with small class sizes</td>
<td>• Limited opportunities to gain new industry knowledge and practices</td>
</tr>
<tr>
<td>• Community's sense of &quot;ownership&quot;</td>
<td>• Inadequate technology infrastructure</td>
</tr>
<tr>
<td>• 50-year history with relatively unchanged mission</td>
<td>• Limited, undifferentiated product line</td>
</tr>
<tr>
<td>• High employee retention - good place to work</td>
<td>• Limited meaningful and productive linkages with William and Mary</td>
</tr>
<tr>
<td>• Stable leadership</td>
<td>• Small size does not allow for economies of scale</td>
</tr>
<tr>
<td>• Price</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Branding and marketing</td>
<td>• Public perception</td>
</tr>
<tr>
<td>• Align academic portfolio with demand, including Governor's Top Jobs 21 goals</td>
<td>• Obsolescence</td>
</tr>
<tr>
<td>• Capacity for:</td>
<td>• Inertia - no sense of urgency</td>
</tr>
<tr>
<td>• Specialized programming in STEM-h, Logistics (ALU, et. al.)</td>
<td>• Changes in the higher education industry</td>
</tr>
<tr>
<td>• Online, hybrid and innovative program delivery</td>
<td>• Business model - declining public revenue, high cost of technology, etc.</td>
</tr>
<tr>
<td>• Re-start escalation process to offer baccalaureate programs</td>
<td>• New approaches and delivery systems to serve diverse students</td>
</tr>
<tr>
<td>• Utilize existing resources (housing, groves, wetlands, expertise) to generate revenue</td>
<td>• Accountability - shift from access to completion agenda</td>
</tr>
<tr>
<td>• Build new revenue streams</td>
<td>• Court injunction blocking escalation &amp; related issues</td>
</tr>
<tr>
<td>• Shared governance - tap collective intelligence</td>
<td>• Increased competition</td>
</tr>
<tr>
<td>• Reallocate and reinvest in quality improvements, innovation and new educational offerings</td>
<td>• For-profits</td>
</tr>
<tr>
<td></td>
<td>• Community colleges</td>
</tr>
<tr>
<td></td>
<td>• Comprehensiveness</td>
</tr>
<tr>
<td></td>
<td>• Demand for ROI</td>
</tr>
</tbody>
</table>
Enrollment

To achieve an enrollment target of 2,500 students by: (1) align enrollment-related policies, practices and services with the mission, vision, brand and strategic enrollment management (SEM) goals; (2) facilitating and inspiring learning through proven and innovative teaching and support methodologies; (3) establishing a culture of critical inquiry and discovery; and (4) improving retention, graduation and transfer rates.
### Strategic Objective:
Richard Bland College will implement a data-driven strategic enrollment management plan that recruits and retains an academically prepared, diverse student body and prepares them for graduation and transfer.

<table>
<thead>
<tr>
<th>Strategies</th>
<th>Enrollment</th>
<th>Retention</th>
<th>Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment</td>
<td>1. Increase Annualized Full Time Equivalent (FTE) to 1,750.&lt;br&gt;2. Increase dual enrollment schools by 6.&lt;br&gt;3. Increase non-traditional (high school and adult) student population by 20 points above 2012 baseline.</td>
<td>1. Increase mean 3-year retention rate by 7 points above 2012 baseline.&lt;br&gt;2. Reorganize academic advising to align resources with student needs.&lt;br&gt;3. Increase investment in student activities and support services.&lt;br&gt;4. Build and implement intercollegiate athletics program and join NJCAA.&lt;br&gt;5. Increase 3-year graduation rate by 10 points above 2012 baseline</td>
<td>1. Increase the number of Guaranteed Admissions Articulation agreements to 40 providing direct transfer into market driven fields.&lt;br&gt;2. Strengthen partnerships with transfer partners (W&amp;M, VCU, VSU, Longwood, etc.)&lt;br&gt;3. Students will meet and/or exceed the expectations of transfer institutions by demonstrating academic excellence with appropriate subject area knowledge, skills and abilities.</td>
</tr>
<tr>
<td>Strategic Objective: Richard Bland College will implement a centralized student services center to better serve new and enrolled students by the Fall of 2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategies</td>
<td>One-Stop Student Center</td>
<td>Centralized Call-Center</td>
<td></td>
</tr>
<tr>
<td>1. 85% of students will rate financial aid satisfaction regarding admissions.</td>
<td>2. Students will rate their overall satisfaction with the one-stop student center.</td>
<td>3. Implement a call center to field 100% of general calls to the college.</td>
<td></td>
</tr>
<tr>
<td>2. All students will be able to get advising during business hours at the one-stop center.</td>
<td>3. Students will be satisfied with the service provided through the call center.</td>
<td>2. Remove direct phone numbers from the College website.</td>
<td></td>
</tr>
</tbody>
</table>
### Strategic Objective:

Richard Bland College develop and implement curricula that takes proven, best practices in teaching to facilitate and inspire learning through proven and innovative teaching and support methodologies.

### Strategies

<table>
<thead>
<tr>
<th>New and Existing Programs and Modalities</th>
<th>Developmental Education</th>
<th>Prerequisites course offerings</th>
</tr>
</thead>
<tbody>
<tr>
<td>All courses and programs will be assessed and evaluated to ensure best practices are being used, facilitate and inspire learning. Establish cross-curricula educational outcome that instills habits and a culture of critical inquiry and innovation among students, faculty and staff. CCSSE scores will be comparable with top-performing colleges in the 2018 cohort. All faculty full and part-time will be evaluated each semester to ensure established outcomes are being achieved.</td>
<td>Establish a uniform standard for students to be considered &quot;remediation free&quot; based on best practices and the students academic history (HS GPA, SAT, ACT, etc.). Use data to adjust academic standards to ensure students admitted to the College are capable of college level work and transfer. Re-design developmental education to focus on giving students the skills necessary to complete gateway mathematics and English courses. Comprehensively use #s 1, 2 and 3 to reduce the number of developmental courses by 25%.</td>
<td>Evaluate all college prerequisites to ensure maximum student success and timely completion of a degree. Evaluate course offerings to ensure maximum transferability and student demand.</td>
</tr>
</tbody>
</table>
Programs & Delivery

RBC will establish and advance the RBC brand in targeted response to documented market demand by: (1) modifying existing and creating new curricula to provide the right and best portfolio of academic program offerings; and (2) delivering courses and programs at times, locations and modalities that optimize resources and accommodate student schedules and preferences.
<table>
<thead>
<tr>
<th>Strategic Objective:</th>
<th>Richard Bland College will expand the footprint in the higher education marketplace and in response to documented market demand establish and advance the RBC brand in target markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategies</td>
<td></td>
</tr>
</tbody>
</table>
| Branding            | Complete a branding study to refine and articulate the College's promise to students, the Commonwealth, and external stakeholders.  
1. 100% of faculty and staff will be coached on the RBC Brand and how to communicate the brand to stakeholders.  
2.                                                                 |
| non-Traditional Program Delivery | The College will be recognized in the Commonwealth as a leader in Non-traditional program delivery. |
| New Markets         | Establish a formal MOU partnership with Army Logistics University to provide academic instruction simultaneously with military training to ensure maximum  
1. Military experience (ACE) credit and timely completion of academic credential.  
2. Establish accelerated degree completion programs at 100% of Higher Education Centers throughout the Commonwealth in response to market demand. |
<table>
<thead>
<tr>
<th>Strategic Objective:</th>
<th>Richard Bland College will develop a robust portfolio of academic programs that are responsive to student demand especially concerning modalities and deliver times.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategies</td>
<td></td>
</tr>
</tbody>
</table>
| New Programming             | 1. Eliminate degree emphasis options. Build 6 new associates degrees from new and existing emphasis options based on market demand and transfer options.  
2. Build 10 certificates (stackable credentials) that build to the associate degree. |
| Modalities                  | 1. All program offerings will be available through modalities based on student need and demand.  
- Distance  
- Evening and weekend  
- Accelerated programs |
| Dual enrollment             | 1. Build academic credentials that can be delivered prior to high school graduation.  
2. Increase dual credit courses offered at partner high schools. |
Resources & Operations

To maintain a high performance organization and to ensure financial and environmental sustainability, pertinent performance-related information will be collected, analyzed, disseminated and used to drive quality and continuous improvement, and all fiscal, physical, IT and human resources will be deployed efficiently, effectively and in direct support of the mission, vision and strategic goals.
<table>
<thead>
<tr>
<th>Strategic Objective:</th>
<th>Richard Bland College will become an organization where accurate data informs decisions and supports progress towards the mission, vision and strategic goals of the College.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategies</td>
<td>All academic and administrative units will develop plans that advance the College’s mission, vision and strategic goals.</td>
</tr>
<tr>
<td>Planning</td>
<td>1. Establish and participate in the common data set for submission of college surveys to ensure consistent and accurate reporting.</td>
</tr>
<tr>
<td>Data Integrity</td>
<td>2. Submit all reports accurate and on time (Federal, state and external survey). Train data users on locating and extracting needed data with limited assistance from ITS.</td>
</tr>
<tr>
<td>Data Dashboards</td>
<td>3. All academic and administrative units will develop data-dashboards that monitor progress and inform decisions.</td>
</tr>
</tbody>
</table>
### Strategic Objective:

Richard Bland College's human and capital resources will be aligned in direct support to our student centered mission and vision, in a supportive environment that attracts and develops the right and best faculty and staff.

### Strategies

<table>
<thead>
<tr>
<th>Human Resources</th>
<th>Develop and implement a strategic human resource plan to ensure the right and best people are aligned in the right full-time faculty, administrative faculty and staff positions to advance the mission of the college.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. Build a qualified, reliable and diverse part-time instructional workforce that advances the mission of the college.</td>
</tr>
<tr>
<td></td>
<td>2. Build a planning and evaluation infrastructure that ensures adaptable, continuous improvement of all academic and administrative functions of the college.</td>
</tr>
<tr>
<td></td>
<td>3. Maintain an organization chart that ensures efficiency and effectiveness throughout the organization and that all positions directly impact or directly support the College’s mission, vision and strategic goals.</td>
</tr>
<tr>
<td>Technology</td>
<td>Build and implement an evidence based technology infrastructure that ensures all academic and administrative departments are operating at optimal efficiency.</td>
</tr>
<tr>
<td></td>
<td>1. Develop an end-user, customer service culture that supports the College’s mission, vision and strategic goals.</td>
</tr>
<tr>
<td>Fiscal and Physical Plant</td>
<td>Create an open and transparent culture where fiscal and physical resources are re-allocated and re-purposed to support the College’s mission, vision and strategic goals.</td>
</tr>
<tr>
<td></td>
<td>1. Build a zero-based budgeting system that prioritizes maximum impact at the minimum cost in direct support of the College’s mission, vision and strategic goals.</td>
</tr>
<tr>
<td></td>
<td>2. Complete renovation of Ernst Hall.</td>
</tr>
<tr>
<td></td>
<td>3. 100% of the College’s classrooms will be smart classrooms.</td>
</tr>
<tr>
<td></td>
<td>5. Complete phase II of the residential village housing 1,000 additional residential students.</td>
</tr>
</tbody>
</table>
# Resources & Operations

**Strategic Objective:** Richard Bland College will ensure economic and environmental sustainability by investing resources efficiently and effectively in a culture of transparency and collaboration in alignment with the college's mission and vision.

<table>
<thead>
<tr>
<th>Strategies</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Economic</strong></td>
<td>The College infrastructure will be aligned to maximize efficiencies centered on student success.</td>
</tr>
<tr>
<td></td>
<td>1. Decrease reliance on Commonwealth of Virginia General Fund Appropriation by 5% below 2012 baseline.</td>
</tr>
<tr>
<td></td>
<td>2. Increase Commonwealth of Virginia Non-General Fund Revenue through expansion of current revenue streams and the creation and management of new revenue streams.</td>
</tr>
<tr>
<td></td>
<td>3. The Richard Bland Foundation will launch a new capital campaign.</td>
</tr>
<tr>
<td></td>
<td>4. The College will become 80% paperless.</td>
</tr>
<tr>
<td></td>
<td>5. 95% of academic and student services will be relocated to the west side of Johnson Road to ensure student safety, and optimal efficiency.</td>
</tr>
<tr>
<td><strong>Environmental</strong></td>
<td>Implement an environmental sustainability plan that allows the College to sign the American College and University President's Climate Commitment.</td>
</tr>
<tr>
<td></td>
<td>1. Develop a program to maintain the wetlands on College grounds.</td>
</tr>
<tr>
<td></td>
<td>2. Reduce the College's carbon footprint.</td>
</tr>
<tr>
<td></td>
<td>3. Implement a comprehensive recycling initiative in all academic and administrative units across campus.</td>
</tr>
</tbody>
</table>
RICHARD BLAND COLLEGE
PART-TIME ADMINISTRATIVE ASSIGNMENTS

On January 10, Ms. Annette Parker, a retired executive from Dickinson College, began a part-time administrative assignment that will run through June 30, 2013. Ms. Parker will be responsible for overseeing systems alignment throughout all administrative processes in the interest of reduced costs and improved functionality. Her focus will be to eliminate silos, to integrate IT solutions, and to build high-performance, cross-functional teams throughout all administrative operations. Specific assignments include general oversight of resource management, capital projects (including plans for the renovation of Ernst Hall), IT systems and other high-priority institutional initiatives. In a part-time capacity and in the same timeframe, Mr. Thomas Burton will assume general oversight of institutional advancement with primary responsibility for transitioning the College to a new and significantly more robust fund raising management platform, The Raiser’s Edge. Both Ms. Parker and Mr. Burton are highly regarded professionals in their respective areas of expertise. Both served as external consultants to RBC in the fall, so they are familiar with the campus.

Biography for Annette Smith Parker
Interim Chief Operating Officer
Richard Bland College

Principal, Causeway Consulting LLC
Vice President and Treasurer/CFO, Dickinson College (1998-2010)

Annette Smith Parker retired as Vice President and Treasurer/CFO at Dickinson College on December 31, 2010, and served through July 2011 as Consulting Vice President for the College during the transition to a new CFO. A summa cum laude 1973 graduate of Dickinson with a degree in Fine Arts and Art History, Ms. Parker returned to her alma mater in 1988 as Assistant Treasurer and, in March 1992, became Associate Vice President and Comptroller of the College, before stepping up as Vice President and Treasurer in the fall of 1998. Ms. Parker received her M.B.A. in accounting from Shippensburg University in 1987. She served on the business and economics faculty at Wilson College in Chambersburg, Pennsylvania from 1985 through 1988, after holding progressively responsible financial management positions in state and local government.

A June 2006 article about Dickinson in the Chronicle of Higher Education began, “If Dickinson College were a corporation, Wall Street would view it as a classic turnaround story.” During her tenure as CFO, the College’s financial position was transformed and its profile among top-tier national liberal arts colleges was secured. Significant financial metrics improved from a 10% operating deficit in 1998 to a position of financial strength and sustainability by 2010. During this period, the endowment more than doubled to over $350 million; the asset to debt ratio improved to a solid 2:1; unrestricted net assets improved to over 60% of total assets (improving debt capacity and institutional flexibility significantly); reserves were strengthened; and the
operating deficits of the late 1990s were transformed to consistent annual operating surpluses. Investment portfolio returns ranked within the top seven percent of all colleges and universities nationwide between 2006 and 2010. All financial goals set out for 2010 were achieved by 2007. In January 2011, based on FY10 results, Standard & Poor's assigned the College’s bonds an "A+" rating with a “stable” outlook – a three-step improvement from the BBB+ rating Ms. Parker inherited in 1998 and the highest bond rating in Dickinson’s 228-year history.

Ms. Parker consults on mission-driven strategic planning, branding, finances and investments with accrediting bodies, educational groups, private colleges and independent preparatory schools, specializing in guiding non-profits through the process of assessing and developing the right support structures for endowment management. She is a frequent speaker at professional conferences and writes on higher education finances. Ms. Parker currently serves part-time as Interim Chief Operating Officer (COO) at Richard Bland College, Petersburg, VA, with responsibilities for finance, plant and IT, and as Corporate Director of Investment Management at Presbyterian Senior Living, the 4th largest non-profit senior nursing care provider in the U.S. Ms. Parker chairs the Board of Governors at Stuart Hall School in Staunton, Virginia, her preparatory school alma mater.
# Richard Bland College
## 2012-2013 Operating Budget Update
### Educational & General

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Actual 2011-12</th>
<th>Approved 2012-13</th>
<th>To Date 12/31/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Funds</td>
<td>$6,062,200</td>
<td>$5,234,621</td>
<td>$4,908,736</td>
<td>$5,245,000</td>
<td>$5,238,116</td>
</tr>
<tr>
<td>Nongeneral</td>
<td>$3,509,190</td>
<td>$3,714,578</td>
<td>$3,733,224</td>
<td>$4,200,000</td>
<td>$2,638,529</td>
</tr>
<tr>
<td>Central Appropriations</td>
<td>(148,222)</td>
<td>(133,352)</td>
<td>86,971</td>
<td>37,000</td>
<td>197,421</td>
</tr>
<tr>
<td>Prior Year Reappropriations</td>
<td>112</td>
<td>24,800</td>
<td>177,553</td>
<td>150,000</td>
<td>96,131</td>
</tr>
<tr>
<td>ARRA</td>
<td>155,539</td>
<td>200,000</td>
<td>520,569</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>General Fund Reversion</td>
<td>(819,526)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>General Fund Carryover</td>
<td>-</td>
<td>-</td>
<td>(96,131)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>$8,759,293</strong></td>
<td><strong>$9,040,646</strong></td>
<td><strong>$9,330,982</strong></td>
<td><strong>$9,632,000</strong></td>
<td><strong>$8,170,197</strong></td>
</tr>
</tbody>
</table>

### Expenditures

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Actual 2011-12</th>
<th>Approved 2012-13</th>
<th>To Date 12/31/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>$3,082,695</td>
<td>$2,890,044</td>
<td>$2,180,586</td>
<td>$3,637,000</td>
<td>$2,005,218</td>
</tr>
<tr>
<td>Public Service</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Academic Support</td>
<td>329,583</td>
<td>291,137</td>
<td>312,967</td>
<td>40,000</td>
<td>175,871</td>
</tr>
<tr>
<td>Student Services</td>
<td>984,503</td>
<td>988,523</td>
<td>1,072,911</td>
<td>1,160,000</td>
<td>648,349</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>2,766,213</td>
<td>2,773,697</td>
<td>2,748,172</td>
<td>2,750,000</td>
<td>1,650,319</td>
</tr>
<tr>
<td>Operation of Plant</td>
<td>1,415,317</td>
<td>1,719,711</td>
<td>1,957,696</td>
<td>1,324,000</td>
<td>1,085,827</td>
</tr>
<tr>
<td>ARRA</td>
<td>155,539</td>
<td>200,000</td>
<td>520,579</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>360,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td><strong>$8,733,850</strong></td>
<td><strong>$8,863,114</strong></td>
<td><strong>$8,793,311</strong></td>
<td><strong>$9,272,000</strong></td>
<td><strong>$5,565,584</strong></td>
</tr>
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</table>
RICHARD BLAND COLLEGE  
2012-2013 OPERATING BUDGET UPDATE  

SCHOLARSHIPS AND LOAN ASSISTANCE  
FINANCIAL AID

<table>
<thead>
<tr>
<th></th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Actual 2011-12</th>
<th>Actual 2012-13</th>
<th>To Date 12/31/12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Funds</td>
<td>$313,819</td>
<td>$331,255</td>
<td>$398,528</td>
<td>$381,736</td>
<td>$232,657</td>
</tr>
<tr>
<td>Nongeneral Funds</td>
<td>40,000</td>
<td>50,000</td>
<td>60,000</td>
<td>60,000</td>
<td>24,832</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>$353,819</td>
<td>$381,255</td>
<td>$458,528</td>
<td>$441,736</td>
<td>$257,489</td>
</tr>
</tbody>
</table>

| **EXPENDITURES**   |               |               |               |               |                 |
| Scholarships       | $333,819      | $381,255      | $458,528      | $441,736      | $257,489        |

FINANCIAL ASSISTANCE FOR E&G PROGRAMS  
SPONSORED PROGRAMS

| **REVENUE**        | $               |               |               |               |                 |
| General Funds      | $               |               |               |               |                 |
| Nongeneral Funds   | 19,700          | 9,668         | 10,708        | 25,000        | 3,086           |
| **TOTAL REVENUE**  | $19,700         | 9,668         | 10,708        | 25,000        | 3,086           |

| **EXPENDITURES**   |               |               |               |               |                 |
| Sponsored Programs | $19,700        | 9,668         | 10,708        | -             | 3,086           |
RICHARD BLAND COLLEGE  
2012-2013 OPERATING BUDGET UPDATE

AUXILIARY ENTERPRISES

<table>
<thead>
<tr>
<th></th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Actual 2011-12</th>
<th>Approved 2012-13</th>
<th>To Date 12/31/12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund Balance</td>
<td>$1,704,628</td>
<td>$1,655,677</td>
<td>$1,659,215</td>
<td>$1,006,000</td>
<td>$1,722,961</td>
</tr>
<tr>
<td>Residences</td>
<td>1,832,350</td>
<td>2,073,819</td>
<td>2,125,838</td>
<td>2,250,000</td>
<td>1,076,545</td>
</tr>
<tr>
<td>Special Funds</td>
<td>9,480</td>
<td>9,840</td>
<td>5,100</td>
<td>30,000</td>
<td>-</td>
</tr>
<tr>
<td>General Auxiliary Income</td>
<td>159,304</td>
<td>164,692</td>
<td>172,976</td>
<td>150,000</td>
<td>96,269</td>
</tr>
<tr>
<td>Parking</td>
<td>147,640</td>
<td>144,915</td>
<td>133,603</td>
<td>140,000</td>
<td>72,710</td>
</tr>
<tr>
<td>Intramural Athletics</td>
<td>22,100</td>
<td>22,910</td>
<td>23,813</td>
<td>25,000</td>
<td>16,524</td>
</tr>
<tr>
<td>Health Services</td>
<td>151,503</td>
<td>148,635</td>
<td>141,975</td>
<td>150,000</td>
<td>75,600</td>
</tr>
<tr>
<td>Food Services</td>
<td>79,275</td>
<td>79,500</td>
<td>91,400</td>
<td>80,000</td>
<td>52,805</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>$4,106,280</td>
<td>$4,299,988</td>
<td>$4,354,010</td>
<td>$3,831,000</td>
<td>$3,113,415</td>
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</table>

**EXPENDITURES**

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Residences</td>
<td>$1,981,918</td>
<td>$1,957,553</td>
<td>$2,185,739</td>
<td>$2,300,000</td>
<td>$1,474,355</td>
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<tr>
<td>General Operating</td>
<td>138,660</td>
<td>232,473</td>
<td>155,463</td>
<td>100,000</td>
<td>98,911</td>
</tr>
<tr>
<td>Parking</td>
<td>9,000</td>
<td>138,013</td>
<td>52,223</td>
<td>70,000</td>
<td>69,083</td>
</tr>
<tr>
<td>Intramural Athletics</td>
<td>12,640</td>
<td>18,805</td>
<td>25,103</td>
<td>25,000</td>
<td>7,866</td>
</tr>
<tr>
<td>Health Services</td>
<td>141,412</td>
<td>20,150</td>
<td>117,929</td>
<td>40,000</td>
<td>5,127</td>
</tr>
<tr>
<td>Food Services</td>
<td>98,726</td>
<td>87,778</td>
<td>94,592</td>
<td>75,000</td>
<td>58,807</td>
</tr>
<tr>
<td>Indirect Costs</td>
<td>194,317</td>
<td>186,000</td>
<td>-</td>
<td>175,000</td>
<td>-</td>
</tr>
<tr>
<td>Renewal/Replacement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>525,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>$2,449,403</td>
<td>$2,640,772</td>
<td>$2,631,049</td>
<td>$3,310,000</td>
<td>$1,714,149</td>
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PRIVTE FUNDS

<p>| | | | | | |</p>
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<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Funds</td>
<td>$14,215</td>
<td>$7,690</td>
<td>$16,033</td>
<td>$22,000</td>
<td>$8,011</td>
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</table>

**EXPENDITURES**

<p>| | | | | | |</p>
<table>
<thead>
<tr>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Scholarships</td>
<td>$15,600</td>
<td>$21,193</td>
<td>$15,700</td>
<td>$22,000</td>
<td>$7,600</td>
</tr>
<tr>
<td></td>
<td>Actual FTE</td>
<td>Goal FTE</td>
<td>% Difference</td>
<td># of FTE Over(Under) Goal</td>
<td></td>
</tr>
<tr>
<td>----------------------</td>
<td>------------</td>
<td>----------</td>
<td>--------------</td>
<td>---------------------------</td>
<td></td>
</tr>
<tr>
<td>2011-2012 Annualized FTE</td>
<td>1,160</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer 2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>141</td>
<td>193</td>
<td>-26.94%</td>
<td>(52)</td>
<td></td>
</tr>
<tr>
<td>Fall 2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,122</td>
<td>1,167</td>
<td>-3.86%</td>
<td>(45)</td>
<td></td>
</tr>
<tr>
<td>Spring 2013 (estimated on first day of class)</td>
<td>951</td>
<td>1,012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pamplin Park</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flex Start</td>
<td>25</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Spring 2013 Total</td>
<td>981</td>
<td>1,012</td>
<td>-3.06%</td>
<td>(31)</td>
<td></td>
</tr>
<tr>
<td>Summer 2013 (estimated)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pamplin Park</td>
<td>141</td>
<td>141</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expanded Online Offerings (4 new courses)</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer HS Program (2 cohorts)</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer Developmental</td>
<td>51</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Estimated Summer 2013 Total</td>
<td>245</td>
<td>141</td>
<td>73.76%</td>
<td>104</td>
<td></td>
</tr>
<tr>
<td>2012-2013 Expected Annualized FTE</td>
<td>1,174</td>
<td>1,160</td>
<td>1.21%</td>
<td>14</td>
<td></td>
</tr>
</tbody>
</table>
Senate Bill 912 and House Bill 2249

Senator Frank Ruff and Delegate Kirk Cox have sponsored Bills in their respective chamber to resolve the Colleges concern of duplication of services and added costs by removing Richard Bland College from the authority of The College of William and Mary building official as specified in the 2009 Management Agreement for Capital Projects between the Commonwealth and William & Mary. Richard Bland would revert back to the authority of the building official through the Bureau of Capital Outlay Management (BCOM) in the Department of General Services. As of the drafting of this update, the Senate Bill was reported out of the Senate Finance Committee unanimously in favor. Delegate Cox’s Bill has not been reported out of committee.

Amendment to Governor’s Budget

Delegate Kirk Cox and Senator Frank Ruff are patrons in their respective chamber for an amendment to the Governor’s Budget to include an additional $125,000 for Richard Bland College to establish a distance learning platform and to train faculty. President Sydow made a presentation to the Higher Education Sub-committee at the request of Delegate Cox. The presentation was well received by the members of this committee.
Faculty Senate

The faculty senate held its first meeting on Tuesday, January 15, 2013 to elect officers as follows:

Chair - Professor Jill Mitten
Vice Chair – Professor Patricia Crocker
Secretary – Professor Amy Beumer

Division meetings were held separately to elect two executive senators to represent each division as follows:

Humanities and Social Sciences – Professor Barbara Morgan
Science and Quantitative Methods – Professor Kevin Peters

Athletics and Recreation

Per Mr. Chuck Moore, Director of Athletics and Recreation, Richard Bland College is now an official member of the National Junior College Athletic Association (NJCAA). RBC will compete beginning the 2013-2014 academic year in men’s soccer, softball, and men’s and women’s basketball.
RICHARD BLAND COLLEGE
STUDENT REPRESENTATIVE REPORT

As we start the New Year, Richard Bland is as active as ever! This semester will cause many changes on campus and for our community. As we start this semester students are joining clubs and organizations as well as getting settled into their classes. For the students that will be graduating, they will now be planning where they will be transferring to in the fall or will be getting ready to join the workforce.

As stated in my last report, our new Director of Athletics will be adding NJCAA sports to Richard Bland next year and this is a topic of conversation on campus for many students. Many are interested and excited for this new endeavor. It will bring new students to campus that wish to continue sports in their college careers, and will hopefully allow on campus residents more opportunity’s to become involved. This will also give commuters more opportunities to come and support their new sports teams.

In our Residence halls, new opportunities for programs are up and coming. Resident Advisors will be focusing this semester on promoting programs that will benefit residents in their daily lives. They hope to promote programs for health and wellness but also programs on “how to build a resume” or “life after RBC...now what?” RA’s will also seek to enlist the help of our professors and other professionals on campus to come and teach programs. Students will be able to see a real life connection to what they are learning about and how they can apply it in their everyday lives or their lives in the future.

Respectfully submitted,

Jessica Salazar
Richard Bland College Student Representative
COMMITTEE ON ACADEMIC AFFAIRS
February 7, 2013
10:00 – 10:45 a.m.
Board Room - Blow Memorial Hall

Robert E. Scott, Chair
Todd Stottlemyer, Vice Chair

I. Introductory Remarks - Mr. Scott

II. Approval of Minutes – November 29, 2012

III. Report from Provost Michael R. Halleran

IV. Report from Faculty Liaison Committee Chair Suzanne Raitt

V. Closed session (if necessary)

VI. Open Session - Certification of Closed Session Resolution

VII. Action Materials - Provost Michael R. Halleran

1. Appointments to Fill Vacancies in the Professionals and Professional Faculty Resolution 4

2. Award of Academic Tenure Resolution 5

3. Faculty Promotions Resolution 6

4. Designated Professorships Resolution 7

5. Retirement of Robert J. Diaz School of Marine Science Resolution 8

6. Retirement of Carl H. Hobbs, III School of Marine Science Resolution 9

7. Retirement of Howard I. Kator School of Marine Science Resolution 10

8. Retirement of John D. Milliman School of Marine Science Resolution 11

VIII. Discussion

IX. Adjourn
COMMITTEE ON ACADEMIC AFFAIRS

MINUTES – NOVEMBER 29, 2012
MINUTES
Committee on Academic Affairs
November 29, 2012
Board Room – Blow Memorial Hall

Attendees: Robert E. Scott, Chair; Todd A. Stottlemyer, Vice Chair; Peter A. Snyder; Michael Tang. Board members present: Rector Jeffrey B Trammell, Kendrick F. Ashton, Jr.; Ann Green Baise; Charles A. Banks III; Thomas R. Frantz; Dennis H. Liberson; John E. Littel; Leigh A. Pence; L. Clifford Schroeder, Sr.; John C. Thomas; faculty representative William J. Hausman; student representative Curtis A. Mills and staff liaison Lydia Whitaker. Others present: President W. Taylor Reveley III, Provost Michael R. Halleran; Virginia M. Ambler, Karen R. Cottrell, James R. Golden, Earl T. Granger III, Samuel E. Jones, Deborah A. Love, Anna B. Martin, Dean Katharine Conley; Dean Carrie Cooper, Dean Davison Douglas, Dean John Wells, members of the Faculty Liaison Committee and other College staff.

Chair Robert Scott called the Committee to order at 2:00 p.m. Following brief opening remarks and recognizing that a quorum was present, Mr. Scott asked for a motion to approve the minutes of the meeting of September 20, 2012. Motion was made by Mr. Snyder, seconded by Mr. Tang and approved by voice vote of the Committee.

Provost Michael Halleran provided a brief update on improvements in student registration, commented on the strength of the applicant pool for the next freshman class, and provided a brief update on the curriculum review process and timeline. The Provost updated the Committee on the progress of administrative searches for the Director of the Omohundro Institute of Early American History and Culture, the Vice President for Development and the Dean of the School of Education and updated the Committee on creative adaptation projects. A brief discussion ensued.

Provost Halleran introduced Gene Roche, Director of Academic Information Services, who co-chairs the Digital Educational Technology Committee which is charged with examining the potential for using eLearning. Professor Roche shared thoughts on how eLearning use is growing across higher education and the current uses of digital technology at William and Mary. A brief discussion ensued.

Faculty Liaison Committee Chair Professor Suzanne Raitt provided a quick overview of issues the Faculty Assembly is focusing on, including the next faculty survey exploring ways to assist in the budget process, updates to the intellectual property policies, retirement incentives and the potential merger with EVMS. She expressed the thanks of the faculty for the Board’s support in the six-year plan of moving faculty salaries to the 60th percentile.

Mr. Scott moved that the Committee convene in Executive Session for the purpose of discussing and/or approving personnel actions pertaining to the appointments, tenure and leaves of instructional and professional faculty, as provided for in Section 2.2-3711.A.1., of the Code of Virginia. Motion was seconded by Mr. Snyder and approved by voice vote. The Committee went into closed session at 2:44 p.m.
The Committee reconvened in open session at 2:52 p.m. Mr. Scott 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. Stottlemyer and approved by roll call vote of the Board members conducted by Secretary to the Board Michael Fox. (Certification Resolution is appended.)

In the interests of time, the action items were deferred to the full Board meeting.

There being no further business, the Committee adjourned at 2:52 p.m.
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:

[Signature]
Robert E. Scott
Chair
Committee on Academic Affairs
COLLEGE OF WILLIAM AND MARY
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY

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

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

JANA HOLT ALLEN, Associate Director of Flex and EMBA Programs, Mason School of Business, effective January 28, 2013

B.A. (1977); M.A. (2002), Dallas Baptist University

Rollins College
Director, Corporate and Saturday MBA, 2006-2010

Baylor University
Director, Executive MBA Program, 2003-2006
Assistant Director, Executive MBA Program, 2000-2003

Meeting Concepts
President, 1998-2000

LU ANN HOMZA, Dean for Educational Policy, Faculty of Arts and Sciences, effective January 1, 2013

Ph.D. (1992); M.A. (1981), The University of Chicago
B.A., Scripps College, 1980

College of William and Mary
Professor, 2007-2013
Director, Medieval and Renaissance Studies Program, 2008-2011
Associate Professor, 1998-2007
Assistant Professor, 1992-1998
COLLEGE OF WILLIAM AND MARY
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY

THERESE A. LOVEGREEN, Director of Academic Advising, Faculty of
Arts and Sciences, effective January 25, 2013

M.A.Ed., Virginia Polytechnic Institute and State University, 2003
B.S., University of Pittsburgh, 1980

Virginia Polytechnic Institute and State University
Associate Director, University Academic Advising Center/University
Studies, 2010-2012
Interim Director, University Academic Advising Center/University
Studies, 2009-2010
Associate Director for Academic Advising and Assessment, 2006-2009
Academic Advisor, University Academic Advising Center/University
Studies, 2003-2006

MICHAEL NANCE UMBERGER, Reference Librarian, William & Mary
Law School, effective January 2, 2013

M.L.I.S., University of Washington, Information School, 2012
J.D., Mercer University, Walter F. George School of Law, 2011
B.A., Mercer University, 2008

University of Washington, Gallagher Law Library
Reference Librarian, 2012
COLLEGE OF WILLIAM AND MARY
AWARD OF ACADEMIC TENURE

The following members of the Instructional Faculty at the College of William and Mary have been recommended for the award of academic tenure by the appropriate departmental committees and chairs, the appropriate deans, and by the Provost and President.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the following members of the Faculty be awarded academic tenure, effective with the beginning of the 2013-2014 academic year:

SETH A.M. AUBIN, Department of Physics
ANGELA M. BANKS, School of Law
M. VICTORIA COSTA, Department of Philosophy
CATHERINE A. FORESTELL, Department of Psychology
MATTHEW HAUG, Department of Philosophy
ROSS IACI, Department of Mathematics
MICHAEL S. KORDOSKY, Department of Physics
KATHRIN H. LEVITAN, Department of History
LEAH B. SHAW, Department of Applied Science
RICHARD TURITS, Department of History
PATRICIA VAHLE, Department of Physics
GEXIN YU, Department of Mathematics
GANG ZHOU, Department of Computer Science
COLLEGE OF WILLIAM AND MARY
FACULTY PROMOTIONS

The following members of the Instructional Faculty of the College of William and Mary have been recommended for promotion in academic rank by the appropriate departmental committees and chairs, the appropriate deans, and by the Provost and President.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the academic promotions of the following members of the Faculty of the College, effective with the beginning of the 2013-2014 academic year:

Assistant Professor to Associate Professor

SETH A.M. AUBIN, Department of Physics

M. VICTORIA COSTA, Department of Philosophy

CATHERINE A. FORESTELL, Department of Psychology

MATTHEW HAUG, Department of Philosophy

ROSS IACI, Department of Mathematics

MICHAEL S. KORDOSKY, Department of Physics

KATHRIN H. LEVITAN, Department of History

LEAH B. SHAW, Department of Applied Science

PATRICIA VAHLE, Department of Physics

GEXIN YU, Department of Mathematics

GANG ZHOU, Department of Computer Science

Associate Professor to Professor

ANGELA M. BANKS, William & Mary Law School
COLLEGE OF WILLIAM AND MARY
DESIGNATED PROFESSORSHIPS

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

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the designated professorships of the following members of the Faculty of the College, effective with the 2012-2013 academic year:

CINDY HAHAMOVITCH, Class of 1938 Professor of History, for a five-year term.

SIMON P. JOYCE, Margaret Hamilton Professor of English, for a three-year term.
COLLEGE OF WILLIAM AND MARY
RETIREMENT OF ROBERT J. DIAZ
SCHOOL OF MARINE SCIENCE

Professor Robert J. Diaz joined the faculty of the College of William and Mary in 1978 as an Assistant Professor after attaining his M.S. and Ph.D. degrees from the University of Virginia in 1971 and 1977. Among his many accomplishments and honors Professor Diaz was awarded a Doctor Honoris Causa from Gothenburg University, Sweden in 1996 and received the Prestigious Virginia Outstanding Scientist Award in 2011.

Professor Diaz is known internationally for his research on the dynamics and distribution of human-caused ocean hypoxia or "dead zones." His research has focused more specifically on the effects of low oxygen on ecosystem functioning, energy flow and benthic community structure in regions ranging from both local to global scales. Professor Diaz is a noted expert on Oligochaeta and has authored many important research papers and contributions to books on their ecology, life histories and population dynamics. Professor Diaz has also conducted important work on the effects of sediments and organism-sediment interactions on benthic communities; especially the effects of dredging activities and the subsequent deposition of sediments on benthic organisms. In his research activities throughout his career Professor Diaz has developed many novel and useful approaches and instruments for evaluating and studying benthic communities, including a real-time benthic "Worm Camera" that allows researchers and scientists to view and record sub-benthic communities in situ.

Professor Diaz has been an important contributor to graduate education in the School of Marine Science. He has been one of the principal quantitative ecologists in the School of Marine Science for many years and has taught numerous introductory and advanced courses on statistical analyses to generations of graduate students. He has always been a generous and informative advisor to students and faculty on experimental design and quantitative analysis. Professor Diaz has mentored many Ph.D. and M.S. students throughout his career at the School of Marine Science, and has served on graduate committees at Old Dominion University, the University of Delaware, University of Charleston, Gothenburg University in Sweden and the University of Vienna in Austria.

Professor Diaz has always been active in providing his scientific experience and expertise to solve real-world problems at local, national and international levels. At the international level his work has been through his activities with many agencies in the United Nations as well as directly with many countries including Mexico, Spain, China, Denmark and Sweden. At the national level he has worked with the Environmental Protection Agency, the Department of Interior and the Corps of Engineers, as well as many other agencies and organizations, and has been called upon for his help and expertise in regions including the Hudson River, the Gulf of Mexico and numerous other coastal environments throughout the United States. Locally, he has been an important advisor and contributor to the efforts to improve and restore the Chesapeake Bay and its many rivers and bays in Maryland and the Commonwealth of Virginia for many years.
BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of Professor Robert J. Diaz; expresses its appreciation to him for the many contributions he has made to the College of William and Mary; and approves, with deep gratitude for his 34 years of devoted service to the University, a change in status from Professor of Marine Science to 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 Diaz with best wishes for continuing and creative work in the years ahead.
Carl H. Hobbs, III joined the faculty of the College of William and Mary in 1975 as an Instructor in the School of Marine Science. He received his B.S. in 1968 from Union College, his M.S in 1972 from the University of Massachusetts, and his Ph.D. in 1997 from the University of Mississippi. He became an Assistant Professor in 1977 and was promoted to Associate Professor in 1998. In 2007 he was also appointed Director for Operations, Support Services and Special Projects at the Virginia Institute of Marine Science, home of William and Mary's School of Marine Science.

Professor Hobbs' research has focused on coastal geology, namely the study of the geomorphology, sedimentology, and stratigraphy of estuaries, beaches, barrier islands and the continental shelf. He is member of the Editorial Board of the Journal of Coastal Research and a leading expert on the geology of the York River, Chesapeake Bay, and the Eastern Shore of Virginia. He was a pioneer in the use of modern geophysical techniques in Virginia waters, including high resolution seismic reflection profiling and side scan sonar. He has applied his expertise to diverse, societally relevant issues, including the economic and environmental ramifications of offshore mineral and sand mining, coastal dredging, and shoreline erosion. He has also applied the techniques of geophysical exploration to marine archeology and to the history of Jamestown Island. Over the years he has worked closely with the U.S. Minerals Management Service and also with the Center for Archaeological Research at the College of William and Mary.

Professor Hobbs has been an important contributor to graduate education in the School of Marine Science, leading or co-leading the School’s “Introduction to Geological Oceanography” course for more than 20 years. Other courses he has taught have included Quaternary Coastal Geology, Methods in Geological Oceanography, and Marine Acoustics. His generosity and broad knowledge of geological oceanography has made him a popular member of graduate student advisory committees. Professor Hobbs has also been a selfless contributor to University governance, having served as Chair of the School of Marine Science’s Education Policy Committee, Vice Chair of the Department of Physical Sciences, and Chair of many other VIMS committees, including Radiation Safety, Accident Review, Bio-Hazards, VIMS Safety, Emergency Management, and Space.

BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of Professor Carl H. Hobbs, III; expresses its appreciation to him for the many contributions he has made to the College of William and Mary; and approves, with deep gratitude for his four decades of devoted service to the University, a change in status from Associate Professor of Marine Science to 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 Hobbs with best wishes for continuing and creative work in the years ahead.
Dr. Howard I. Kator joined the faculty of the College of William and Mary in 1983 as an Associate Professor in the School of Marine Science. He had joined the VIMS faculty in 1975 as a Senior Marine Scientist in the Department of Microbiology-Pathology. Professor Kator received his B.A. in Biology in 1965 from Harpur College (SUNY Binghamton), and his Ph.D. in Biological Oceanography from Florida State University in 1972. From 1972 to 1974 he was a Post-doctoral Research Associate at the University of Texas and served as a Microbiologist for a year at the Helgoland Institute in Germany. He served as the Head of the Department of Estuarine and Coastal Ecology from 1983-1986 and as Chair of the Department of Environmental and Aquatic Animal Health from 2004 until his retirement in December of 2012.

Dr. Kator’s creative research has focused primarily on applied microbial ecology issues including valued studies evaluating microbial degradation of petroleum by marine bacteria and the microbiology of shellfish and shellfish-growing waters. He has made substantial contributions to understanding the microbial ecology of aquatic systems and the uptake and elimination of microorganisms by bivalve shellfish, particularly pathogens that can have profound impacts on public health. His research has informed the regulatory policies implemented for recreational waters, shellfish harvesting and aquaculture growing areas in Virginia and the region. Over the years, he has worked closely with the Virginia shellfish industry and wastewater treatment plant facilities, as well as numerous regulatory agencies. He served as Chair of the Interstate Shellfish Sanitation Conference Research Guidance and Microbiology Committee for a number of years and worked closely with the Virginia Departments of Health and Environmental Quality and the U.S. Environmental Protection Agency on several projects and management issues. His research funding has come from many different sources including NOAA, EPA and local and state agencies.

Professor Kator has contributed to the educational mission of the University in many ways. He has mentored numerous graduate, undergraduate and high school students and served on several graduate student committees during the past 37 years. He has taught a number of graduate level aquatic microbiology lecture and laboratory courses, most notably Aquatic Microbial Ecology, Environmental Microbiology, and Fundamentals of Environmental Science for Policy. Students were very fortunate to benefit from an instructor who had applied the principles taught in these courses to ‘‘real world’’ situations.

Another hallmark of Dr. Kator is the valuable mentoring he provided to staff, other faculty and regulatory personnel. He has generously shared his knowledge, experiences and wisdom with others over the years, so that his impact will be felt at VIMS and throughout the Chesapeake Bay region for many years to come.
BE IT RESOLVED, that the Board of Visitors acknowledges the retirement of Professor Howard I. Kator; expresses its appreciation to him for the many contributions he has made to the College of William and Mary; and approves, with deep gratitude for his 37 years of devoted service to VIMS and the University, a change in status from Associate Professor of Marine Science to 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 Kator with best wishes for continuing and creative work in the years ahead.
Dr. John D. Milliman joined the faculty of the College of William and Mary in 1993 as Dean of Graduate Studies of the School of Marine Science (SMS) and Virginia Institute of Marine Science (VIMS). He was named Chancellor Professor of Marine Science in 2001 and College Faculty Marshall in 2003.

Professor Milliman received his B.S. in 1960 from the University of Rochester, his M.S. in 1963 from the University of Washington, and his Ph.D. in 1966 from the University of Miami. For more than 20 years he was on the Scientific Staff at the Woods Hole Oceanographic Institution; he has also been a Guest Professor at the University of Heidelberg, a Guest Professor at the University of Oslo, an Adjunct Professor at the University of Southampton, and an Honorary Professor at the Institute of Oceanology in Qingdao. In 1992 he was awarded the Francis P. Shepard Medal for excellence in marine geology, and in 2012 he received the Virginia Outstanding Scientist of the Year Award.

As Dean of Graduate Studies of SMS/VIMS (1993-1999), Professor Milliman worked tirelessly to advance the College’s Graduate Program in Marine Science. During his time as Dean, student applications to the School of Marine Science peaked, the quality of applicants soared, and the diversity of the student body increased significantly. He restructured the SMS Graduate Program to provide a more modern balance of discipline-specific and interdisciplinary courses. Through his efforts, the SMS converted its Master of Arts degree to a Master of Science degree, which tacitly acknowledged the student research required for successful completion of the program. He also was successful in obtaining a National Science Foundation (NSF) traineeship at VIMS to support minority students and was instrumental in developing a NSF-funded Research Experiences for Undergraduates program, which is currently recognized as one of the most successful in the U.S.

Professor Milliman is a leading international expert in the study of the transport, deposition, and diagenesis of sediments and river discharge to the sea. His investigations have included the study of such diverse areas as the U.S. East Coast, South African and Brazilian continental margins, the East China, South China and Yellow seas, the small, mountainous rivers of Alaska, New Guinea and Taiwan, as well as carbonate environments on tropical banks and continental shelves from around the world. Through the years he has organized cooperative research programs with Brazil, Norway and Iceland, led the first China-U.S. cooperative oceanographic research program, and recently initiated the first cooperative research study of the Gulf of Tonkin between Vietnam and the USA. He is the author or co-author of more than 200 journal articles, and author or editor of nine books. The more than 800 annual citations of his scientific publications make him one of the most widely cited faculty members at the College of William and Mary.

Professor Milliman’s enthusiasm for research has never distracted from his devotion to teaching and mentoring at William and Mary. Over the years he has taught numerous undergraduate and graduate courses, including Marine Geology, Tropical Carbonates, and
Paradigm Shifts in Geology. His most popular course, “Rivers: Processes and Management,” is a condensed six-week short-course, followed by a one-week field trip in which a number of diverse river localities throughout California are visited, many of which are hosted by local experts, including one of his past graduate students who is now a professor in her own right. Professor Milliman’s devotion to his students is typified by the fact that he has consistently received the highest teaching evaluations of any faculty member in his department.

BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of Professor John D. Milliman; expresses its appreciation to him for the many contributions he has made to the College of William and Mary; and approves, with deep gratitude for his twenty years of devoted service to the University, a change in status from Professor of Marine Science to 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 Milliman with best wishes for continuing and creative work in the years ahead.
COMMITTEE ON STUDENT AFFAIRS
February 7, 2013
11:45 a.m. – 12:15 p.m.
Board Room - Blow Memorial Hall

Leigh A. Pence, Chair
John C. Thomas, Vice Chair

I. Introductory Remarks - Ms. Pence

II. Report from Vice President for Student Affairs – Virginia M. Ambler

III. Report from Student Liaisons

IV. Discussion

V. Adjourn
JOINT MEETING

THE BOARD OF VISITORS
THE COLLEGE OF WILLIAM & MARY FOUNDATION
THE ALUMNI ASSOCIATION BOARD OF DIRECTORS

February 7, 2013
1:45 – 5:15 p.m.

Matoaka Woods Room - School of Education

I. Call to Order – Jeffrey B. Trammell, Rector

II. Welcome
   A. H. Thomas Watkins III, W&M Foundation President
   B. Peter M. Nance, Alumni Association President

III. Remarks – W. Taylor Reveley III, President

IV. Round Table Discussion – Fundraising Updates, Initiatives and Priorities
   A. Ellen R. Stofan, Chair, W&M Foundation Development Committee
   B. Thomas R. Frantz, Chair, Board of Visitors Committee on Development

V. Closed Session

VI. Open Session – Certification of Closed Session Resolution

VII. Other Business

VIII. Adjourn
COMMITTEE ON FINANCIAL AFFAIRS
February 8, 2013
8:30 – 9:30 a.m.
Board Room - Blow Memorial Hall

Todd A. Stottlemyer, Chair
Charles A. Banks III, Vice Chair
Edward L. Flippen, Vice Chair

I. Introductory Remarks - Mr. Stottlemyer

II. Approval of Minutes – November 30, 2012

III. Closed Session (if necessary)

IV. Open Session – Certification of Closed Session Resolution

V. Report from Vice President for Finance Samuel E. Jones
   A. Overview of Governor McDonnell’s 2012-14 Budget Amendments.
   B. Summary of Operating and Capital Budget Amendments Submitted to 2013 General Assembly. Enclosure _N_.
   C. 2012-2013 Operating Budget Summary. Enclosure _O_.
   D. Cash Management Investment Policy. Resolution _12_.
   E. Corporate Resolution to Transact Business and Confirm Authorized Business Agents for the College of William and Mary. Resolution _13_.

VI. Report from Virginia Institute of Marine Science Dean John T. Wells
   A. Summary of Operating and Capital Budget Amendments Submitted to 2013 General Assembly. Enclosure _P_.
   B. 2012-2013 Operating Budget Summary. Enclosure _Q_.

VII. Investment Portfolio Evaluation Overview - Joseph W. Montgomery, The Optimal Service Group of Wells Fargo Advisors
   A. Investment Update for Periods Ending December 31, 2012.
      Enclosure _R_. (see separate booklet)

VIII. Discussion

IX. Adjourn
COMMITTEE ON FINANCIAL AFFAIRS

MINUTES – NOVEMBER 30, 2012
MINUTES
Committee on Financial Affairs
November 30, 2012
Board Room - Blow Memorial Hall

Attendees: Committee members Todd A. Stottlemyer, Chair; Charles A. Banks III, Vice Chair; Edward L. Flippen, Vice Chair; Kendrick F. Ashton, Jr.; and Robert E. Scott. Board members present: Rector Jeffrey B. Trammell; Ann Green Baise; Dennis H. Liberson; John E. Littel; Leigh A. Pence; Michael Tang; and John C. Thomas; faculty representative William Hausman; student representative Curtis Mills, and staff liaison Lydia Whitaker. Others in attendance: President W. Taylor Reveley; Provost Michael R. Halleran; James Golden; Samuel E. Jones; Anna B Martin; Virginia M. Ambler; Michael L. Stump; Michael J. Fox; Virginia Institute of Marine Science Dean/Director John T. Wells; other College and VIMS staff; Richard Bland College President Debbie L. Sydow.

Todd Stottlemyer, Chair, convened the meeting at 8:47 a.m. Recognizing that a quorum was present, Mr. Stottlemyer moved adoption of the minutes of the meeting of September 21, 2012. Motion was seconded by Mr. Scott and approved by voice vote.

Vice President Samuel E. Jones presented an overview of the State budget, stating that State revenues reflected positive growth for 2012. The increase in revenues will be used to rebuild the State’s Rainy Day Fund, improve the structural balance of VRS and impact budget changes in various State programs. The budget outlook for 2013 projects a continued surplus, with available resources being directed towards one-time budget items rather than building base budgets. With the exception of higher education, the Governor requested that all state agencies submit a 4% budget reduction plan for FY 2014. Institutions of higher education were required to submit a 5% budget reallocation plan. The William & Mary Six Year Plan included reallocations of $668,242 for FY 2013 and $1,708,242 for FY 2014. The College anticipates reducing non-personal expenditures, additional turnover and vacancy savings, and program reallocations to meet the revised FY 2014 target of $1,786,079.

Mr. Stottlemyer made a motion to accept Resolution 14, 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, 2012 and Resolution 15, Receipt of the Financial Report of the Intercollegiate Athletic Department for the Fiscal Year Ended June 30, 2012. Motion was seconded by Mr. Scott, and approved by voice vote of the Committee. The statements remain subject to audit by the Commonwealth’s Auditor of Public Accounts.

Mr. Jones then presented an overview of tuition and fees for FY 2012-13, comparing the College with its peers and other Virginia state institutions. The peer institutions are those approved by the State Council of Higher Education for faculty salary rankings.

Virginia Institute of Marine Science Dean/Director John Wells presented to the Committee a financial overview of the VIMS’ FY 2013 total budget of $42 million, highlighting the sources and uses of revenue, as well as reviewing grant and contract expenditures through FY 2012. Mr. Wells reviewed actions VIMS will take to meet their reallocation target of $497,089.
Committee on Financial Affairs
MINUTES
Page 2

The College’s investment consultant, Joseph Montgomery of Wells Fargo Advisors, was asked to report on the performance of the College’s endowment portfolio. As of November 24, 2012, the total market value of the Board of Visitors’ account was at $67.8 million.

There being no further business, the Committee adjourned at 9:58 a.m.
Board of Visitors
February 6-8, 2013
Enclosure _____
Page 1 of 2

COLLEGE OF WILLIAM AND MARY
SUMMARY OF OPERATING AND CAPITAL BUDGET AMENDMENTS
SUBMITTED TO 2013 GENERAL ASSEMBLY

Operating Amendment

W&M/EVMS Collaboration $200,000 GF

Since August 2012, W&M and EVMS Due Diligence Committees have evaluated the benefits to each institution and the Commonwealth from increased collaboration and development of joint academic and research programs. The conclusion of the committees, senior staff and Boards is that the institutions should continue to evaluate specific activity and program collaboration options. These options will focus on activities and programs that have potential to improve the health of the citizens of Hampton Roads and meet the workforce needs of the region and the Commonwealth. W&M and EVMS will continue to provide support and dedicated faculty and staff time for this effort. Building on this commitment, and to explore selected paths with outside expertise, this amendment requests that the Commonwealth provide partial funding support for this evaluation phase.

Capital Amendments

Tyler Hall Renovation $16,364,000 GF

The College seeks $16.364 million in state general fund support to renovate Tyler Hall, a 44,500 square foot classroom building built in 1927 and last renovated in 1981. The renovated Tyler Hall will house the departments of Government, Economics, and Public Policy.

This project will reconfigure outmoded tiered lecture halls/fixed seating into smaller classrooms and seminar rooms better suited to support actual enrollment. All building systems will be replaced including mechanical, electrical, and plumbing, and many systems added and/or improved (handicapped access, fire detection and suppression, network technologies). The attic level will be built-out to provide additional faculty office space.

Detailed planning for the Tyler Hall renovation was approved in the General Assembly’s 2012 Special Session I (Chapter 3: Item C-39,05.C.). Funding to support the planning comes from College higher education operating funds, reimbursable by the Commonwealth once construction funds are allocated.
Addition: Marshall-Wythe School of Law

$12,000,000 9d bonds
$2,000,000 private funds

This amendment requests $14 million in non-general fund authority to support an expansion and renovation of the Law School building. Key elements of the expansion are seminar rooms, additional office space for faculty and staff, including the Legal Practice program and a much expanded Legal Clinic Program, and a multi-purpose space to support dining and other activities.

The Marshall-Wythe School of Law has grown considerably since the late 1990’s. The Law School now has well more than 600 full-time law students, an increase of 20% over the last fifteen years. During this same period, the number of tenure-track and adjunct faculty has grown by more than 50%. Programs have grown as well with the Law School’s clinical programs now including the Domestic Violence Clinic, the Federal Tax Clinic, the Innocence Project Clinic, the Legal Aid Clinic, the Special Education Advocacy Clinic, and the Lewis B. Puller Jr. Veterans’ Benefits Clinic. Beginning with the 2012-13 academic year, the Law School’s innovative Legal Practice program will be staffed with permanent/full-time legal writing instructors. Simply put, the existing facility cannot support the students, faculty and staff, or the programs, of the Law School.
## THE COLLEGE OF WILLIAM AND MARY
### 2012-2013 OPERATING BUDGET SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>2010-2011 Actual</th>
<th>2011-2012 Actual</th>
<th>Approved 2012-2013 Budget</th>
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<td><strong>REVENUE</strong></td>
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<tr>
<td>Federal Stimulus Funds</td>
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<td>General Funds</td>
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<td>17,827,565</td>
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### EXPENDITURES

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### The College of William and Mary
**Education and General**

#### 2012-2013 Operating Budget Summary

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<td>71,863,447</td>
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<tr>
<td><strong>Total Revenue</strong></td>
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<td>$150,212,492</td>
<td>$156,600,230</td>
<td>$92,080,513</td>
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| **EXPENDITURES:**    |                  |                  |                          |                               |
| Instruction          | $83,314,623      | $82,924,339      | $88,424,697              | $49,442,303                   |
| Research             | 853,270          | 955,879          | 948,413                  | 688,796                       |
| Public Service       | 8,306            | 8,277            | 8,021                    | 6,189                         |
| Academic Support     | 24,448,507       | 23,978,107       | 24,483,797               | 14,053,144                    |
| Student Services     | 8,116,604        | 8,666,997        | 8,185,060                | 4,144,412                     |
| Institutional Support| 18,198,069       | 16,680,484       | 17,166,899               | 9,526,521                     |
| Plant Operations     | 17,265,065       | 16,318,181       | 17,383,343               | 8,435,224                     |
| **Total Expenditures**| $152,204,444     | $149,552,264     | $156,600,230             | $86,296,589                   |

### The College of William and Mary
**Student Financial Assistance**

#### 2012-2013 Operating Budget Summary

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| **EXPENDITURES:**    |                  |                  |                          |                               |
|                      | $15,257,056      | $20,274,810      | $21,945,854              | $21,945,854                   |

* Excludes student financial assistance support included in Board of Visitors private fund budget.
The College of William and Mary
Education and General
2012-2013 Operating Budget Summary

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**EXPENDITURES**

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**Enclosure O**

Page 7 of 10
The College of William and Mary  
Auxiliary Enterprise  
2012-2013 Operating Budget Summary

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EXPENDITURES

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## The College of William and Mary
## Sponsored Programs
## 2012-2013 Operating Budget Summary

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### The College of William and Mary

#### 2012-2013 PRIVATE FUNDS BUDGET SUMMARY

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<td>$3,714,937</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td>$811,094</td>
<td>$814,173</td>
<td>$1,183,495</td>
<td>350,088</td>
</tr>
<tr>
<td>Research</td>
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<td>255,593</td>
<td>415,075</td>
<td>147,842</td>
</tr>
<tr>
<td>Public Service</td>
<td>43,623</td>
<td>49,659</td>
<td>45,118</td>
<td>17,635</td>
</tr>
<tr>
<td>Academic Support</td>
<td>558,890</td>
<td>481,305</td>
<td>981,580</td>
<td>546,492</td>
</tr>
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<td>Student Services</td>
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<td>121,746</td>
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<td>Institutional Support</td>
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<td>3,717,599</td>
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<td>394,936</td>
<td>48,164</td>
<td>68,320</td>
<td>41,294</td>
</tr>
<tr>
<td>Student Aid</td>
<td>2,725,055</td>
<td>3,005,587</td>
<td>3,421,296</td>
<td>1,525,541</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$8,282,576</td>
<td>$9,703,202</td>
<td>$12,748,754</td>
<td>$6,393,406</td>
</tr>
</tbody>
</table>
The Cash Management Investment Policy applies to the investment of operating funds belonging to the College of William and Mary and under the control of the College’s appointed Board of Visitors. Under the Restructured Higher Education Financial and Administrative Operations Act, Chapter 4.10 (§23-38.104) of Title 23 of the Code of Virginia, the College, as a covered institution “may invest its operating funds in any obligations or securities that are considered legal investments for public funds in accordance with Chapter 45 (§2.2-4500 et seq.) of Title 2.2. Such institution’s governing body shall adopt written investment guidelines which provide that such investments shall be made solely in the interest of the covered institution and shall be undertaken with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.”

The College’s operating funds and balances consist of tuition and fee revenue, expendable gift monies, endowment income, earned interest from investments, grants and sponsored research, rental income from owned properties, income received from external trusts, interest and dividends received on gifted securities, cash balances that reside in College auxiliary accounts and agency accounts, and generally any revenue received by the College of William and Mary that is deemed not to be state money and therefore subject to other mandatory depository restrictions of the State of Virginia. These institutionally (“locally”) controlled operating funds are the basis of working capital from which the annual private fund and auxiliary budgets are constructed and they remain invested in short and intermediate term investments until such time as expenditures are drawn. Based on cyclical patterns of when revenue is received and funds subsequently disbursed, the invested balance of operating funds fluctuates monthly within a range between approximately $50 million and $100 million.

The Board of Visitors last reviewed its policy on cash management at its meeting on April 15-16, 2010. It is the practice of the College to review at least every three years its operational policies and guidelines to ensure that the authorizations contained therein are in keeping with the current thinking of the Board of Visitors.

All short term and intermediate term investments as disclosed in this policy are currently managed by SunTrust Bank, the depository institution used by the College. If the College were to use different service providers for cash management, these same investment guidelines would apply.

RESOLVED, That the Board of Visitors of The College of William and Mary in Virginia approves the amended guidelines on the following pages as the Cash Management Investment Policy for institutional funds belonging to the College of William and Mary, superseding any existing policy under the same name. Proposed additions are shown in shaded text; proposed deletions are struck-through.
THE BOARD OF VISITORS
THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA

CASH MANAGEMENT INVESTMENT POLICY

Purpose and Scope

The purpose of this Cash Management Investment Policy is to articulate the investment and operational guidelines and authorizations for the non-general operating cash balances and reserves, referred to as local or private funds, under the control and oversight of the Board of Visitors. This policy is crafted to adopt best practices in the prudent management of short-term investments, complying with laws and regulations applicable to qualified public entities in Virginia. Accordingly, this policy does not cover the College’s investment of long-term or endowment assets, general funds managed on behalf of the Commonwealth, proceeds from tax-exempt bond issues, or guidelines in the procurement of banking services. Except for cash in certain legally restricted and special accounts, the College shall consolidate cash and reserve balances to optimize College-wide liquidity management, maximize its investment earnings potential, and to increase efficiencies in the cost of investment management.

Statement of Objectives

- To ensure the safety of funds held in the short-term investment portfolio.
- To maximize investment return within the constraints of safety of principal and of maintaining sufficient adequate liquidity to meet all operating needs and obligations that may be reasonably anticipated.

Governing Authority: Laws and Regulations

This Cash Management Investment Policy shall be governed by existing law and regulations that apply to the investment of public funds, specifically the Virginia Security for Public Deposits Act, Chapter 44 (§2.2-4400 et seq.) of Title 2.2 of the Code of Virginia, as amended; the Investment of Public Funds Act, Chapter 45 (§2.2-4500 et seq.) of Title 2.2 of the Code of Virginia, as amended; the Uniform Prudent Management of Institutional Funds Act, Chapter 11, (§64.2-1100 et seq.) of Title 64.2 of the Code of Virginia, as amended; and §23-44.1 of the Code of Virginia, as amended, concerning the College’s investment of endowment income, gifts, standards of care, liability, and exemption from the Virginia Public Procurement Act. Further authority as it relates to the investment of operating fund reserves and balances of or held by the College is delegated to the Board of Visitors in a certain Management Agreement dated March 30, 2009, by and between the Commonwealth of Virginia and the Rector and Board of Visitors of the College of William and Mary, pursuant to the Restructured Higher Education Financial and Administrative Operations Act of 2005.
Standards of Care

The College will have the option to manage its non-general short term operating cash reserves internally, only when necessary and feasible, and/or preferably through the exercised care of professional investment managers.

The College shall rely on the "prudent person" standard in the exercised care of its investments. Accordingly, as stated in the Investment of Public Funds Act, Chapter 45 (§2.2-4514 et seq.) of Title 2.2 of the Code of Virginia, investments shall be made "with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." College employees and officials who exercise proper due diligence in following this investment policy according to the "prudent person" standard shall be relieved of personal responsibility for an individual security's credit risk or market price changes. When investments are made in conformity with Investment of Public Funds Act, Chapter 45 of the Code of Virginia, §2.2-4516 states that “no treasurer or public depositor shall be liable for any loss therefrom in the absence of negligence, malfeasance, misfeasance, or nonfeasance on his part or on the part of his assistants or employees.” Furthermore, when deposits are made in conformity with the Virginia Security for Public Deposits Act, Chapter 44 of the Code of Virginia, §2.2-4410 states that “no official of a public depositor shall be personally liable for any loss resulting from the default or insolvency of any qualified public depository in the absence of negligence, malfeasance, misfeasance, or nonfeasance on his part or on the part of his agents.”

Members of William and Mary community are required to adhere to a Code of Ethics Policy which was passed by the Board of Visitors on April 17, 2009. College personnel involved with the investment of funds shall be governed by these ethical guidelines and furthermore shall take meaningful effort to refrain from actions or activities that would have the appearance of violating the nature and intent of the College’s standards of ethical behavior.

Upon retention, external managers will be given a copy of this Cash Management Investment Policy and shall be required to maintain compliance with all directives stated herein. External managers shall be required to have a Code of Ethics or similar governing rules of ethical behavior that shall be disclosed to the College prior to their formal engagement. Failure to maintain compliance with these governances may result in dismissal and other potential measures of recourse.

Approved Investments

- U.S. Treasury Bills
- U.S. Treasury Notes and Bonds
- U.S. Federal Agency Obligations (including mortgage backed securities)
- Money market mutual funds (no-load open-ended investment funds) which invest in U.S. Treasury Bills, Notes, Bonds, Federal Agency Obligations, and high
quality Corporate Obligations, provided such funds are registered under the Federal Investment Company Act of 1940 and rated at least "AAm" or the equivalent by a Nationally Recognized Statistical Rating Organization ("NRSRO") and properly registered for sale in Virginia under the Securities Act (§13.1-501 et seq.) of the Code of Virginia. Money market funds must comply with the diversification, quality, and maturity requirements of Rule 2a-7, or any successor rule, under the Federal Investment Company Act of 1940, provided the investments of such funds are restricted to investments otherwise permitted by the Code of Virginia.

- Bond mutual funds, commingled investment funds, and bank common trust funds (all classified as no-load open or closed-ended investment funds) which invest in high grade quality government (USD-denominated securities) and high quality corporate obligations with intermediate individual effective maturities no longer than 5 years and an average portfolio duration no longer than 2 years. High quality corporate obligations shall carry a rating of at least "A" by two rating agencies, one of which shall be either Moody's Investors Service, Inc., or Standard & Poor's, Inc. Funds must be registered under the Federal Investment Company Act of 1940 and be properly registered for sale in Virginia under the Securities Act (§13.1-501 et seq.) of the Code of Virginia. Investments in these funds are restricted to investments otherwise permitted by the Code of Virginia for qualified public entities.

- Bankers' Acceptances and Certificates of Deposit of banks rated A-1 by Standard & Poor's or P-1 by Moody's Investor Service

- Bankers' Acceptances that are issued by domestic banks or domestic offices of foreign banks (in USD), which are eligible for purchase by the Federal Reserve System with a maturity of 180 days or less. The issuing corporation, or its guarantor, must have a short-term debt rating of no less than "A-1" (or its equivalent) by at least two NRSROs. The amount invested in any single bank will not exceed 5% of the total funds available for investment (based on book value on the date of acquisition).

- "Prime quality" Commercial Paper rated A-1 by Standard & Poor's or P-1 by Moody's Investors Service with a maturity of 270 days or less and a short-term debt rating of no less than "A-1" (or its equivalent) by at least two of the NRSROs at time of purchase. Issuing corporations must be organized and operating under the laws of the United States or any state thereof and have a minimum net worth of $50 million. The net income of the issuing corporation, or its guarantor, must have averaged at least $3 million per year for the previous five years. All existing senior bonded indebtedness of the issuer, or its guarantor, must be rated "A" or better by at least two NRSROs.

- High quality corporate notes and obligations rated at least "Aa" by Moody's Investors Service, Inc., and a rating of at least and "AA" or better by Moody's Investors Service and Standard & Poor's, Inc., and a maturity of no more than five years (as allowed by the Code of Virginia).
High quality asset-backed securities with a duration of no more than five years (as allowed by the Code of Virginia) and a rating of no less than "AAA" by two NRSROs, one of which must be either Standard & Poor's, Inc. or Moody's Investors Service, Inc.

Certificates of Deposit and Bank Deposit Notes of domestic banks and domestic offices of foreign banks, lawfully authorized to do business in Virginia, with a rating of at least "A-1" by Standard & Poor's, Inc. and "P-1" by Moody's Investors Service, Inc., for maturities of one year or less, and a rating of at least "AA" by Standard & Poor's, Inc. and "Aa" by Moody's Investors Service, Inc., for maturities over one year and not exceeding five years. Certificates of Deposit and Bank Deposit Notes with any institution other than the College's primary depository shall not exceed levels of provided insurance by the Federal Deposit Insurance Corporation.

Time Deposits in any federally insured bank or savings institution that is qualified by the Virginia Treasury Board to accept public deposits. Deposits in any such institutions shall be at levels whereby the College's money shall remain fully insured by the Federal Deposit Insurance Corporation (or collateralized in full with U.S. Government or agency securities by the College's primary depository as assets belonging to a public entity covered under the Virginia Security for Public Deposits Act, Chapter 44 (§2.2-4400 et seq.) of Title 2.2 of the Code of Virginia).

Investment in overnight repurchase agreements. Certain conditions for investment shall apply:

- When investments are made in overnight repurchase agreements, the College will require that its investments be 102% collateralized by U.S. Treasury and Agency obligations, and that this collateral be delivered to the College's custodian bank and identified according to Uniform Commercial Code book entry procedures on the custodian's books as property belonging to the College of William and Mary;
- A master repurchase agreement or specific written repurchase agreement shall govern the transaction;
- The securities are free and clear of any lien;
- Qualified counterparties must be either member banks of the Federal Reserve System having total assets of more than $10 billion and that are among the 50 largest commercial banks in the U.S.; or, non-bank dealers who are designated by the Federal Reserve Bank of New York as primary dealers in government securities;
- The counterparty must have a long-term credit rating of at least "AA" or the equivalent from an NRSRO, been in business for at least 5 years, and be reputedly known among market participants.
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- State and Municipal Obligations consisting of bonds, notes, and other general obligations of any state or municipal authority organized within the United States upon which there has been no default and having a rating of at least "AA" by Standard & Poor’s, Inc., and "Aa" by Moody's Investors Service, Inc., and maturing within two years of the date of purchase.

- Local Government Investment Pool (LGIP). This highly diversified money market fund, administered by the Treasury Board of the Commonwealth of Virginia, referenced in Chapter 46 (§2.2-4600 et seq.) of Title 2.2 of the Code of Virginia (Local Government Investment Pool Act), offers public entities in Virginia a convenient and cost effective means to invest short-term monies adhering to all investment guidelines required by the Code of Virginia. The LGIP is rated "AAAm" by Standard & Poor's, Inc.

Diversification of Approved Investments

The maximum allowable percentage of the College’s short-term portfolio permitted in each single asset category is as follows along with the maximum limits allowed in the Code of Virginia:

<table>
<thead>
<tr>
<th>Category</th>
<th>CWM</th>
<th>Code VA</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Government securities and its agencies</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Overnight Repurchase Agreements with Required Collateral</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Money Market Mutual Funds</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Commingled Investment Funds or Bank Common Trust Funds</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>Bond Mutual Funds</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>Commercial Paper (A-1 P1)</td>
<td>35%</td>
<td>35%</td>
</tr>
<tr>
<td>High quality Corporate Debt (Aa AA)</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>BAs and CDs Bankers’ Acceptances</td>
<td>35%</td>
<td>50%</td>
</tr>
<tr>
<td>Certificates of Deposit and Bank Deposit Notes</td>
<td>35%</td>
<td>100%</td>
</tr>
<tr>
<td>Insured and/or collateralized bank deposits</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>Asset-backed securities</td>
<td>35%</td>
<td>100%</td>
</tr>
<tr>
<td>State and Municipal Obligations</td>
<td>20%</td>
<td>NA</td>
</tr>
<tr>
<td>State run LGIP</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Board of Visitors

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Prohibited Investments

Without the expressed consent of the Board of Visitors, evidenced by signatory authorization from the Treasurer Vice President for Finance, the following investments are prohibited:

- Floating rate notes with maturities under two years that have any embedded leverage or option ability (e.g., caps, floors, multiple reset features, etc.), however, U.S. Agency adjustable rate mortgage backed securities (ARMs) are permitted investments.
- Floating rate notes with maturities over two years
- Structured notes
- Swaps
- Other derivatives
- High Yield and Distressed Debt
- Reverse repurchase agreements
- Borrowing funds for the purpose of reinvesting the proceeds of such borrowing
- Investing in any security not specifically permitted by this Policy

Where written consent is given for investment in any of these categories, the Board of Visitors will require the investment manager to adhere to specific safeguards.

Investment Limits

No more than 5% of the portfolio shall be invested in specifically held securities of any single issuer, with the exception of the United States Government and its Agencies which will have no limit. A single issuer shall incorporate all debt issued by parent, subsidiary, and affiliated companies, thereby limiting investment exposure to any one holding company or entity.

The following exceptions to this 5% single issuer limit shall apply:

- U.S. Treasury obligations 100% maximum
- Money market funds of only U.S. Gov’t and Agency obligations 100% maximum
- Bond mutual funds of only U.S. Gov’t and Agency obligations 100% maximum
- State run LGIP 100% maximum
- Each Federal Agency (held as discrete investments) 50% maximum
- Diversified money market and mutual funds 35% maximum
- Other types of mutual and commingled funds 35% maximum

There will be no more than $15 million invested in a Core Balance strategy, separate from that of cash required for the College’s immediate operating needs and liquidity requirements. This Core Balance strategy will be a part of the overall short-term investment portfolio and similarly follow allocation guidelines for approved and prohibited investments, albeit with longer average maturity and duration limits.
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Foreign Securities

The direct purchase of discrete foreign securities that are not denominated in U.S. dollars will be prohibited in any College account set up under these guidelines for short and intermediate term investment. U.S. dollar denominated sovereign and supranational bonds (Yankee bonds) with one year or less of maturity will be permitted for investment. Should a company whose security is held in a short or intermediate term investment account be acquired by a foreign company, the security may remain in the portfolio as long as it is determined by the portfolio manager that it is in the best economic interest of the College to hold the security for the short term. Exempt from this prohibition on foreign securities are high quality money market and commingled funds which may have foreign securities as a small component of the fund.

Security Downgrades

In the event that any security or fund held in the investment portfolio is downgraded below the rating requirement required by this policy, the security or fund shall be sold within 60 days of such downgrade.

Risk Parameters

Investment of the College’s operating cash will be undertaken by managing those risks that can affect the value of investments. Investment firms engaged by the College will be required to continuously monitor the various types of risk inherent in a diversified institutional investment portfolio.

Interest rate risk will be controlled primarily by investing in bonds with various maturities. Controlling the portfolio’s average maturity and duration will also mitigate the negative effects of interest rate risk. At no time will any individually owned security have an effective and/or legal maturity longer than 5 years. The short-term portfolio used for liquidity management, exclusive of the Core Balance strategy, shall maintain a weighted average effective maturity not to exceed 24 months and an average duration not to exceed 15 months. Core Balance investments, when managed separately in a discrete portfolio, shall maintain a weighted average effective maturity not to exceed 60 months and an average duration not to exceed 24 months.

Credit risk is managed primarily by limiting the opportunity set to certain approved high quality investments as reflected above that conform to Virginia statues. Rating agencies, herein referred to as NRSROs, such as Moody’s and Standard & Poor’s, will be used as a measure to evaluate and monitor credit risk of held investments.

Counterparty risk will be continually monitored to ensure the continued financial strength and investment quality of the issuer.
Required Collateral

When investments are made in overnight repurchase agreements, the College will require that its investments be 102% collateralized by U.S. Treasury and Agency obligations, and that this collateral be delivered to the College’s custodian bank and identified on the custodian's books as property belonging to the College of William and Mary.

Qualified Counterparties

Repurchase agreements must be executed only with Qualified Counterparties defined as member banks of the Federal Reserve System having total assets of more than $1 billion and that are among the 100 largest commercial banks in the U.S., or, non-bank dealers who are designated by the Federal Reserve Bank of New York as primary dealers in government securities. In both cases, Qualified Counterparties must satisfy the College’s credit standards as otherwise defined.

Liquidity Constraints

Without the prior approval of the Vice President of Finance of the College, no investments in specific securities shall be made where maturities exceed 3 years (where 5 years is the maximum permitted by this policy). Weighted average life will be used as a proxy for maturity date for mortgage backed securities. The portfolio shall maintain adequate liquidity to ensure the College’s ability to meet its operating requirements. At all times, the College shall maintain sufficient liquidity on an overnight basis to ensure clearance of its known payments and unanticipated presentment of checks. The College and its engaged investment manager(s) shall constantly monitor cash levels and maintain a portfolio structure that allows sufficient liquidity within time periods of a day, week, month, and six-months, taking into consideration fluctuating cash levels associated with cyclical revenue and expenditure patterns.

Authorized Personnel and Delegated Authority

The Vice President for Finance of the College or such person(s) he/she designates in writing is (are) authorized to make investment decisions under this policy for the College of William and Mary, including the selection and contractual engagement of professional investment firms that would adhere to the guidelines presented herein and that of generally accepted prudent fiduciary practices.

The Vice President for Finance and certain members of his/her staff shall also be responsible for maintaining internal controls that appropriately safeguard the investable assets of the College consistent with this policy and the permissions given for types of investment and engagement of external professional management. Professional investment management firm(s) engaged by the College MUST be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940, showing proof of such prior to their hiring. Before an organization can provide investment management services to the College, it
must confirm in writing that it has reviewed this Policy and is able to fully comply with all requirements. Furthermore, the organization must submit the following materials:

- Proof of its registration with the SEC under the Investment Advisers Act of 1940;
- An annual updated copy of Form ADV, Part II;
- Proof of its registration to conduct business in the Commonwealth of Virginia;
- Demonstrable evidence in providing like services under the Investment of Public Funds Act, Chapter 45 of the Code of Virginia; and
- Confirm use of only qualified security brokers/dealers. To achieve qualification, the broker/dealer should be financially stable and have the ability to effectively execute buy and sell transactions. The engaged manager(s) will maintain a list of qualified brokers/dealers who meet the criteria of this Policy; and
- Confirm that procedures for best execution will always be followed and that soft dollar commissions or credits for College asset trades will not be collected or otherwise utilized in the execution of investment services.

Reporting Requirements

Engaged investment managers shall be required to prepare and deliver comprehensive monthly accounting and analytical reports to the College that provide the following information:

- Monthly buy and sell transactions;
- Monthly realized gains and losses on sales;
- Month-end holdings that show amortized book value, maturity date, yield-on-cost, market value and other features deemed relevant;
- Monthly transactions that account for income, fees and disbursements, purchase of accrued income, and other relevant activity; and,
- Monthly performance of asset categories and the aggregate portfolio.

Engaged investment managers shall be required to prepare and deliver comprehensive quarterly investment reports to the College that provide the following information:

- Summary of recent market conditions, economic developments, a forecast of future economic activity, and an assessment of how the investment manager fared in the investment of the College’s funds;
- A comprehensive quarter-end holdings report that further shows the calculated total rate of return for the quarter and year-to-date versus appropriate benchmarks; and,
- Any areas of policy concern warranting discussion with College officials, as in the case of recommended revisions.

Performance Benchmarks

Investment performance of the portfolio shall be monitored and evaluated using various individual benchmarks that have similar maturity, duration, and risk characteristics of those investments held in the portfolio. Overall portfolio performance shall be evaluated on an
ongoing basis by management, taking into consideration asset allocation, quality and safety factors, maturities and implied risks, and various external market factors.

Accordingly, the College shall use the 91 Day Treasury Bill Index as the primary benchmark in review of investment performance and may use other benchmarks such as the Merrill Lynch 3-month and 6-month Treasury Bill Indexes and/or the Barclays Capital 3-6 Month Treasury Bill Index for purposes of comparability.

Performance Review and Evaluation Requirements

External managers shall be formally evaluated by management at least on an annual basis according to certain criterion that was used in the process of engagement as well as any other more contemporaneous factors that should be noted in a formal evaluation. An overall rating of anything less than satisfactory will be cause for dismissal.

Monitoring the Cash Management Investment Policy

The Board of Visitors or its designated subcommittee thereof shall review this policy at least once every three years in order to ensure that the governances, provisions, and guidelines stated herein appropriately reflect the perspective and risk tolerances of the Board with respect to current market conditions. Management will inform the Board of any violations to this policy, discussed below, and extenuating results.

Occurrences of Non-Compliance with the Policy and Process of Resolution

Compliance with stated guidelines in this policy is a requirement. Violations of any kind will require full explanation of the event. Management will evaluate the severity of the violation, the circumstances by which it occurred, and the manager's corrective response. Management will then decide what recourse to pursue in dealing with the manager. Should the infraction be serious enough, the manager will be immediately dismissed. Multiple or recurring infractions may warrant immediate dismissal. Lesser infractions will also be documented and discussed with the manager's senior representatives. Resolution and types of restitution will be discussed with the manager depending on the severity of the violation.
## Current Asset Allocation of Operating Funds as of Dec. 30, 2012 (market value)

### Short-Term Investment Portfolio

<table>
<thead>
<tr>
<th>Federated Gov't Obligations Fund, Institutional Class</th>
<th>$52,522,929</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticker GOIIXX (AAAm rating from S&amp;P, Aaa-mf rating from Moody's)</td>
<td>742</td>
</tr>
<tr>
<td><strong>Total Short-Term Investments</strong></td>
<td>$52,523,671</td>
</tr>
</tbody>
</table>

### Core Balance Strategy (3-5 Yr.) Portfolio

<table>
<thead>
<tr>
<th>Federated Gov't Obligations Fund, Institutional Class</th>
<th>$1,005,484</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticker GOIIXX (AAAm rating from S&amp;P, Aaa-mf rating from Moody's)</td>
<td>9,109,588</td>
</tr>
<tr>
<td>RidgeWorth U.S. Gov't Securities Ultra-Short Bond Fund</td>
<td>7,197</td>
</tr>
<tr>
<td>Ticker SIGVX (5 Star rating from Morningstar)</td>
<td>$10,122,269</td>
</tr>
</tbody>
</table>
COLLEGE OF WILLIAM AND MARY
CORPORATE RESOLUTION TO TRANSACT BUSINESS AND CONFIRM
AUTHORIZED BUSINESS AGENTS FOR THE COLLEGE OF WILLIAM AND MARY

On November 30, 2012, the Board of Visitors of The College of William and Mary in Virginia met and passed revisions to the Bylaws to clarify the power of certain officers of the College to transact business in the name of the College.

Article II, Section 3. of the revised Bylaws states:

Concurrently with the President, the Vice President for Finance shall have the authority to transact business in the name of The College of William and Mary in Virginia, including: (1) the transfer, conversion, endorsement, sale, purchase, assignment, conveyance and delivery of any and all shares of stocks, bonds, debentures, notes, and subscriptions warrants, cash or equivalent assets, and evidence of indebtedness; (2) any and all contracts for the purchase of real estate and other property, or other securities or assets now or hereafter owned by the Board of Visitors of the College of William and Mary in Virginia, or bearing any similar designation indicating ownership by the College; (3) agreements setting forth the terms for the acceptance of gifts to the College; and (4) any other agreements necessary to carry out and support the operations of the College, with the exception of those particular assignments made to the Provost or the Vice President for Administration. The sale of real property requires the approval of the Board of Visitors and the Commonwealth of Virginia. The Vice President for Finance shall have the authority to further delegate such authority, such delegation must be consistent with applicable law and regulations, and subject to guidelines for the exercise thereof.

BE IT RESOLVED, That the following statement of certification will accompany this resolution, requiring signature by the Secretary of the Board of Visitors attesting to its validity and correctness:

I, ___________________ , Secretary of the Board of Visitors of The College of William and Mary in Virginia, do hereby certify that the foregoing is a true and correct copy of the Resolution approved by the Board of Visitors of said College at a duly constituted meeting held in the City of Williamsburg, Virginia, on the 8th day of February, 2013, at which a quorum was present and acting throughout, and that said resolution appears in the minutes of said meeting, and that the same has not been rescinded or modified and is now in full force and effect. I further certify that said organization is duly organized and existing, and has the power to take the action called for by the foregoing resolution. I further certify that W. Taylor Reveley III is President and Samuel E. Jones is Vice President for Finance of The College of William and Mary in Virginia.

Given under my hand and official seal of The College of William and Mary in Virginia on the _____ day of ________________.

____________________________________, Secretary
Operating Amendment:

<table>
<thead>
<tr>
<th>Expand Blue Crab Survey</th>
<th>FY 2013</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0 GF</td>
<td>$297,027 GF</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2.25 FTE</td>
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</table>

After 15 years of a major decline, the blue crab population and fishery appear to be on the road to recovery. Fishery management and stock assessment of the Bay’s most valuable fishery, which annually provides $45-90 million dockside and up to $400 million for the national economy, are fully dependent on the VIMS and Maryland’s Department of Natural Resources baywide Winter Dredge Survey (WDS). The WDS produces estimates of abundance and exploitation rate, the key reference points used to manage the stock. The recent stock assessment and field investigations discovered that (i) juvenile blue crabs are severely underestimated by the WDS, and (ii) incorporation of blue crab data from VIMS summertime surveys (Trawl Survey, ChesMAP) into stock assessment is essential. This was made obvious by the recent imprecise fishery projections in 2012. Thus, we are requesting funds to ensure provision of accurate stock assessment information for the blue crab and facilitate population and fishery recovery. These are funds to (i) implement the shallow-water WDS for juveniles, (ii) cover escalating expenses of the WDS, and (iii) integrate blue crab data from the summertime VIMS surveys into the stock assessment.

Capital Amendment:

<table>
<thead>
<tr>
<th>Planning: Construct Facilities Management Building</th>
<th>FY 2013</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0 GF</td>
<td>Language</td>
</tr>
</tbody>
</table>

This amendment requests the addition of capital project 17993, Construct Facilities Management Building, to the list of projects currently approved for detailed planning funds in the Appropriations Act. This project is a top priority as identified in VIMS’ comprehensive master plan and reflected in the capital outlay six year plan. The Facilities Management building currently is located in the heart of the research campus, in dilapidated old buildings, and needs to be relocated to a more appropriate location on the upper campus.
# VIRGINIA INSTITUTE OF MARINE SCIENCE
## 2012-2013 OPERATING BUDGET SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>2010-2011 Actual</th>
<th>2011-2012 Actual</th>
<th>2012-13 Budget</th>
<th>Year-to-Date Through 12/31/12</th>
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<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>General Fund</td>
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<td>$16,941,420</td>
<td>$18,205,067</td>
<td>$10,121,287</td>
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<td></td>
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<td></td>
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<tr>
<td>Educational/General</td>
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<td>2,464,708</td>
<td>1,852,132</td>
<td>591,786</td>
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<td>Federal Stimulus</td>
<td>2,704,790</td>
<td>420,304</td>
<td>$0</td>
<td>0</td>
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<tr>
<td>Eminent Scholars</td>
<td>0</td>
<td>75,000</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Sponsored Programs</td>
<td>18,609,523</td>
<td>20,281,919</td>
<td>21,500,000</td>
<td>12,609,746</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$41,650,335</td>
<td>$40,108,351</td>
<td>$41,632,199</td>
<td>$23,322,819</td>
</tr>
</tbody>
</table>

| **EXPENDITURES**     |                  |                  |                |                             |
| Instruction          | $1,394,266       | $1,393,923       | $1,804,987     | $825,990                    |
| Research and Advisory Services | 9,431,887 | 7,992,794 | 8,513,433 | 4,357,100 |
| Academic Support     | 4,580,226        | 4,279,554        | 3,839,488      | 2,505,649                   |
| Institutional Support| 3,159,290        | 1,895,487        | 1,631,036      | 1,873,630                   |
| Plant Operations     | 3,721,015        | 3,972,685        | 4,104,718      | 1,971,759                   |
| Student Financial Assistance | 715,798  | 238,527         | 238,527        | 34,212                      |
| Sponsored Programs   | 18,609,523       | 20,281,919       | 21,500,000     | 12,609,746                  |
| **Total Expenditures**| $41,612,005      | $40,054,889      | $41,632,199    | $24,178,087                 |
Investment Portfolio Evaluation For
Periods Ending December 31, 2012:

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

The information provided herein is obtained from sources believed to be reliable, but no representation or warranty is made as to its accuracy or completeness. These investments are not insured or otherwise protected by the U.S. Government, the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other government agency and involve risk including the possibility of loss of principal.
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Consultant Team
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## Capital Markets Review
For Periods Ending December 31, 2012

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<tr>
<th>Index Name</th>
<th>4Q12</th>
<th>Fiscal YTD</th>
<th>1 year</th>
<th>3 years</th>
<th>5 years</th>
<th>10 years</th>
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<tr>
<td>Dow Jones Industrial Average</td>
<td>(1.7)</td>
<td>3.2</td>
<td>10.2</td>
<td>10.9</td>
<td>2.6</td>
<td>7.3</td>
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<td>NASDAQ Composite</td>
<td>(2.5)</td>
<td>3.9</td>
<td>17.8</td>
<td>11.2</td>
<td>3.7</td>
<td>9.5</td>
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<tr>
<td>S&amp;P 500</td>
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<td>6.0</td>
<td>16.0</td>
<td>10.9</td>
<td>1.7</td>
<td>7.1</td>
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<tr>
<td>S&amp;P 500 Value</td>
<td>(2.0)</td>
<td>4.2</td>
<td>14.6</td>
<td>11.3</td>
<td>3.4</td>
<td>7.0</td>
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<tr>
<td>S&amp;P 500 Growth</td>
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<td>6.4</td>
<td>16.4</td>
<td>11.1</td>
<td>1.9</td>
<td>7.5</td>
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<tr>
<td>Russell 1000</td>
<td>1.5</td>
<td>8.1</td>
<td>17.5</td>
<td>10.9</td>
<td>0.6</td>
<td>7.4</td>
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<tr>
<td>Russell 1000 Growth</td>
<td>(1.3)</td>
<td>4.7</td>
<td>15.3</td>
<td>11.4</td>
<td>3.1</td>
<td>7.5</td>
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<tr>
<td>Russell Midcap</td>
<td>2.9</td>
<td>8.6</td>
<td>17.3</td>
<td>13.2</td>
<td>3.6</td>
<td>10.7</td>
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<tr>
<td>Russell Midcap Value</td>
<td>3.9</td>
<td>10.0</td>
<td>18.5</td>
<td>13.4</td>
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<td>10.6</td>
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<td>Russell Midcap Growth</td>
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<td>7.1</td>
<td>15.8</td>
<td>12.9</td>
<td>3.2</td>
<td>10.3</td>
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<td>Russell 2000</td>
<td>1.9</td>
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<td>12.3</td>
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<td>11.6</td>
<td>3.6</td>
<td>9.5</td>
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<td>Russell 2000 Growth</td>
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<td>Russell 3000</td>
<td>0.3</td>
<td>6.5</td>
<td>16.4</td>
<td>11.2</td>
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<td>MSCI EAFE Index</td>
<td>6.6</td>
<td>14.1</td>
<td>17.9</td>
<td>4.0</td>
<td>(3.2)</td>
<td>8.7</td>
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<tr>
<td>MSCI World Index</td>
<td>2.6</td>
<td>9.6</td>
<td>16.5</td>
<td>7.5</td>
<td>(0.6)</td>
<td>8.1</td>
</tr>
<tr>
<td>MSCI World Ex. US Index</td>
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<td>13.8</td>
<td>17.0</td>
<td>4.2</td>
<td>(2.9)</td>
<td>9.1</td>
</tr>
<tr>
<td>MSCI ACWI</td>
<td>3.0</td>
<td>10.2</td>
<td>16.8</td>
<td>7.2</td>
<td>(0.6)</td>
<td>8.7</td>
</tr>
<tr>
<td>MSCI ACWI ex USA</td>
<td>5.9</td>
<td>13.8</td>
<td>17.4</td>
<td>4.3</td>
<td>(2.4)</td>
<td>10.2</td>
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<td>MSCI EM (EMERGING MARKETS)</td>
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<td>13.9</td>
<td>18.6</td>
<td>5.0</td>
<td>(0.6)</td>
<td>16.9</td>
</tr>
<tr>
<td>MSCI FM (FRONTIER MARKETS)</td>
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<td>10.7</td>
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<td>3.5</td>
<td>N/A</td>
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<td>Barclays Capital U.S. Aggregate</td>
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<td>4.2</td>
<td>6.2</td>
<td>6.0</td>
<td>5.2</td>
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<tr>
<td>Barclays Capital U.S. Government/Credit</td>
<td>0.4</td>
<td>2.1</td>
<td>4.8</td>
<td>6.7</td>
<td>6.1</td>
<td>5.3</td>
</tr>
<tr>
<td>Barclays Capital Intermediate U.S. Government/Credit</td>
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<td>1.8</td>
<td>3.9</td>
<td>5.2</td>
<td>5.2</td>
<td>4.6</td>
</tr>
<tr>
<td>Barclays Capital Municipal Bond</td>
<td>0.7</td>
<td>3.0</td>
<td>6.8</td>
<td>6.6</td>
<td>5.9</td>
<td>5.1</td>
</tr>
<tr>
<td>BoFA Merrill Lynch Convertible Securities</td>
<td>2.4</td>
<td>7.0</td>
<td>14.4</td>
<td>8.8</td>
<td>4.9</td>
<td>7.3</td>
</tr>
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<td>BoFA Merrill Lynch High Yield Master</td>
<td>3.2</td>
<td>7.9</td>
<td>15.4</td>
<td>11.6</td>
<td>9.9</td>
<td>10.2</td>
</tr>
<tr>
<td>Citigroup World Government Bond Index</td>
<td>(1.7)</td>
<td>1.2</td>
<td>1.7</td>
<td>4.4</td>
<td>5.3</td>
<td>6.0</td>
</tr>
<tr>
<td>JPM EMBI Global Diversified</td>
<td>2.8</td>
<td>9.6</td>
<td>17.4</td>
<td>12.3</td>
<td>10.1</td>
<td>11.0</td>
</tr>
<tr>
<td>Citigroup 3-month T-bill</td>
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<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.5</td>
<td>1.7</td>
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<td>HFRI Fund of Funds Composite Index</td>
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<td>4.2</td>
<td>5.3</td>
<td>1.6</td>
<td>(1.7)</td>
<td>3.7</td>
</tr>
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<td>CS Tremont Managed Futures Index</td>
<td>(3.1)</td>
<td>(1.5)</td>
<td>(2.9)</td>
<td>1.4</td>
<td>2.9</td>
<td>4.8</td>
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<td>Wilshire REIT</td>
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<td>17.6</td>
<td>18.2</td>
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<td>11.6</td>
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<td>Dow UBS Commodity Index</td>
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<td>2.8</td>
<td>(1.1)</td>
<td>0.1</td>
<td>(5.2)</td>
<td>4.1</td>
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</table>
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I. Executive Summary

Observations & Recommendations

Economic Review: 2012 ended on a positive note after intense political discussion and the re-election of President Obama. In December, the Federal Reserve enacted further monetary easing by committing to purchase $45 billion in Treasuries per month and by explicitly tying the federal funds rate to unemployment and inflation targets. The Fed is continuing to buy $40 billion of MBS which was announced at the end of the 3rd quarter. As the year drew to a close, tensions mounted as lawmakers arrived in D.C. to debate the fiscal cliff. All ended with a tax hike for wealthier Americans. The debate over spending cuts has yet to be resolved and the debt ceiling looms as we head into 2013.

In the 4th quarter, large-cap domestic indices were moderately down while small- and mid-cap indices edged up. Despite the mixed results of the quarter, all major equity markets ended the year with double-digit gains. International equity indices posted respectable gains in the 4th quarter as investors’ confidence improved after the European Central Bank’s clarified its bond buying program. Emerging markets also posted a strong quarter with a gain of 5.6%, ending the year with a gain of 18.6%.

Fixed income markets did not move much over the quarter and posted modest gains for the year (ranging from 3.9 – 6.8%). Most fixed income sectors outperformed US Treasuries during the 4th quarter as central bank policies helped push investors toward higher yielding assets. Operation Twist officially expired at the end of 2012 but the aforementioned programs totaling $85 billion per month of Fed buybacks continues to support the market. Yields remain near historically low levels and spreads are at or tighter than historical averages. There was a sell-off in municipal bonds at year-end as investors, mostly retail, took profits.

Total Portfolio: The William & Mary Board of Visitors (BOV) Endowment gained 2.2% (net of fees) for the quarter, exceeding the benchmark’s gain of 0.9%. For the fiscal year-to-date, the portfolio is ahead with a gain of 6.8% compared to 5.2%. Individually, the majority of the managers and funds outpaced their respective benchmarks for recent periods.

Domestic Equity: The SPDR ETF, SPY, posted a loss of 0.4% for the quarter which matched the S&P 500 index. This investment is temporary while a new active manager is being identified.

Blackrock’s Large Cap Value strategy posted a gain of 2.4% for the quarter and 8.6% for the fiscal year-to-date. The Russell 1000 Value posted gains of 1.5% and 8.1%, respectively, for those same time periods. Outperformance was attributable to the sector allocation of the portfolio and stock selection within industrial, financials, and utilities. The top performers for the quarter were Citigroup, JP Morgan Chase, and Marathon Petroleum.

The Wells Fargo Advantage Discovery Fund posted a loss of 0.1% while the Russell Midcap Growth gained 1.7% for the 4th quarter. An overweight to, and stock selection within, consumer discretionary and consumer staples detracted from performance. An underweight to financials also detracted from the fund’s performance as financials were in favor. One holding, Monster Beverage, faced a lawsuit this quarter and the fund sold out of its position due to potential legal exposure and media coverage. For calendar year 2012, the fund was ahead of its benchmark with a gain of 16.0% as compared to 15.8%.
The Artisan Mid Cap Value portfolio posted a gain of 3.9% for the quarter, matching the benchmark. Holdings in financials and healthcare were sources of relative strength during the quarter. Two of the best performers included stock exchange operator NYSE Euronext and health insurer Cigna. Despite rising 11.4%, the fund lags on a relative basis for the calendar year (index up 18.5%).

International Equity: Artio International returned 7.8% while the MSCI EAFE posted a gain of 6.6% for the quarter. Stock selection within developed markets contributed the most to the outperformance. Exposure to emerging markets also helped returns though the modest cash position detracted from relative results.

Dodge & Cox posted a gain of 9.1% for the 4th quarter, beating the MSCI EAFE’s gain of 6.6%. Holdings in materials, especially construction materials, and an underweight to metals and mining was additive. Cemex, Lafarge, and Lanxess were three of the top performers for the fund. The financial sector was the strongest sector for the index and the fund benefited with a gain of 41% (in financials) compared to 33%.

Domestic Fixed Income: The PIMCO Total Return Fund posted a gain of 1.2% compared to the Barclays Aggregate’s gain of 0.2%. Outperformance was attributed to a shorter duration as yields rose, and allocation to non-Agency mortgages. Also, a focus on financials and Build America Bonds (BABs) contributed. An overweight to Agency mortgage-backed securities slightly detracted as they underperformed like-duration Treasuries. This was partially offset given the focus on lower coupon mortgages which outperformed on a relative basis.

Pioneer Strategic Income fund posted a quarterly gain of 1.9% compared to 0.2% for the Barclays Aggregate. The fund’s outperformance was largely attributed to sector allocation, especially bank loans, corporate bonds, and high yield instruments. While Treasuries make up a large percentage of the Barclays Aggregate, the fund has less than 3% allocated currently. Treasuries did not perform as well as other higher yielding segments of the market.

Alternatives: The alternative portfolio lost 1.1% for the three month period ending November 30, 2012. Managed futures and commodities were hit the hardest during this period. The CS Tremont Managed Futures index was down 5.4% and the Dow UBS Commodity index was down 2.2% for this same three month period. The diversified strategies and the hedged equity fund generated modest gains for the portfolio in the 1–2% range.
## Executive Summary

### Total Fund Performance Through December 31, 2012

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<tr>
<th>Fund Type</th>
<th>4q12</th>
<th>FYTD</th>
<th>One Year</th>
<th>Three Years²</th>
<th>Five Years²</th>
<th>Changes (1/1/03)</th>
<th>Incept (Mgr)²</th>
<th>Incept Bench²</th>
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<td><strong>Total BOV Account</strong></td>
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<td>6.8</td>
<td>11.6</td>
<td>8.2</td>
<td>1.9</td>
<td>8.0</td>
<td>7.0</td>
<td>6.6</td>
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<td>10.9</td>
<td>8.3</td>
<td>2.2</td>
<td>7.3</td>
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<tr>
<td><strong>Blackrock: Large Cap Value</strong></td>
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<td>8.6</td>
<td>13.4</td>
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<td>(1.3)</td>
<td>--</td>
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<td>2.6</td>
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<td>Russell 1000 Value</td>
<td>1.5</td>
<td>8.1</td>
<td>17.5</td>
<td>10.9</td>
<td>0.6</td>
<td>--</td>
<td></td>
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<tr>
<td><strong>SPY (gradual implementation)</strong></td>
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<td>4.9</td>
<td>--</td>
<td>--</td>
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<td>--</td>
<td></td>
<td></td>
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<tr>
<td><strong>Wells Fargo: Mid Cap Growth</strong></td>
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<td>4.2</td>
<td>16.0</td>
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<td>4.4</td>
<td>--</td>
<td>6.8</td>
<td>4.5</td>
</tr>
<tr>
<td>Russell MidCap Growth</td>
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<td>12.9</td>
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<td>--</td>
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<td>--</td>
<td>--</td>
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<tr>
<td><strong>Royce: Small-Cap</strong></td>
<td>5.8</td>
<td>10.3</td>
<td>22.7</td>
<td>12.8</td>
<td>4.8</td>
<td>12.1</td>
<td>12.1</td>
<td>9.7</td>
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<tr>
<td>Russell 2000</td>
<td>1.9</td>
<td>7.2</td>
<td>16.4</td>
<td>12.3</td>
<td>3.6</td>
<td>9.7</td>
<td></td>
<td></td>
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<tr>
<td><strong>Dodge &amp; Cox International</strong></td>
<td>9.1</td>
<td>17.1</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>6.6</td>
<td>4.6</td>
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<tr>
<td><strong>Artio Int'l Growth</strong></td>
<td>7.8</td>
<td>12.5</td>
<td>16.8</td>
<td>(0.5)</td>
<td>--</td>
<td>--</td>
<td>10.8</td>
<td>15.8</td>
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<tr>
<td>MSCI EAFE</td>
<td>6.6</td>
<td>14.1</td>
<td>17.9</td>
<td>4.0</td>
<td>--</td>
<td>--</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>State Street: Emerging Markets</strong></td>
<td>7.3</td>
<td>13.9</td>
<td>18.2</td>
<td>4.5</td>
<td>(3.1)</td>
<td>15.7</td>
<td>15.7</td>
<td>16.9</td>
</tr>
<tr>
<td>MSCI EM (Emerging Markets)</td>
<td>5.6</td>
<td>13.9</td>
<td>18.6</td>
<td>5.0</td>
<td>(0.6)</td>
<td>16.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PIMCO Total Return Fund</strong></td>
<td>1.2</td>
<td>4.4</td>
<td>10.4</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>7.8</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>Pioneer Strategic Income</strong></td>
<td>1.9</td>
<td>6.0</td>
<td>11.5</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>8.9</td>
<td>6.2</td>
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<tr>
<td>Barclays Capital U.S. Aggregate</td>
<td>0.2</td>
<td>1.8</td>
<td>4.2</td>
<td>6.2</td>
<td>6.0</td>
<td>--</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>GMO: Global Fixed Inc</strong></td>
<td>(0.0)</td>
<td>5.3</td>
<td>7.2</td>
<td>9.9</td>
<td>6.1</td>
<td>6.9</td>
<td>6.9</td>
<td>6.0</td>
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<tr>
<td>Citigroup World Govt Bond Index</td>
<td>(1.7)</td>
<td>1.2</td>
<td>1.7</td>
<td>4.4</td>
<td>5.3</td>
<td>6.0</td>
<td></td>
<td></td>
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<tr>
<td><strong>GMO: Emerging Mkt Fixed Inc</strong></td>
<td>5.0</td>
<td>15.9</td>
<td>26.7</td>
<td>19.6</td>
<td>11.4</td>
<td>15.0</td>
<td>14.9</td>
<td>11.0</td>
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<td>JPM EMBI Global Diversified</td>
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<td>9.6</td>
<td>17.4</td>
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<td>10.1</td>
<td>11.0</td>
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<td></td>
</tr>
<tr>
<td><strong>Combined Alternatives (1 mo lag)</strong></td>
<td>(1.1)</td>
<td>0.2</td>
<td>1.4</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>0.8</td>
<td>1.1</td>
</tr>
<tr>
<td>HFRI FOFs Index (1 mo lag)</td>
<td>1.0</td>
<td>2.2</td>
<td>3.0</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Performance is net of investment management fees**

---

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

3 From 1996: 60% R3000, 15% MSCI World ex US, 25% Agg; (1/1/10 – 2/28/12) 44% R3000, 11% World ex US, 40% Agg, 5% HFRI Fund of Funds 1 Month delay; (3/1/12-present) 44% R3000, 11% World ex US, 35% Agg, 10% HFRI Fund of Funds 1 Month delay;

+ 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.
BOV Current Fiscal YTD: +6.81%
Executive Summary
Total Fund Risk/Return*

* BOV Target Benchmark = From 1996: 60% R3000, 15% MSCI World ex US, 25% Agg; (1/1/10 – 2/28/12) 44% R3000, 11% World ex US, 40% Agg, 5% HFRI Fund of Funds 1 Month delay; (3/1/12-present) 44% R3000, 11% World ex US, 35% Agg, 10% HFRI Fund of Funds 1 Month delay;
**Executive Summary**

**Total Fund Asset Allocation***

### Policy

#### As of December 31, 2012

<table>
<thead>
<tr>
<th></th>
<th>Domestic</th>
<th>Global</th>
<th>Domestic</th>
<th>Non-US</th>
<th>Alternative</th>
<th>Cash Equiv.</th>
<th>Total</th>
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<tbody>
<tr>
<td></td>
<td>Fixed Income</td>
<td>Fixed Income</td>
<td>Equity</td>
<td>Equity</td>
<td>Alternative</td>
<td></td>
<td></td>
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<tr>
<td>SPY</td>
<td>0</td>
<td>0</td>
<td>6,687,667</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Blackrock</td>
<td>0</td>
<td>0</td>
<td>8,366,938</td>
<td>0</td>
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<td>0</td>
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<td>Dodge &amp; Cox</td>
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<td>2,883,970</td>
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<td>0</td>
<td>0</td>
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<tr>
<td>Grantham, Mayo</td>
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<td>0</td>
<td>6,419,778</td>
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<td>0</td>
<td>0</td>
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<tr>
<td>Artisan MC</td>
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<td>0</td>
<td>4,316,578</td>
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<td>0</td>
<td>0</td>
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<td>0</td>
<td>2,762,814</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,762,814</td>
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<tr>
<td>Royce &amp; Associates</td>
<td>0</td>
<td>0</td>
<td>4,801,171</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4,801,171</td>
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<tr>
<td>State Street Global Advisors</td>
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<td>1,173,873</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,173,873</td>
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<tr>
<td>Pimco Total Return Fund</td>
<td>10,170,224</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>10,170,224</td>
</tr>
<tr>
<td>Pioneer Strategic Income</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>10,114,191</td>
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<td>Wells Capital</td>
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<td>0</td>
<td>4,826,711</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4,826,711</td>
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<td>Cash &amp; Equivalents</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>223,128</td>
<td>223,128</td>
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<td>Private Equity Partners II</td>
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<td>0</td>
<td>6,607</td>
<td>0</td>
<td>0</td>
<td>6,607</td>
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</tr>
<tr>
<td>Combined Alternatives</td>
<td>0</td>
<td>0</td>
<td>5,880,662</td>
<td>0</td>
<td>0</td>
<td>5,880,662</td>
<td></td>
</tr>
<tr>
<td><strong>Total BOV Account</strong></td>
<td>20,284,415</td>
<td>6,419,778</td>
<td>28,999,065</td>
<td>6,820,657</td>
<td>5,887,269</td>
<td>223,128</td>
<td>68,634,312</td>
</tr>
<tr>
<td><strong>% of Total Fund</strong></td>
<td>29.6%</td>
<td>9.4%</td>
<td>42.3%</td>
<td>9.9%</td>
<td>8.6%</td>
<td>0.3%</td>
<td></td>
</tr>
</tbody>
</table>

*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&H.*

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Executive Summary
Financial Reconciliation – 2011 Fiscal YTD*

July 1, 2012 – December 31, 2012

William & Mary
BOV Endowment

6/30/12 Market Value 65,304,433

Net Additions/Withdrawals (1,111,958)
Expenses (42,115)
Net Cash Flow (1,154,073)

Net Income 1,101,440
Net Realized Gain/(Loss) 162,821
Change Unrealized Gain/(Loss) 3,213,082
Total Investment Gain/(Loss) 4,477,344

12/31/12 Market Value 68,627,704

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

*Ending value excludes PEP II.
II. Equity Sector (Large-Cap Value)

Periods Ending December 31, 2012 - Performance

Universe Comparisons (Trailing Periods)
Manager vs Zephyr Large Value Universe (Morningstar): Return
January 2003 - December 2012 (not annualized if less than 1 year)

<table>
<thead>
<tr>
<th>1 quarter</th>
<th>1 year</th>
<th>3 years</th>
<th>5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackrock LCV</td>
<td>0%</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>2.43%</td>
<td>13.44%</td>
<td>7.64%</td>
</tr>
<tr>
<td>Blackrock LCV</td>
<td>2.43%</td>
<td>13.44%</td>
<td>7.64%</td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>1.52%</td>
<td>17.51%</td>
<td>10.86%</td>
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</table>

Universe Comparisons (Rolling Three Years)
Manager vs Zephyr Large Value Universe (Morningstar): Return
April 2006 - December 2012 (12-Quarter Moving Windows, Computed Quarterly)

<table>
<thead>
<tr>
<th>Q1 2009</th>
<th>Q4 2009</th>
<th>Q4 2010</th>
<th>Q4 2011</th>
<th>Q4 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackrock LCV</td>
<td>-11.1%</td>
<td>-7.9%</td>
<td>-9.0%</td>
<td>-12.3%</td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>-11.1%</td>
<td>-7.9%</td>
<td>-9.0%</td>
<td>-12.3%</td>
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</tbody>
</table>
## Equity Sector (Large-Cap Value)
### Period Ending December 31, 2012 – Risk Measures

#### Return/Risk (April 2006 - December 2012)

**Zephyr StyleADVISOR: Wells Fargo Advisors**

<table>
<thead>
<tr>
<th></th>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared vs. Market</th>
<th>Sharpe Ratio</th>
<th>Observ.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackrock LCV</td>
<td>1.15</td>
<td>19.84</td>
<td>0.93</td>
<td>-1.16</td>
<td>91.95</td>
<td>-0.02</td>
<td>27.00</td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>2.57</td>
<td>20.40</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.05</td>
<td>27.00</td>
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</tbody>
</table>

#### Annualized Summary Statistics: April 2006 - December 2012

<table>
<thead>
<tr>
<th></th>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared vs. Market</th>
<th>Sharpe Ratio</th>
<th>Observ.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackrock LCV</td>
<td>-1.31</td>
<td>22.80</td>
<td>0.95</td>
<td>-1.79</td>
<td>93.10</td>
<td>-0.08</td>
<td>20.00</td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>0.59</td>
<td>23.23</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.01</td>
<td>20.00</td>
</tr>
</tbody>
</table>

#### Information Ratio (Periods Ending December 2012)

**Manager vs Benchmark: Information Ratio**

<table>
<thead>
<tr>
<th></th>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared vs. Market</th>
<th>Sharpe Ratio</th>
<th>Observ.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackrock LCV</td>
<td>-0.88</td>
<td>-0.67</td>
<td>-0.31</td>
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</table>
### Equity Sector (Large-Cap Combined)

**Characteristics - As of December 31, 2012**

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Blackrock</th>
<th>SPDR's SPY</th>
<th>Combined BOV</th>
<th>Over/(Under) Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Cap ($MM)</td>
<td>21,370</td>
<td>12,200</td>
<td>17,296</td>
<td>5,026</td>
</tr>
<tr>
<td>Avg Cap ($MM)</td>
<td>102,510</td>
<td>104,963</td>
<td>103,600</td>
<td>400</td>
</tr>
<tr>
<td>Yield (%)</td>
<td>2.18</td>
<td>2.11</td>
<td>2.15</td>
<td>(0.14)</td>
</tr>
<tr>
<td>P/E Ratio</td>
<td>13.64</td>
<td>14.14</td>
<td>13.86</td>
<td>(4.30)</td>
</tr>
<tr>
<td>Price / Book</td>
<td>1.99</td>
<td>2.15</td>
<td>2.06</td>
<td>(1.21)</td>
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<tr>
<td># of Stocks</td>
<td>68</td>
<td>499</td>
<td>500</td>
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</tr>
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</table>

#### Blackrock

<table>
<thead>
<tr>
<th>Top Ten Equity Holdings</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXXON MOBIL</td>
<td>7.1</td>
</tr>
<tr>
<td>CHEVRON</td>
<td>7.8</td>
</tr>
<tr>
<td>JP MORGAN CHASE</td>
<td>4.8</td>
</tr>
<tr>
<td>PFIZER</td>
<td>4.7</td>
</tr>
<tr>
<td>CITIGROUP</td>
<td>3.8</td>
</tr>
<tr>
<td>MERCK &amp; CO</td>
<td>3.4</td>
</tr>
<tr>
<td>GOLDMAN SACHS</td>
<td>3.2</td>
</tr>
<tr>
<td>US BANCORP</td>
<td>3.0</td>
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<td>COMCAST</td>
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<td>CVS CAREMARK</td>
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</table>

#### SPY*

<table>
<thead>
<tr>
<th>Top Ten Equity Holdings</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>APPLE</td>
<td>3.5</td>
</tr>
<tr>
<td>EXXON MOBIL</td>
<td>3.1</td>
</tr>
<tr>
<td>CHEVRON</td>
<td>1.7</td>
</tr>
<tr>
<td>GENERAL ELECTRIC CO</td>
<td>1.7</td>
</tr>
<tr>
<td>MICROSOFT CORP</td>
<td>1.6</td>
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<td>INTERNATIONAL BUSINESS MACH</td>
<td>1.6</td>
</tr>
<tr>
<td>JOHNSON &amp; JOHNSON</td>
<td>1.5</td>
</tr>
<tr>
<td>PFIZER</td>
<td>1.5</td>
</tr>
<tr>
<td>GOOGLE INC</td>
<td>1.5</td>
</tr>
<tr>
<td>AT&amp;T INC</td>
<td>1.5</td>
</tr>
</tbody>
</table>

*As of 1/15/13 – Year-end data not posted at the time of this report

---

Data Source: Blackrock, InvestorForce, SPDR

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Portfolio Evaluation as of December 31, 2012  Page 19
Equity Sector (Large-Cap Combined) Characteristics - As of December 31, 2012

Combined BOV Large-Cap Sector Distribution

<table>
<thead>
<tr>
<th>Sector</th>
<th>Blackrock Weight</th>
<th>SPY Weight</th>
<th>Combined BOV Large-Cap</th>
<th>S&amp;P 500 Weight</th>
<th>Over / (Under) Weight</th>
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</thead>
<tbody>
<tr>
<td>Energy</td>
<td>14.1%</td>
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<td>12.8%</td>
<td>11.0%</td>
<td>1.8%</td>
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<tr>
<td>Materials</td>
<td>5.3%</td>
<td>3.7%</td>
<td>4.6%</td>
<td>3.6%</td>
<td>1.0%</td>
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<tr>
<td>Industrials</td>
<td>11.4%</td>
<td>10.3%</td>
<td>10.9%</td>
<td>10.1%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Consumer Discretionary</td>
<td>11.8%</td>
<td>11.7%</td>
<td>11.8%</td>
<td>11.5%</td>
<td>0.3%</td>
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<tr>
<td>Consumer Staples</td>
<td>4.9%</td>
<td>10.8%</td>
<td>7.5%</td>
<td>10.6%</td>
<td>-3.1%</td>
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<tr>
<td>Health Care</td>
<td>14.7%</td>
<td>12.2%</td>
<td>13.6%</td>
<td>12.0%</td>
<td>1.5%</td>
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<td>Financials</td>
<td>27.2%</td>
<td>14.8%</td>
<td>21.7%</td>
<td>15.6%</td>
<td>6.1%</td>
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<tr>
<td>Information Technology</td>
<td>7.0%</td>
<td>18.9%</td>
<td>12.3%</td>
<td>19.0%</td>
<td>-6.8%</td>
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<td>Telecomm Service</td>
<td>1.9%</td>
<td>3.0%</td>
<td>2.4%</td>
<td>3.1%</td>
<td>-0.7%</td>
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<tr>
<td>Utilities</td>
<td>1.8%</td>
<td>3.4%</td>
<td>2.5%</td>
<td>3.4%</td>
<td>-0.9%</td>
</tr>
</tbody>
</table>

Data Source: Blackrock, InvestorForce, SPDR
Universe Comparisons (Trailing Periods)

Manager vs. Zephyr Mid Growth Universe (Morningstar): Return
January 2003 - December 2012 (not annualized if less than 1 year)

-5% 0% 5% 10% 15% 20%
1 quarter 1 year 3 years 5 years
Wells Fargo Discovery
Russell Midcap Growth
5th to 25th Percentile
25th Percentile to Median
Median to 75th Percentile
75th to 95th Percentile

Return
Median
Wells Fargo Discovery
Russell Midcap Growth
5th to 25th Percentile
25th Percentile to Median
Median to 75th Percentile
75th to 95th Percentile

Universe Comparisons (Rolling Three Years)

Manager vs. Zephyr Mid Growth Universe (Morningstar): Return Rank
April 2006 - December 2012 (20-Quarter Moving Windows, Computed Quarterly)

-5% 0% 5% 10% 15% 20%
Q1 2011 Q2 2011 Q4 2011 Q2 2012 Q4 2012
Wells Fargo Discovery
Russell Midcap Growth
5th to 25th Percentile
25th Percentile to Median
Median to 75th Percentile
75th to 95th Percentile

Return Rank
Median
Wells Fargo Discovery
Russell Midcap Growth
5th to 25th Percentile
25th Percentile to Median
Median to 75th Percentile
75th to 95th Percentile
Equity Sector (Mid-Cap Growth)

Periods Ending December 31, 2012 – Risk Measures


<table>
<thead>
<tr>
<th></th>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared vs. Market</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wells Fargo Discovery</td>
<td>6.75</td>
<td>24.91</td>
<td>1.04</td>
<td>2.43</td>
<td>92.06</td>
<td>0.21</td>
<td>27.00</td>
</tr>
<tr>
<td>Russell Midcap Growth</td>
<td>4.47</td>
<td>23.09</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.13</td>
<td>27.00</td>
</tr>
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</table>

Information Ratio (Periods Ending December 2012)

<table>
<thead>
<tr>
<th></th>
<th>Information Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wells Fargo Discovery</td>
<td>0.04</td>
</tr>
<tr>
<td>Russell Midcap Growth</td>
<td>0.86</td>
</tr>
<tr>
<td></td>
<td>0.14</td>
</tr>
</tbody>
</table>
Equity Sector (Mid-Cap Value*)
Periods Ending December 31, 2012 - 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.

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Equity Sector (Mid-Cap Value*)
Periods Ending December 31, 2012 – Risk Measures

* 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.

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### Equity Sector (Mid-Cap Combined)

**Characteristics - As of December 31, 2012**

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Wells</th>
<th>Artisan</th>
<th>Combined BOV Mid-Cap</th>
<th>Russell Mid-Cap</th>
<th>Over/(Under) Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg Cap ($MM)</td>
<td>4,250</td>
<td>8,300</td>
<td>6,162</td>
<td>8,720</td>
<td>(2558)</td>
</tr>
<tr>
<td>Yield (%)</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>1.62</td>
<td>(1.62)</td>
</tr>
<tr>
<td>P/E Ratio</td>
<td>24.89</td>
<td>12.20</td>
<td>18.90</td>
<td>19.57</td>
<td>(0.67)</td>
</tr>
<tr>
<td>Price / Book</td>
<td>3.55</td>
<td>1.60</td>
<td>2.63</td>
<td>2.30</td>
<td>0.33</td>
</tr>
<tr>
<td>5 yr EPS Growth (%)</td>
<td>17.25</td>
<td>2.23</td>
<td>10.16</td>
<td>4.53</td>
<td>5.63</td>
</tr>
<tr>
<td># of Stocks</td>
<td>83</td>
<td>59</td>
<td>142</td>
<td>798</td>
<td></td>
</tr>
</tbody>
</table>

#### Wells Fargo

<table>
<thead>
<tr>
<th>Top Ten Equity Holdings</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kansas City Southern</td>
<td>3.3</td>
</tr>
<tr>
<td>SBA Communications Corp</td>
<td>2.9</td>
</tr>
<tr>
<td>Aspen Technologies</td>
<td>2.1</td>
</tr>
<tr>
<td>TransDigm Group Inc</td>
<td>2.0</td>
</tr>
<tr>
<td>Alliance Data Systems</td>
<td>2.0</td>
</tr>
<tr>
<td>Affiliated Managers</td>
<td>1.9</td>
</tr>
<tr>
<td>Copa Holdings</td>
<td>1.7</td>
</tr>
<tr>
<td>Panera Bread</td>
<td>1.7</td>
</tr>
<tr>
<td>PVH Corporation</td>
<td>1.6</td>
</tr>
<tr>
<td>CommVault Systems Inc</td>
<td>1.6</td>
</tr>
</tbody>
</table>

#### Artisan Partners

<table>
<thead>
<tr>
<th>Top Ten Equity Holdings</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analog Devices Inc</td>
<td>2.7</td>
</tr>
<tr>
<td>Alleghany Corp</td>
<td>2.6</td>
</tr>
<tr>
<td>Avnet Inc</td>
<td>2.6</td>
</tr>
<tr>
<td>The Kroger Co</td>
<td>2.6</td>
</tr>
<tr>
<td>Cigna Corp</td>
<td>2.6</td>
</tr>
<tr>
<td>The Progressive Corp</td>
<td>2.5</td>
</tr>
<tr>
<td>Arrow Electronics Inc</td>
<td>2.5</td>
</tr>
<tr>
<td>The Allstate Corp</td>
<td>2.4</td>
</tr>
<tr>
<td>Jacobs Engineering Group</td>
<td>2.3</td>
</tr>
<tr>
<td>Enesco PLC</td>
<td>2.3</td>
</tr>
</tbody>
</table>
### BOV Mid-Cap Sector Distribution

<table>
<thead>
<tr>
<th>Sector</th>
<th>Wells Fargo Weight</th>
<th>Artisan Weight</th>
<th>Combined BOV Mid-Cap</th>
<th>Russ Mid-Cap Weight</th>
<th>Over / (Under) Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>4.4</td>
<td>12.1</td>
<td>8.0</td>
<td>7.3</td>
<td>0.7</td>
</tr>
<tr>
<td>Materials</td>
<td>1.5</td>
<td>0.0</td>
<td>0.8</td>
<td>6.5</td>
<td>(5.7)</td>
</tr>
<tr>
<td>Industrials</td>
<td>20.1</td>
<td>17.8</td>
<td>19.0</td>
<td>13.2</td>
<td>5.8</td>
</tr>
<tr>
<td>Consumer Discretionary</td>
<td>21.1</td>
<td>9.5</td>
<td>15.7</td>
<td>16.7</td>
<td>(1.0)</td>
</tr>
<tr>
<td>Consumer Staples</td>
<td>3.6</td>
<td>3.7</td>
<td>3.7</td>
<td>6.2</td>
<td>(2.5)</td>
</tr>
<tr>
<td>Health Care</td>
<td>16.2</td>
<td>5.0</td>
<td>10.9</td>
<td>9.7</td>
<td>1.2</td>
</tr>
<tr>
<td>Financials</td>
<td>4.9</td>
<td>23.0</td>
<td>13.5</td>
<td>19.7</td>
<td>(6.2)</td>
</tr>
<tr>
<td>Information Technology</td>
<td>24.3</td>
<td>27.2</td>
<td>25.7</td>
<td>13.2</td>
<td>12.4</td>
</tr>
<tr>
<td>Telecomm Service</td>
<td>3.8</td>
<td>0.0</td>
<td>2.0</td>
<td>1.7</td>
<td>0.4</td>
</tr>
<tr>
<td>Utilities</td>
<td>0.0</td>
<td>1.6</td>
<td>0.8</td>
<td>5.8</td>
<td>(5.0)</td>
</tr>
</tbody>
</table>

Data Source: Wells Fargo, Artisan, InvestorForce
Equity Sector (Small-Cap)

Periods Ending December 31, 2012 - Performance

Universe Comparisons (Trailing Periods)
Manager vs Zephyr Small Core Universe (Morningstar): Return
January 1997 - December 2012 (not annualized if less than 1 year)

<table>
<thead>
<tr>
<th>Period</th>
<th>Royce Opportunity</th>
<th>Russell 2000</th>
<th>5th to 25th Percentile</th>
<th>25th Percentile to Median</th>
<th>Median to 75th Percentile</th>
<th>75th to 95th Percentile</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 quarter</td>
<td>3.01%</td>
<td>1.85%</td>
<td>16.54%</td>
<td>16.35%</td>
<td>12.34%</td>
<td>12.25%</td>
</tr>
<tr>
<td>1 year</td>
<td>3.59%</td>
<td>4.79%</td>
<td>12.34%</td>
<td>12.25%</td>
<td>4.79%</td>
<td>3.56%</td>
</tr>
<tr>
<td>3 years</td>
<td>5th to 25th Percentile</td>
<td>Royce Opportunity</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>5 years</td>
<td>25th Percentile to Median</td>
<td>Russell 2000</td>
<td>6.8%</td>
<td>6.8%</td>
<td>6.8%</td>
<td>6.8%</td>
</tr>
<tr>
<td>3 years</td>
<td>Median to 75th Percentile</td>
<td>6.8%</td>
<td>5.7%</td>
<td>5.7%</td>
<td>5.7%</td>
<td>5.7%</td>
</tr>
<tr>
<td>5 years</td>
<td>75th to 95th Percentile</td>
<td>6.8%</td>
<td>3.6%</td>
<td>3.6%</td>
<td>3.6%</td>
<td>3.6%</td>
</tr>
</tbody>
</table>

Universe Comparisons (Rolling Three Years)
Manager vs Zephyr Small Core Universe (Morningstar): Return Rank
January 1997 - December 2012 (20-Quarter Moving Windows, Computed Quarterly)

<table>
<thead>
<tr>
<th>Period</th>
<th>Royce Opportunity</th>
<th>Russell 2000</th>
<th>5th to 25th Percentile</th>
<th>25th Percentile to Median</th>
<th>Median to 75th Percentile</th>
<th>75th to 95th Percentile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep 2002</td>
<td>45 mng</td>
<td>65 mng</td>
<td>88 mng</td>
<td>88 mng</td>
<td>88 mng</td>
<td>88 mng</td>
</tr>
<tr>
<td>Oct 2002</td>
<td>51 mng</td>
<td>71 mng</td>
<td>91 mng</td>
<td>91 mng</td>
<td>91 mng</td>
<td>91 mng</td>
</tr>
<tr>
<td>Nov 2002</td>
<td>57 mng</td>
<td>77 mng</td>
<td>94 mng</td>
<td>94 mng</td>
<td>94 mng</td>
<td>94 mng</td>
</tr>
<tr>
<td>Dec 2002</td>
<td>62 mng</td>
<td>81 mng</td>
<td>97 mng</td>
<td>97 mng</td>
<td>97 mng</td>
<td>97 mng</td>
</tr>
<tr>
<td>Jan 2003</td>
<td>67 mng</td>
<td>85 mng</td>
<td>99 mng</td>
<td>99 mng</td>
<td>99 mng</td>
<td>99 mng</td>
</tr>
<tr>
<td>Feb 2003</td>
<td>72 mng</td>
<td>91 mng</td>
<td>103 mng</td>
<td>103 mng</td>
<td>103 mng</td>
<td>103 mng</td>
</tr>
<tr>
<td>Mar 2003</td>
<td>77 mng</td>
<td>97 mng</td>
<td>107 mng</td>
<td>107 mng</td>
<td>107 mng</td>
<td>107 mng</td>
</tr>
<tr>
<td>Apr 2003</td>
<td>82 mng</td>
<td>101 mng</td>
<td>111 mng</td>
<td>111 mng</td>
<td>111 mng</td>
<td>111 mng</td>
</tr>
<tr>
<td>May 2003</td>
<td>87 mng</td>
<td>105 mng</td>
<td>115 mng</td>
<td>115 mng</td>
<td>115 mng</td>
<td>115 mng</td>
</tr>
<tr>
<td>Jun 2003</td>
<td>92 mng</td>
<td>109 mng</td>
<td>119 mng</td>
<td>119 mng</td>
<td>119 mng</td>
<td>119 mng</td>
</tr>
<tr>
<td>Jul 2003</td>
<td>97 mng</td>
<td>113 mng</td>
<td>123 mng</td>
<td>123 mng</td>
<td>123 mng</td>
<td>123 mng</td>
</tr>
<tr>
<td>Aug 2003</td>
<td>101 mng</td>
<td>117 mng</td>
<td>127 mng</td>
<td>127 mng</td>
<td>127 mng</td>
<td>127 mng</td>
</tr>
<tr>
<td>Sep 2003</td>
<td>104 mng</td>
<td>120 mng</td>
<td>131 mng</td>
<td>131 mng</td>
<td>131 mng</td>
<td>131 mng</td>
</tr>
<tr>
<td>Oct 2003</td>
<td>107 mng</td>
<td>123 mng</td>
<td>134 mng</td>
<td>134 mng</td>
<td>134 mng</td>
<td>134 mng</td>
</tr>
<tr>
<td>Nov 2003</td>
<td>109 mng</td>
<td>125 mng</td>
<td>136 mng</td>
<td>136 mng</td>
<td>136 mng</td>
<td>136 mng</td>
</tr>
<tr>
<td>Dec 2003</td>
<td>110 mng</td>
<td>126 mng</td>
<td>137 mng</td>
<td>137 mng</td>
<td>137 mng</td>
<td>137 mng</td>
</tr>
<tr>
<td>Jan 2004</td>
<td>110 mng</td>
<td>126 mng</td>
<td>137 mng</td>
<td>137 mng</td>
<td>137 mng</td>
<td>137 mng</td>
</tr>
<tr>
<td>Feb 2004</td>
<td>109 mng</td>
<td>124 mng</td>
<td>135 mng</td>
<td>135 mng</td>
<td>135 mng</td>
<td>135 mng</td>
</tr>
<tr>
<td>Mar 2004</td>
<td>106 mng</td>
<td>121 mng</td>
<td>132 mng</td>
<td>132 mng</td>
<td>132 mng</td>
<td>132 mng</td>
</tr>
<tr>
<td>Apr 2004</td>
<td>102 mng</td>
<td>117 mng</td>
<td>128 mng</td>
<td>128 mng</td>
<td>128 mng</td>
<td>128 mng</td>
</tr>
<tr>
<td>May 2004</td>
<td>98 mng</td>
<td>113 mng</td>
<td>124 mng</td>
<td>124 mng</td>
<td>124 mng</td>
<td>124 mng</td>
</tr>
<tr>
<td>Jun 2004</td>
<td>94 mng</td>
<td>109 mng</td>
<td>120 mng</td>
<td>120 mng</td>
<td>120 mng</td>
<td>120 mng</td>
</tr>
<tr>
<td>Jul 2004</td>
<td>90 mng</td>
<td>105 mng</td>
<td>116 mng</td>
<td>116 mng</td>
<td>116 mng</td>
<td>116 mng</td>
</tr>
<tr>
<td>Aug 2004</td>
<td>85 mng</td>
<td>101 mng</td>
<td>112 mng</td>
<td>112 mng</td>
<td>112 mng</td>
<td>112 mng</td>
</tr>
<tr>
<td>Sep 2004</td>
<td>80 mng</td>
<td>97 mng</td>
<td>108 mng</td>
<td>108 mng</td>
<td>108 mng</td>
<td>108 mng</td>
</tr>
<tr>
<td>Oct 2004</td>
<td>75 mng</td>
<td>93 mng</td>
<td>104 mng</td>
<td>104 mng</td>
<td>104 mng</td>
<td>104 mng</td>
</tr>
<tr>
<td>Nov 2004</td>
<td>70 mng</td>
<td>89 mng</td>
<td>100 mng</td>
<td>100 mng</td>
<td>100 mng</td>
<td>100 mng</td>
</tr>
<tr>
<td>Dec 2004</td>
<td>65 mng</td>
<td>85 mng</td>
<td>96 mng</td>
<td>96 mng</td>
<td>96 mng</td>
<td>96 mng</td>
</tr>
</tbody>
</table>

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Equity Sector (Small-Cap)

Periods Ending December 31, 2012—Risk Measures

### Return/Risk (January 2003 - December 2012)

**Return/Risk (January 2003 - December 2012)**

**Zephyr StyleADVISOR: Wells Fargo Advisors**

<table>
<thead>
<tr>
<th>Period Ending</th>
<th>Return</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2003 - December 2012</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Annualized Summary Statistics: January 2003 - December 2012**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royce Opportunity</td>
<td>12.13</td>
<td>29.31</td>
<td>1.32</td>
<td>0.33</td>
<td>95.51</td>
<td>0.36</td>
<td>40.00</td>
</tr>
<tr>
<td>Russell 2000</td>
<td>9.72</td>
<td>21.62</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.37</td>
<td>40.00</td>
</tr>
</tbody>
</table>

### Return/Risk (Five Years Ending December 2012)

**Return/Risk (Five Years Ending December 2012)**

**Zephyr StyleADVISOR: Wells Fargo Advisors**

<table>
<thead>
<tr>
<th>Period Ending</th>
<th>Return</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2008 - December 2012</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Annualized Summary Statistics: January 2008 - December 2012**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royce Opportunity</td>
<td>4.79</td>
<td>36.23</td>
<td>1.34</td>
<td>1.81</td>
<td>95.67</td>
<td>0.12</td>
<td>20.00</td>
</tr>
<tr>
<td>Russell 2000</td>
<td>3.56</td>
<td>26.39</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.12</td>
<td>20.00</td>
</tr>
</tbody>
</table>

### Information Ratio (Periods Ending December 2012)

**Information Ratio (Periods Ending December 2012)**

**Zephyr StyleADVISOR: Wells Fargo Advisors**

<table>
<thead>
<tr>
<th>Period Ending</th>
<th>Information Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2003 - December 2012</td>
<td>0.93</td>
</tr>
<tr>
<td>Russell 2000</td>
<td>0.07</td>
</tr>
</tbody>
</table>

**Manager vs Benchmark: Information Ratio**

**Periods Ending December 2012 (not annualized if less than 1 year)**

<table>
<thead>
<tr>
<th>Period Ending</th>
<th>Information Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>0.44</td>
</tr>
<tr>
<td>3 years</td>
<td>0.44</td>
</tr>
<tr>
<td>5 years</td>
<td>0.44</td>
</tr>
</tbody>
</table>

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Top Ten Equity Holdings

<table>
<thead>
<tr>
<th>Company</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apogee Enterprises</td>
<td>0.8%</td>
</tr>
<tr>
<td>Kaiser Aluminum</td>
<td>0.8%</td>
</tr>
<tr>
<td>NCI Building Systems</td>
<td>0.8%</td>
</tr>
<tr>
<td>Piper Jaffray</td>
<td>0.7%</td>
</tr>
<tr>
<td>Texas Industries</td>
<td>0.7%</td>
</tr>
<tr>
<td>Quanex Building</td>
<td>0.7%</td>
</tr>
<tr>
<td>Unifi</td>
<td>0.7%</td>
</tr>
<tr>
<td>Jones Group</td>
<td>0.7%</td>
</tr>
<tr>
<td>RTI International Metals</td>
<td>0.7%</td>
</tr>
<tr>
<td>OM Group</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

Average Capitalization ($MM) 632 1,310
Yield 0.0 1.2
P/E Ratio 13.7 15.5
Price/Book 1.2 2.4
# Holdings 304 1979

Sector Allocation

<table>
<thead>
<tr>
<th>Sector</th>
<th>% of Portfolio</th>
<th>Russell 2000</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>5.3</td>
<td>6.1</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Materials</td>
<td>10.2</td>
<td>5.3</td>
<td>4.9</td>
</tr>
<tr>
<td>Industrials</td>
<td>22.4</td>
<td>15.7</td>
<td>6.7</td>
</tr>
<tr>
<td>Consumer Discretionary</td>
<td>17.9</td>
<td>14.1</td>
<td>3.8</td>
</tr>
<tr>
<td>Consumer Staples</td>
<td>0.8</td>
<td>3.5</td>
<td>(2.7)</td>
</tr>
<tr>
<td>Health Care</td>
<td>3.7</td>
<td>12.1</td>
<td>(8.4)</td>
</tr>
<tr>
<td>Financials</td>
<td>13.8</td>
<td>22.6</td>
<td>(8.8)</td>
</tr>
<tr>
<td>Information Technology</td>
<td>25.5</td>
<td>16.6</td>
<td>8.9</td>
</tr>
<tr>
<td>Telecom Service</td>
<td>0.4</td>
<td>0.7</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Utilities</td>
<td>0.0</td>
<td>3.4</td>
<td>(3.4)</td>
</tr>
</tbody>
</table>

* Source: Royce, VESTEK

Equity Sector (Small-Cap) Characteristics - As of December 31, 2012

Sector Distribution

- Energy: 10.2%
- Materials: 22.4%
- Industrials: 25.5%
- Financials: 13.8%
- Information Technology: 3.7%
- Telecom: 0.4%
- Utilities: 0.0%
- Health Care: 3.7%
- Cons. Staples: 0.8%
- Cons. Disc.: 17.9%
Equity Sector (International Developed)

Periods Ending December 31, 2012—Performance*

* Please note that we have linked Arrio’s composite historical returns for periods prior to 6/1/09 with BOV actual results starting with June 2009.

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### Equity Sector (International Developed)

**Periods Ending December 31, 2012 – Risk Measures**

#### Return/Risk (July 1996 - December 2012)

**Zephyr SherAdVISOR: Wells Fargo Advisors**

<table>
<thead>
<tr>
<th>Period</th>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dodge &amp; Cox (Delaware prior to Feb)</td>
<td>6.64</td>
<td>18.37</td>
<td>0.84</td>
<td>2.64</td>
<td>88.86</td>
<td>0.21</td>
<td>66.00</td>
</tr>
<tr>
<td>MSCI EAFE Index</td>
<td>4.58</td>
<td>20.68</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.09</td>
<td>66.00</td>
</tr>
</tbody>
</table>

#### Return/Risk (June 2009 - December 2012)

**Zephyr SherAdVISOR: Wells Fargo Advisors**

<table>
<thead>
<tr>
<th>Period</th>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artio International Equity</td>
<td>10.77</td>
<td>24.02</td>
<td>1.01</td>
<td>-4.46</td>
<td>97.63</td>
<td>0.44</td>
<td>15.00</td>
</tr>
<tr>
<td>MSCI EAFE Index</td>
<td>15.76</td>
<td>23.43</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.67</td>
<td>15.00</td>
</tr>
</tbody>
</table>

#### Return/Risk (Five Years Ending December 2012)

**Zephyr SherAdVISOR: Wells Fargo Advisors**

<table>
<thead>
<tr>
<th>Period</th>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dodge &amp; Cox (Delaware prior to Feb)</td>
<td>-3.32</td>
<td>23.49</td>
<td>0.87</td>
<td>-0.79</td>
<td>95.59</td>
<td>-0.16</td>
<td>20.00</td>
</tr>
<tr>
<td>Artio International Equity</td>
<td>-5.99</td>
<td>25.90</td>
<td>0.97</td>
<td>-2.90</td>
<td>97.87</td>
<td>-0.25</td>
<td>20.00</td>
</tr>
<tr>
<td>MSCI EAFE Index</td>
<td>-3.21</td>
<td>26.35</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>-0.14</td>
<td>20.00</td>
</tr>
</tbody>
</table>

#### Information Ratio (Periods Ending December 2012)

**Zephyr SherAdVISOR: Wells Fargo Advisors**

<table>
<thead>
<tr>
<th>Period</th>
<th>Information Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dodge &amp; Cox (Delaware prior to Feb)</td>
<td>-0.63</td>
<td>20.00</td>
</tr>
<tr>
<td>Artio International Equity</td>
<td>-0.51</td>
<td>15.00</td>
</tr>
</tbody>
</table>

---

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## Equity Sector (International Developed)

### Characteristics - As of December 31, 2012

#### Characteristics

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Dodge &amp; Cox</th>
<th>Artio</th>
<th>Combined BOV Weight</th>
<th>MSCI EAFE</th>
<th>Over/Under Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. Capitalization ($MM)</td>
<td>61,000</td>
<td>67,010)</td>
<td>63,941</td>
<td>53,000</td>
<td>10,941</td>
</tr>
<tr>
<td>Price/Book Ratio (x)</td>
<td>1.0</td>
<td>1.5</td>
<td>1.3</td>
<td>1.3</td>
<td>(0.0)</td>
</tr>
<tr>
<td>P/E Ratio (x)</td>
<td>10.8</td>
<td>14.4</td>
<td>12.5</td>
<td>12.1</td>
<td>0.4</td>
</tr>
<tr>
<td>Dividend Yield (%)</td>
<td>2.2</td>
<td>3.1</td>
<td>2.6</td>
<td>3.3</td>
<td>(0.6)</td>
</tr>
<tr>
<td># of Holdings</td>
<td>90</td>
<td>144</td>
<td>234</td>
<td>909</td>
<td>(675)</td>
</tr>
</tbody>
</table>

#### Sector Distribution

<table>
<thead>
<tr>
<th>Sector</th>
<th>Dodge &amp; Cox</th>
<th>Artio</th>
<th>Combined BOV Weight</th>
<th>MSCI EAFE</th>
<th>Over / (Under)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Discret.</td>
<td>13.1</td>
<td>16.6</td>
<td>14.8</td>
<td>10.7</td>
<td>4.1</td>
</tr>
<tr>
<td>Consumer Staples</td>
<td>2.4</td>
<td>11.7</td>
<td>7.0</td>
<td>11.6</td>
<td>(4.6)</td>
</tr>
<tr>
<td>Energy</td>
<td>5.5</td>
<td>3.3</td>
<td>4.4</td>
<td>7.7</td>
<td>(3.3)</td>
</tr>
<tr>
<td>Financials</td>
<td>25.5</td>
<td>27.3</td>
<td>26.4</td>
<td>24.7</td>
<td>1.7</td>
</tr>
<tr>
<td>Health Care</td>
<td>15.7</td>
<td>12.8</td>
<td>14.3</td>
<td>9.8</td>
<td>4.5</td>
</tr>
<tr>
<td>Industrials</td>
<td>9.2</td>
<td>10.0</td>
<td>9.6</td>
<td>12.6</td>
<td>(3.0)</td>
</tr>
<tr>
<td>Info. Technology</td>
<td>11.7</td>
<td>5.9</td>
<td>8.8</td>
<td>4.3</td>
<td>4.5</td>
</tr>
<tr>
<td>Materials</td>
<td>8.3</td>
<td>6.7</td>
<td>7.5</td>
<td>9.8</td>
<td>(2.3)</td>
</tr>
<tr>
<td>Telecomm</td>
<td>8.6</td>
<td>4.4</td>
<td>6.6</td>
<td>4.9</td>
<td>1.7</td>
</tr>
<tr>
<td>Utilities</td>
<td>0.0</td>
<td>1.3</td>
<td>0.6</td>
<td>3.7</td>
<td>(3.1)</td>
</tr>
</tbody>
</table>

#### Top Ten Equity Holdings

<table>
<thead>
<tr>
<th>dodge &amp; cox Top Ten</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Ten Equity Holdings</td>
<td>Novartis Ltd.</td>
</tr>
<tr>
<td></td>
<td>4.0</td>
</tr>
<tr>
<td></td>
<td>Sanofi</td>
</tr>
<tr>
<td></td>
<td>3.7</td>
</tr>
<tr>
<td></td>
<td>Roche Holding  AG</td>
</tr>
<tr>
<td></td>
<td>3.7</td>
</tr>
<tr>
<td></td>
<td>Lafarge SA</td>
</tr>
<tr>
<td></td>
<td>3.4</td>
</tr>
<tr>
<td></td>
<td>Koninklijke Philips Electronics</td>
</tr>
<tr>
<td></td>
<td>3.0</td>
</tr>
<tr>
<td></td>
<td>Novartis AG</td>
</tr>
<tr>
<td></td>
<td>2.8</td>
</tr>
<tr>
<td></td>
<td>GlaxoSmithKline</td>
</tr>
<tr>
<td></td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td>HSBC Holdings</td>
</tr>
<tr>
<td></td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td>Bayer AG</td>
</tr>
<tr>
<td></td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td>Credit Suisse Group</td>
</tr>
<tr>
<td></td>
<td>2.6</td>
</tr>
</tbody>
</table>

#### Artio Top Ten

<table>
<thead>
<tr>
<th>artio Top Ten</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Ten Equity Holdings</td>
<td>Novartis AG</td>
</tr>
<tr>
<td></td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td>Nestle SA</td>
</tr>
<tr>
<td></td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td>Sanofi</td>
</tr>
<tr>
<td></td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td>BRD Group Societe Generale</td>
</tr>
<tr>
<td></td>
<td>2.4</td>
</tr>
<tr>
<td></td>
<td>Roche Holding</td>
</tr>
<tr>
<td></td>
<td>2.3</td>
</tr>
<tr>
<td></td>
<td>Diageo PLC</td>
</tr>
<tr>
<td></td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td>Toyota Motor</td>
</tr>
<tr>
<td></td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td>Samsung Electronics</td>
</tr>
<tr>
<td></td>
<td>2.1</td>
</tr>
<tr>
<td></td>
<td>HSBC Holdings</td>
</tr>
<tr>
<td></td>
<td>1.9</td>
</tr>
<tr>
<td></td>
<td>Taiwan Semiconductor</td>
</tr>
<tr>
<td></td>
<td>1.6</td>
</tr>
</tbody>
</table>

Data Source: Dodge & Cox, Artio, MSCI EAFE

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### Equity Sector (International Developed)
#### Characteristics - As of December 31, 2012

**Country Distribution**

<table>
<thead>
<tr>
<th>Country</th>
<th>Dodge &amp; Cox Weight</th>
<th>Artio Weight</th>
<th>Combined BOV Weight</th>
<th>EAFE Weight</th>
<th>Over / (Under)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>0.0</td>
<td>0.4</td>
<td>0.2</td>
<td>8.9</td>
<td>(8.7)</td>
</tr>
<tr>
<td>Austria</td>
<td>0.8</td>
<td>0.1</td>
<td>0.4</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Belgium</td>
<td>0.0</td>
<td>0.4</td>
<td>0.2</td>
<td>1.2</td>
<td>(1.0)</td>
</tr>
<tr>
<td>Denmark</td>
<td>0.0</td>
<td>1.2</td>
<td>0.6</td>
<td>1.2</td>
<td>(0.6)</td>
</tr>
<tr>
<td>Finland</td>
<td>1.3</td>
<td>0.0</td>
<td>0.7</td>
<td>0.7</td>
<td>(0.0)</td>
</tr>
<tr>
<td>France</td>
<td>10.9</td>
<td>13.4</td>
<td>12.1</td>
<td>9.2</td>
<td>2.9</td>
</tr>
<tr>
<td>Germany</td>
<td>7.3</td>
<td>11.5</td>
<td>9.4</td>
<td>8.6</td>
<td>0.8</td>
</tr>
<tr>
<td>Greece</td>
<td>0.0</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>1.5</td>
<td>1.7</td>
<td>1.6</td>
<td>3.1</td>
<td>(1.5)</td>
</tr>
<tr>
<td>Ireland</td>
<td>0.0</td>
<td>0.5</td>
<td>0.2</td>
<td>0.3</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Italy</td>
<td>2.4</td>
<td>3.0</td>
<td>2.7</td>
<td>2.2</td>
<td>0.5</td>
</tr>
<tr>
<td>Japan</td>
<td>11.7</td>
<td>13.5</td>
<td>12.6</td>
<td>20.1</td>
<td>(7.5)</td>
</tr>
<tr>
<td>Netherlands</td>
<td>5.1</td>
<td>3.2</td>
<td>4.1</td>
<td>2.5</td>
<td>1.6</td>
</tr>
<tr>
<td>New Zealand</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Norway</td>
<td>0.4</td>
<td>0.3</td>
<td>0.4</td>
<td>1.0</td>
<td>(0.6)</td>
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<tr>
<td>Portugal</td>
<td>0.0</td>
<td>0.3</td>
<td>0.1</td>
<td>0.2</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Singapore/Malaysia</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>1.9</td>
<td>(1.9)</td>
</tr>
<tr>
<td>Spain</td>
<td>1.1</td>
<td>2.6</td>
<td>1.8</td>
<td>2.9</td>
<td>(1.1)</td>
</tr>
<tr>
<td>Sweden</td>
<td>1.5</td>
<td>2.0</td>
<td>1.8</td>
<td>3.2</td>
<td>(1.4)</td>
</tr>
<tr>
<td>Switzerland</td>
<td>13.2</td>
<td>14.6</td>
<td>13.9</td>
<td>8.6</td>
<td>5.3</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>17.9</td>
<td>15.0</td>
<td>16.5</td>
<td>23.2</td>
<td>(6.7)</td>
</tr>
<tr>
<td>Other</td>
<td>24.7</td>
<td>16.3</td>
<td>20.6</td>
<td>0.6</td>
<td>20.0</td>
</tr>
</tbody>
</table>

**Regional Distribution**

- **BOV Developed International**
  - Europe 65.0%
  - Japan 12.6%
  - Pacific Rim 1.8%
  - Other 20.6%

**Data Source:** Dodge & Cox, Artio, MSCI EAFE

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Equity Sector (Emerging Markets)  
Periods Ending December 31, 2012 - Performance
Equity Sector (Emerging Markets)
Periods Ending December 31, 2012– Risk Measures

Return/Risk (January 2003 - December 2012)
Periods Ending December 31, 2012– Risk Measures

<table>
<thead>
<tr>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSgA - Emg Mkts</td>
<td>15.73</td>
<td>27.27</td>
<td>1.03</td>
<td>-1.30</td>
<td>99.19</td>
<td>0.51</td>
</tr>
<tr>
<td>MSCI EMERGING MKETS</td>
<td>16.88</td>
<td>26.34</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.58</td>
</tr>
</tbody>
</table>

Return/Risk (Five Years Ending December 2012)

<table>
<thead>
<tr>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSgA - Emg Mkts</td>
<td>-3.06</td>
<td>32.32</td>
<td>1.03</td>
<td>-2.13</td>
<td>99.25</td>
<td>-0.11</td>
</tr>
<tr>
<td>MSCI EMERGING MKETS</td>
<td>-0.61</td>
<td>31.35</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>-0.03</td>
</tr>
</tbody>
</table>

Information Ratio (Periods Ending December 2012)
Manager vs Benchmark: Information Ratio

<table>
<thead>
<tr>
<th>Information Ratio</th>
<th>Obsrvs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSgA - Emg Mkts</td>
<td>-0.17</td>
</tr>
<tr>
<td>MSCI EMERGING MKETS</td>
<td>-0.23</td>
</tr>
<tr>
<td></td>
<td>-0.84</td>
</tr>
</tbody>
</table>
Equity Sector (Emerging Markets)
Characteristics - As of December 31, 2012

Country Distribution

Top Ten (as of November 30, 2012)

<table>
<thead>
<tr>
<th>Top Ten Equity Holdings</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAMSUNG ELECTRONICS CO LTD</td>
<td>4.6%</td>
</tr>
<tr>
<td>CHINA MOBILE LTD</td>
<td>2.6%</td>
</tr>
<tr>
<td>TURKDEX ISE 30 FUTURES DEC12</td>
<td>2.3%</td>
</tr>
<tr>
<td>VALE SA-SP ADR</td>
<td>2.3%</td>
</tr>
<tr>
<td>TAIWAN SEMICONDUCTOR MANUFAC</td>
<td>2.1%</td>
</tr>
<tr>
<td>OAO GAZPROM ADR</td>
<td>2.0%</td>
</tr>
<tr>
<td>CHINA CONSTRUCTION BANK</td>
<td>1.7%</td>
</tr>
<tr>
<td>HYUNDAI MOTOR CO</td>
<td>1.7%</td>
</tr>
<tr>
<td>LUKOIL OAO</td>
<td>1.7%</td>
</tr>
<tr>
<td>TENCENT HOLDINGS LTD</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

Data Source: State Street, MSCI
### III. Fixed Income Sector (US Bonds)

**Periods Ending December 31, 2012 - Performance**

#### Universe Comparisons (Trailing Periods)

Manager vs Morningstar Intermediate-Term Bond: Return
January 1993 - December 2012 (not annualized if less than 1 year)

<table>
<thead>
<tr>
<th>Return</th>
<th>PIMCO Total Return</th>
<th>Pioneer Strategic Income</th>
<th>Barclays U.S. Aggregate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 quarter</td>
<td>200%</td>
<td>114%</td>
<td>138%</td>
</tr>
<tr>
<td>1 year</td>
<td>184%</td>
<td>118%</td>
<td>128%</td>
</tr>
<tr>
<td>5 years</td>
<td>163%</td>
<td>107%</td>
<td>120%</td>
</tr>
<tr>
<td>8 years</td>
<td>152%</td>
<td>97%</td>
<td>118%</td>
</tr>
<tr>
<td>10 years</td>
<td>145%</td>
<td>92%</td>
<td>116%</td>
</tr>
</tbody>
</table>

#### Universe Comparisons (Rolling Three Years)

Manager vs Morningstar Intermediate-Term Bond: Return Rank
January 1993 - December 2012 (20-Quarter Moving Windows, Computed Quarterly)

<table>
<thead>
<tr>
<th>Return Rank</th>
<th>PIMCO Total Return</th>
<th>Pioneer Strategic Income</th>
<th>Barclays U.S. Aggregate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median</td>
<td>7.1%</td>
<td>4.3%</td>
<td>6.1%</td>
</tr>
<tr>
<td>25th to 75th Percentile</td>
<td>7.1%</td>
<td>4.3%</td>
<td>6.1%</td>
</tr>
<tr>
<td>75th to 95th Percentile</td>
<td>7.1%</td>
<td>4.3%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>

*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 December 31, 2012– Risk Measures**

---

*Longer time periods are shown for illustrative purposes. PIMCO Total Return Fund and Pioneer Strategic Income Fund actual performance began on 11/3/09.*
## Fixed Income Sector (US Bonds)

### Characteristics

#### As of December 31, 2012

<table>
<thead>
<tr>
<th>Sector Allocation</th>
<th>PIMCO Total Return</th>
<th>Pioneer Strategic Income</th>
<th>Fixed Combined</th>
<th>Barclays Aggregate</th>
<th>Over/(Under) Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modified Adj. Duration</td>
<td>4.8</td>
<td>4.1</td>
<td>4.4</td>
<td>4.8</td>
<td>(0.4)</td>
</tr>
<tr>
<td>Average Maturity</td>
<td>5.9</td>
<td>10.0</td>
<td>8.0</td>
<td>6.1</td>
<td>1.9</td>
</tr>
</tbody>
</table>

#### Sector Distribution

<table>
<thead>
<tr>
<th>Sector Allocation</th>
<th>PIMCO Total Return</th>
<th>Pioneer Strategic Income</th>
<th>Fixed Combined</th>
<th>Barclays Aggregate</th>
<th>Over/(Under) Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Treasury/Agency</td>
<td>30.0</td>
<td>6.2</td>
<td>18.1</td>
<td>46.7</td>
<td>(28.6)</td>
</tr>
<tr>
<td>Corporate</td>
<td>25.0</td>
<td>40.1</td>
<td>32.6</td>
<td>21.5</td>
<td>11.1</td>
</tr>
<tr>
<td>Mortgage</td>
<td>23.0</td>
<td>9.9</td>
<td>16.4</td>
<td>31.4</td>
<td>(15.0)</td>
</tr>
<tr>
<td>Asset-Backed</td>
<td>0.0</td>
<td>5.0</td>
<td>2.5</td>
<td>0.4</td>
<td>2.2</td>
</tr>
<tr>
<td>Other</td>
<td>13.0</td>
<td>38.2</td>
<td>25.6</td>
<td>0.0</td>
<td>25.6</td>
</tr>
<tr>
<td>Cash &amp; Equivalents</td>
<td>9.0</td>
<td>0.6</td>
<td>4.8</td>
<td>0.0</td>
<td>4.8</td>
</tr>
</tbody>
</table>

Data Source: PIMCO, Pioneer, Barclays Capital
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Fixed Income Sector (Global Bonds)
Periods Ending December 31, 2012 - Performance

Universe Comparisons (Trailing Periods)
Manager vs Morningstar World Bond: Return
January 1996 - December 2012 (not annualized if less than 1 year)

Universe Comparisons (Rolling Three Years)
Manager vs Morningstar World Bond: Return
January 1996 - December 2012 (20-Quarter Moving Windows, Computed Quarterly)
Fixed Income Sector (Global Bonds)
Periods Ending December 31, 2012– Risk Measures

**Return/Risk (January 2003 - December 2012)**

<table>
<thead>
<tr>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared vs. Market</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMO Global Bond</td>
<td>6.88</td>
<td>9.24</td>
<td>0.67</td>
<td>3.01</td>
<td>28.98</td>
<td>0.56</td>
</tr>
<tr>
<td>Citi World Govt Bond Index</td>
<td>6.04</td>
<td>7.41</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>0.59</td>
</tr>
</tbody>
</table>

**Information Ratio (Periods Ending December 2012)**

<table>
<thead>
<tr>
<th>Return/Market</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMO Global Bond</td>
<td>3.14</td>
<td>2.64</td>
</tr>
<tr>
<td>Citi World Govt Bond Index</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Fixed Income Sector (Global Bonds)**

**Characteristics - As of September 30, 2012**

*December 31, 2012 Data Not Available – All Data as of September 30, 2012*

### Basic Characteristics

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modified Duration</td>
<td>5.8</td>
</tr>
<tr>
<td>Average Coupon</td>
<td>3.1%</td>
</tr>
<tr>
<td>Average Maturity</td>
<td>7.2</td>
</tr>
<tr>
<td>Average Yield</td>
<td>6.6%</td>
</tr>
<tr>
<td>Emg Country Debt</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

### Country Exposure

![Country Exposure Chart](chart1)

### Currency Exposure

![Currency Exposure Chart](chart2)

**Data Source:** GMO

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**Fixed Income Sector (Emerging Market)**

**Periods Ending December 31, 2012 – Risk Measures**

---

**Return/Risk (January 2003 - December 2012)**

**January 2003 - December 2012 (Single Computation)**

<table>
<thead>
<tr>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared vs. Market</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMO Emerg Country Debt</td>
<td>14.99</td>
<td>14.57</td>
<td>1.63</td>
<td>-2.47</td>
<td>84.72</td>
<td>0.91</td>
</tr>
<tr>
<td>JPM EMBI Global Diversified</td>
<td>10.98</td>
<td>8.21</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>1.13</td>
</tr>
</tbody>
</table>

---

**Return/Risk (Five Years Ending December 2012)**

**January 2008 - December 2012 (Single Computation)**

<table>
<thead>
<tr>
<th>Return (%)</th>
<th>Std Dev (%)</th>
<th>Beta vs. Market</th>
<th>Alpha vs. Market</th>
<th>R-Squared vs. Market</th>
<th>Sharpe Ratio</th>
<th>Observs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMO Emerg Country Debt</td>
<td>11.40</td>
<td>18.69</td>
<td>1.87</td>
<td>-6.09</td>
<td>87.16</td>
<td>0.59</td>
</tr>
<tr>
<td>JPM EMBI Global Diversified</td>
<td>10.08</td>
<td>9.34</td>
<td>1.00</td>
<td>0.00</td>
<td>100.00</td>
<td>1.03</td>
</tr>
</tbody>
</table>

---

**Information Ratio (Periods Ending December 2012)**

**Manager vs Benchmark: Information Ratio**

**January 2003 - December 2012 (not annualized if less than 1 year)**

<table>
<thead>
<tr>
<th>GMO Emerg Country Debt</th>
<th>Information Ratio</th>
<th>JPM EMBI Global Diversified</th>
<th>Information Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>1.46</td>
<td>1.45</td>
<td>0.13</td>
</tr>
<tr>
<td>3 years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 years</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

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Fixed Income Sector (Emerging Market)
Characteristics - As of September 30, 2012

<table>
<thead>
<tr>
<th>Currency Exposure</th>
<th>% of Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dollar</td>
<td>93.2</td>
</tr>
<tr>
<td>Euro</td>
<td>3.7</td>
</tr>
<tr>
<td>Japanese Yen</td>
<td>1.2</td>
</tr>
<tr>
<td>Hong Kong Dollar</td>
<td>0.0</td>
</tr>
<tr>
<td>Swiss Francs</td>
<td>0.2</td>
</tr>
<tr>
<td>Thailand Baht</td>
<td>0.1</td>
</tr>
<tr>
<td>S. African Unitary Rand</td>
<td>0.1</td>
</tr>
<tr>
<td>Argentina Peso</td>
<td>-0.1</td>
</tr>
<tr>
<td>British Pounds Sterling</td>
<td>0.9</td>
</tr>
<tr>
<td>Malaysian Ringgits</td>
<td>0.8</td>
</tr>
<tr>
<td>Brazilian Reais</td>
<td>0.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>YTM</td>
<td>5.9%</td>
</tr>
<tr>
<td>Maturity</td>
<td>14.8</td>
</tr>
<tr>
<td>Modified Duration</td>
<td>6.1</td>
</tr>
<tr>
<td>Avg. Credit Rating</td>
<td>BB</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quality Distribution</th>
<th>% of Fund</th>
<th>% of Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Grade</td>
<td>27.9</td>
<td>56.3</td>
</tr>
<tr>
<td>BB</td>
<td>39.3</td>
<td>33.1</td>
</tr>
<tr>
<td>B</td>
<td>24.4</td>
<td>8.7</td>
</tr>
<tr>
<td>&lt;B</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Not Rated</td>
<td>8.4</td>
<td>0.9</td>
</tr>
</tbody>
</table>

December 31, 2012 Data Not Available – All Data as of September 30, 2012

Country Overweights/Underweights

Data Source: GMO
### Alternative Breakdown (%)

<table>
<thead>
<tr>
<th>Manager</th>
<th>% of Account</th>
<th>Estimated Market Value</th>
<th>Verified Values</th>
<th>Verified As Of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aurora Diversified II</td>
<td>16.3%</td>
<td>$954,064</td>
<td>$945,929</td>
<td>10/31/2012</td>
</tr>
<tr>
<td>BlueTrend</td>
<td>7.8%</td>
<td>$455,719</td>
<td>$455,991</td>
<td>11/30/2012</td>
</tr>
<tr>
<td>Dorchester</td>
<td>8.7%</td>
<td>$513,286</td>
<td>$513,411</td>
<td>11/30/2012</td>
</tr>
<tr>
<td>Graham</td>
<td>5.6%</td>
<td>$326,690</td>
<td>$326,846</td>
<td>11/30/2012</td>
</tr>
<tr>
<td>ABS (formerly K2 L/S)</td>
<td>9.7%</td>
<td>$781,910</td>
<td>$781,754</td>
<td>10/31/2012</td>
</tr>
<tr>
<td>Managed Futures Legends</td>
<td>13.3%</td>
<td>$781,190</td>
<td>$781,754</td>
<td>11/30/2012</td>
</tr>
<tr>
<td>Corbin Pinehurst</td>
<td>28.9%</td>
<td>$1,696,852</td>
<td>$1,691,271</td>
<td>10/31/2012</td>
</tr>
<tr>
<td>Gresham Commodities</td>
<td>4.7%</td>
<td>$274,877</td>
<td>$274,704</td>
<td>11/30/2012</td>
</tr>
<tr>
<td>Landmark Equity Partners</td>
<td>2.7%</td>
<td>$157,556</td>
<td>$149,362</td>
<td>9/30/2012</td>
</tr>
<tr>
<td>Siguler Guff DRE</td>
<td>2.3%</td>
<td>$137,138</td>
<td>$135,716</td>
<td>*6/30/2012</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>$5,869,162</strong></td>
<td><strong>$5,849,553</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Verified for K2, transitioning to ABS *includes capital calls after verified date
### Alternatives

**Performance - As of November 30, 2012**

<table>
<thead>
<tr>
<th>Category</th>
<th>4q12</th>
<th>FYTD</th>
<th>One Year</th>
<th>Incept (Mgr)</th>
<th>Incept Bench</th>
<th>Performance Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Combined Alternatives (1 mo lag)</strong></td>
<td>(1.1)</td>
<td>0.2</td>
<td>1.4</td>
<td>0.8</td>
<td>1.1</td>
<td>Jan-10</td>
</tr>
<tr>
<td><strong>HFRI FoF Index (1 mo lag)</strong></td>
<td>1.0</td>
<td>2.2</td>
<td>3.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Lower Volatility</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aurora Diversified II</td>
<td>1.6</td>
<td>2.5</td>
<td>3.7</td>
<td>(1.5)</td>
<td>(0.6)</td>
<td>Feb-11</td>
</tr>
<tr>
<td>HFRI Conservative Index</td>
<td>1.1</td>
<td>2.2</td>
<td>2.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Diversified</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corbin Pinehurst</td>
<td>2.0</td>
<td>3.0</td>
<td>6.0</td>
<td>4.8</td>
<td>1.1</td>
<td>Jan-10</td>
</tr>
<tr>
<td>Dorchester</td>
<td>1.0</td>
<td>2.3</td>
<td>3.4</td>
<td>3.4</td>
<td>1.1</td>
<td>Jan-10</td>
</tr>
<tr>
<td>HFRI Fund of Funds</td>
<td>1.0</td>
<td>2.2</td>
<td>3.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Hedged Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>K2 Long Short Overseas</td>
<td>0.9</td>
<td>3.2</td>
<td>4.7</td>
<td>1.1</td>
<td>2.4</td>
<td>Jan-10</td>
</tr>
<tr>
<td>HFRI Equity Hedge</td>
<td>2.2</td>
<td>4.7</td>
<td>4.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Managed Futures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BlueTrend</td>
<td>(3.7)</td>
<td>(3.4)</td>
<td>(0.5)</td>
<td>(1.3)</td>
<td>(4.0)</td>
<td>Feb-11</td>
</tr>
<tr>
<td>Graham</td>
<td>(9.3)</td>
<td>(12.2)</td>
<td>(9.6)</td>
<td>(7.6)</td>
<td>1.1</td>
<td>Jan-10</td>
</tr>
<tr>
<td>Managed Futures Legends</td>
<td>(7.6)</td>
<td>(9.0)</td>
<td>(8.4)</td>
<td>(6.8)</td>
<td>(4.0)</td>
<td>Feb-11</td>
</tr>
<tr>
<td>CS Tremont Managed Futures Index</td>
<td>(5.4)</td>
<td>(6.0)</td>
<td>(3.2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Commodities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gresham Commodities</td>
<td>(2.9)</td>
<td>8.7</td>
<td>(2.1)</td>
<td>(3.9)</td>
<td>(7.2)</td>
<td>Feb-11</td>
</tr>
<tr>
<td>Dow UBS Commodity Index</td>
<td>(2.2)</td>
<td>11.3</td>
<td>(2.2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Private Equity</strong></td>
<td></td>
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<td></td>
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<tr>
<td>Landmark Equity Partners</td>
<td></td>
<td></td>
<td></td>
<td>13.0</td>
<td></td>
<td>Jan-10</td>
</tr>
<tr>
<td>Sigular Guff DRE</td>
<td></td>
<td></td>
<td></td>
<td>(0.8)</td>
<td></td>
<td>Mar-11</td>
</tr>
</tbody>
</table>

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

**Data Source:** Wells Fargo Advisors

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IV. Capital Markets Review
Fourth Quarter 2012 - Overview

Capital Markets Overview

Although the major averages ended the year with positive returns, like most recent years, it faced significant challenges. The economy remained sluggish, broad employment numbers were not encouraging, and consumer confidence was shaky. It was a contentious election year and the U.S. economy was facing the prospect of reduced federal spending, and higher tax rates through the expiration of the Bush-era tax cuts.

In retrospect, 2012 will be remembered for its resiliency. The fourth quarter was perhaps the best example of its character. The major averages finished the quarter little changed, but each measure suffered dramatic declines in a post-election November as the prospect of higher taxes, increased governmental spending, and a Congress seemingly willing to jump from the fiscal cliff.

The NASDAQ Composite Index (NASDAQ) led the averages this year, returning better than 17%. The S&P 500 Index (S&P500) trailed slightly, up better than 16%, and the Dow Jones Industrial Average (DJIA) finished the year just above 10%. The Small and Mid-Cap indices also provided solid returns for investors this year. The S&P SmallCap 600 Index (S&P600) gained over 16%, and the S&P MidCap 400 Index (S&P400) was up over 17% for the year.

The elections and fiscal discussion in the U.S. this quarter drew attention from the economic problems in Europe. The European Central Bank (ECB) lowered its growth forecast (for the completion of) 2012, and 2013. However, regional finance ministers approved rescue payments to Greece thereby signaling their support and the prospect that conditions may be improving in the region. European markets rallied late on news that the U.S. would avoid a fiscal crisis. Germany's DAX and France’s CAC 40 each returned nearly 3% in December and provided solid returns in 2012.

Improving economic data in the Pacific-Rim led to positive returns for that region. The MSCI Asia Pacific Index was up better than 16% and China’s Shanghai Composite Index rose sharply in December on news that manufacturing in that country expanded for the first time in thirteen months. The index was up more than 14% in December.

The fourth quarter for fixed income investments were also a reflection of the year. The markets enjoyed a brief rally early in the quarter with Treasuries pushed lower as investors sought more conservative strategies only to move higher in December in front of the potential fiscal impasse. The 30-year note yield increased 14 basis points in December and closed the quarter at 2.95%, an increase of just 6 basis points from its 2012 start. The yield on the 10-year note increased by 15 basis points in December and ended the year at 1.76%, down 12 basis points from its 2011 close. The 2-year note remained virtually unchanged, closing the year at .25%, up just 1 basis point from its 2011 close of .24%.

Losses in precious metals led commodities lower in December and the CRB Index lost more than 3% for the year. Gold was down in December, but gained nearly 7% for the year and was helped by strengthening in the U.S. dollar. Silver, a big winner early in the year saw its gains halved in December, losing 9.8% for the month, ending the year up slightly more than 8%. The U.S. Dollar Index lost a modest 0.5% in 2012.
U.S. economic growth continues at a below average pace

- The private sector added little to GDP this quarter as uncertainty surrounding the fiscal cliff caused economic activity to pull back.
- Holiday sales were below expectation as consumers remained cautious.
- The unemployment rate declined again this quarter. Jobs growth is rising, but at a pace too slow to make significant changes in the rate.
Slightly positive quarter leaves double-digit returns for U.S. stock indices in 2012

- Despite a late slide by Apple (AAPL), the NASDAQ led the way in 2012 as it posted a 17.8% gain.
- Small- and mid-caps outperformed in the fourth quarter and for the year.
- Value stocks outpaced growth stocks in the fourth quarter by largest rate since third quarter of 2009.
Cyclical stocks led the way in 2012

- Financials led the way for both the fourth quarter and the year 2012.
- Telecoms struggled in the fourth quarter but still posted a solid year.
- Top sub industries were household appliances and homebuilding, while gold mining declined over 20%.

Data Sources: FactSet, Zephyr StyleAdvisor, Barclay's, Capital, MSCI Barra, Standard & Poor's
Fiscal cliff uncertainty a boon for December dividends

- More one-time or special dividends were issued in the months of November and December 2012 than in any entire year previously.
- A record number of U.S. companies made announcements regarding changes to their dividend policies in December.
- Fiscal cliff compromise of early January raised dividend tax rate to 20% from 15% for those earning more than $400,000 ($450,000 if married).

U.S. Companies Issuing Special Dividends

![Chart showing dividend issuance by quarter and year](chart.png)

Data Sources: FactSet, Zephyr StyleAdvisor, Barclay’s Capital, MSCI Barra, Standard & Poor’s

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International Markets show resilience in the face of weak global growth

- European governments were able to make progress toward restoring investor confidence. The ECB pledge to do “whatever it takes” to preserve the euro while European political leaders and the IMF engineered a plan for further Greek debt restructuring if needed.

- After experiencing slower growth in the previous quarter, the Chinese economy appears to have stabilized in the last three months.

International Fixed Income Markets

- Higher risk securities were the year’s biggest gainers with Emerging-market debt returning 21.5% on the year.

- Emerging-market debt continues to outperform developed fixed income. Investors have been attracted to relatively faster growth rates, lower debt levels, and less volatility than historically experienced.

![Graph of Eurozone Real GDP and Chinese Real GDP](https://example.com/graphs/)

![Chart 1: International Fixed Income Markets Improve in Second Half](https://example.com/chart1)
Domestic Fixed Income Markets

- Following the December FOMC meeting the Fed pledged to keep rates low while the unemployment rate remains above 6.5% and forward inflation projections stay below 2.5%.

- The demand for bonds remained relatively strong during the fourth quarter as many investors preferred the perceived safe haven of fixed income over the volatility of stocks.

Data Sources: FactSet, Federal Reserve
Muted Action in the Bond Markets

- There was little movement in the fixed-income markets during the fourth quarter. Higher-yielding bonds saw the best performance, while interest rates edged slightly higher.

- After experiencing slower growth in the previous quarter, the Chinese economy appears to have stabilized in the last three months.

- Corporate bonds led the bond sectors with a 1.06% return for the quarter compared to the Barclays Aggregate return of 0.21%.

- Treasuries and Mortgage-Backed Securities (MBS) posted slightly negative returns.
Commodities pull back during the quarter

- Commodity prices pulled back this quarter. The DJ UBS Commodity Index lost more than 6% from the beginning of the quarter and finished the year down just over 1%.

- Metal prices broadly followed the trend in equity prices and especially the dollar. Precious metal prices eased with the improvement in confidence.

- Gold peaked in February at $1,801.50 and reached a low of $1,549.70 in May. Gold closed the quarter at $1,675.80, up 7% for the year.

- Oil steadied this quarter as inventory and supply gains kept pressure on prices. However, oil had a volatile year spiking to over $109 per barrel in March before falling to $80 per barrel in June.

<table>
<thead>
<tr>
<th>Commodities</th>
<th>Current</th>
<th>3 Months Ago</th>
<th>1 Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold (per Troy ounce)</td>
<td>$1,674.80</td>
<td>$1,771.10</td>
<td>$1,565.80</td>
</tr>
<tr>
<td>Oil (per barrel)</td>
<td>$91.82</td>
<td>$92.19</td>
<td>$98.83</td>
</tr>
<tr>
<td>Copper (per pound)</td>
<td>$3.64</td>
<td>$3.77</td>
<td>$3.43</td>
</tr>
</tbody>
</table>
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ASSET CLASS SUITABILITY: Stocks of small companies are typically more volatile than stocks of larger companies. They often involve higher risks because they may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions. High-yield, non-investment grade bonds are only suitable for aggressive investors willing to take greater risks, which could result in loss of principal and interest payments. Global/International investing involves risks not typically associated with US investing, including currency fluctuations, political instability, uncertain economic conditions and different accounting standards.

PAST PERFORMANCE: Past performance is not an indication of future results.

ASSET CLASS PERFORMANCE REPRESENTATIONS: Long Term Treasuries = BC Treasury Long; Municipals = BC Municipal; Foreign Bonds = Salomon World BIG – IB; US Govt/Credit = BC Govt/Credit; Mge 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 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.
### Previous Month End Performance Summary

**Performance Inception Date:** Jan 23, 2009  
**Since Inception Money-Weighted ROR:** 8.21%  
**2012 YTD Money-Weighted ROR:** 10.41%  

**Beginning Market Value (January 1, 2012):** $157,780

<table>
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<tr>
<th>Quarter</th>
<th>Contributions</th>
<th>Withdrawals</th>
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<tbody>
<tr>
<td>Jan 1 - Mar 31</td>
<td>20,000</td>
<td>0</td>
</tr>
<tr>
<td>Apr 1 - Jun 30</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Jul 1 - Sep 30</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Oct 1 - Dec 31</td>
<td>20,172</td>
<td>0</td>
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</tbody>
</table>

**Total Net Flows:** 40,172  
**Invested Capital:** 197,951  
**Appreciation/Depreciation:** 18,667  

**Ending Market Value (December 31, 2012):** $216,619  
**Average Invested Capital:** 179,506
Returns are calculated net of transaction costs and net of management fees.

Returns greater than one year are annualized.

Account data is on a trade date basis and accrued income is included in beginning and ending values. Performance is based on current market prices, as available.

Certain assets are excluded from Beginning and Ending Values and are not included in performance calculations. 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.

Included within Appreciation/Depreciation is: Income $2,784

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

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

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<th>NOT INSURED BY FDIC OR ANY FEDERAL GOVERNMENT AGENCY</th>
<th>MAY LOSE VALUE</th>
<th>NOT A DEPOSIT OF OR GUARANTEED BY A BANK OR ANY BANK AFFILIATE</th>
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COMMITTEE ON STRATEGIC INITIATIVES AND NEW VENTURES
February 8, 2013
9:30 – 10:30 a.m.
Board Room – Blow Memorial Hall

Michael Tang, Chair
Edward L. Flippen, Vice Chair
Robert E. Scott, Vice Chair
Peter A. Snyder, Vice Chair

I. Introductory Remarks – Mr. Tang

II. Strategic Planning – Provost Michael R. Halleran and Vice President James R. Golden
   A. Strategic Planning Draft Initiatives FY2014-2018
   B. University Dashboard – Enclosure ___.

III. New Ventures – Provost Halleran, Vice President Golden and Dean Lawrence B. Pulley
   A. EVMS Update
   B. School of Business MBA E-Learning Initiative

IV. Legislative Update – Associate Vice President Fran Bradford

V. Discussion

VI. Adjourn
## WILLIAM & MARY TOP LEVEL DASHBOARD

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<tbody>
<tr>
<td>Challenge 1 – Leading Liberal Arts University</td>
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</tr>
<tr>
<td>1. Undergraduate acceptance rate⁴</td>
<td>34%</td>
<td>34%</td>
<td>32%</td>
<td>35%</td>
<td>32%</td>
<td>34%</td>
<td>33% (Fall 2011)</td>
<td>9% (Fall 2011)</td>
</tr>
<tr>
<td>2. Undergraduate yield rate⁵</td>
<td>35%</td>
<td>34%</td>
<td>35%</td>
<td>33%</td>
<td>33% Prelim.</td>
<td>34%</td>
<td>44% (Fall 2011)</td>
<td>55% (Fall 2011)</td>
</tr>
<tr>
<td>3. Undergraduate 25⁶th – 75⁷th percentile SAT score range⁸</td>
<td>1250-1440</td>
<td>1240-1450</td>
<td>1260-1440</td>
<td>1240-1450</td>
<td>1250-1460 Prelim.</td>
<td>1250-1450</td>
<td>1240-1460 (Fall 2011)</td>
<td>1340-1520 (Fall 2011)</td>
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<td>6. Undergraduate small class percentage (2-19 students)⁹⁰</td>
<td>45%</td>
<td>48%</td>
<td>47%</td>
<td>48%</td>
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<td>Avail. 2/2013</td>
<td>50%</td>
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<tr>
<td>Challenge 2 – Diversity</td>
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<tr>
<td>7. Undergraduate students who are members of historically underrepresented groups⁶⁰</td>
<td>22%</td>
<td>23%</td>
<td>25%</td>
<td>26%</td>
<td>27%</td>
<td>27% (Fall 2011)</td>
<td>33% (Fall 2011)</td>
<td></td>
</tr>
<tr>
<td>8. Undergraduate students who are nonresident aliens⁴⁰</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
<td>3%</td>
<td>4%</td>
<td>6% (Fall 2011)</td>
<td>4% (Fall 2011)</td>
<td></td>
</tr>
<tr>
<td>9. Graduate/professional students who are members of historically underrepresented groups⁶⁰</td>
<td>13%</td>
<td>13%</td>
<td>14%</td>
<td>15%</td>
<td>16%</td>
<td>17% (Fall 2011)</td>
<td>22% (Fall 2011)</td>
<td></td>
</tr>
<tr>
<td>10. Graduate students who are nonresident aliens⁴⁰</td>
<td>10%</td>
<td>12%</td>
<td>11%</td>
<td>12%</td>
<td>13%</td>
<td>12% (Fall 2011)</td>
<td>27% (Fall 2011)</td>
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<tr>
<td>Challenge 3 – Lifelong Connection</td>
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<tr>
<td>12. Alumni giving participation rate; undergraduates with degrees⁴⁰</td>
<td>22.4%</td>
<td>23.4%</td>
<td>23.9%</td>
<td></td>
<td></td>
<td></td>
<td>30% by 2014</td>
<td>22% (USNews)</td>
</tr>
<tr>
<td>Challenge 4 – Business Plan</td>
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<tr>
<td>14. Total sponsored program expenditures (millions)¹⁰</td>
<td>$50</td>
<td>$54</td>
<td>$57</td>
<td></td>
<td></td>
<td></td>
<td>$60 by 2014</td>
<td>$354 (2010-11)</td>
</tr>
<tr>
<td>15. Debt Service as Percent of Operating Expense³⁵</td>
<td>4.9%</td>
<td>6.7%</td>
<td>5.9%</td>
<td>6.6%</td>
<td></td>
<td></td>
<td></td>
<td>7%</td>
</tr>
<tr>
<td>17. Endowment per student²⁶</td>
<td>$65,711</td>
<td>$71,406</td>
<td>$81,408</td>
<td></td>
<td>$82,870</td>
<td></td>
<td></td>
<td>$195,175 (2010-11)</td>
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<td>Challenge 5 – Administrative Resources and Infrastructure</td>
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<tr>
<td>18. All E&amp;B Facilities Condition Index⁹²</td>
<td>11.0%</td>
<td>7.6%</td>
<td>7.8%</td>
<td>6.3%</td>
<td></td>
<td></td>
<td></td>
<td>8.7% (2010-11)</td>
</tr>
<tr>
<td>Challenge 6 – Communications</td>
<td></td>
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</tr>
<tr>
<td>20. US News &amp; World Report: Public Universities²⁹ (Ranking for year data collected)</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td></td>
<td></td>
<td>2 (tie) (2011-12)</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>
+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
†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)
‡From US News & World Report: rankings published in September based on data submitted in previous spring. Reported for year data collected.
§From Common Data Set (or institutional website, as available)
¶From Council for Aid to Education/Voluntary Support of Education
|Calculated by facilities management for submission to State Council of Higher Education
|Internal calculation using data included in the College’s annual audited financial statements
|From National Association of College and University Business Officers (NACUBO)

1Calculated by adding the 25th and 75th percentiles for Critical Reading and the percentiles for Math.
2Figures are estimates for current year or actual for previous year
3Average cumulative principal borrowed by undergraduate borrowers who started as freshmen at the institution and who had earned bachelor’s in year previous to when IPEDS report was submitted
4Includes W&M and VIMS operating and non-operating expenditures; excludes independent operations, auxiliary and hospital services expenditures. Operating expenditures include instruction, research, public service, academic support, student services, institutional support, operation/maintenance of plant. FTE count includes both graduate and undergraduate students and is based on Fall Headcount (similar to NACUBO).
5The Facilities Condition Index (FCI) is a fitness indicator for the College’s facilities and infrastructure. The FCI is the ratio of known maintenance deficiencies to the current replacement value of academic facilities. Industry standards suggest that an FCI of 5% or less indicates good condition, 5% to 10% fair condition, and above 10% poor condition. “All E&G Facilities” are those facilities supported by general funds allocated by the Commonwealth. These facilities include “major” E&G facilities (classrooms, class lab facilities, Wren Building, Admissions, Blow Memorial Hall, Cohen Career Center) and “minor” E&G facilities (e.g., Jamestown Road Houses, Galt Houses, Quonset Huts, physical plant-related facilities). E&G facilities do not have a revenue generating component and exclude facilities that are self-supporting such as dormitories, athletic facilities, food service facilities.
6Annual rate based on Council for Aid to Education/Voluntary Support of Education. For UVa, 2-year average from US News & World Report is used
7Also includes race reported as unknown and non-resident alien
8Does not include faculty or students in stand-alone graduate or professional programs (i.e., Law and, prior to 2010, VIMS)
9Underrepresented groups include American Indian or Alaska Native, Asian, Native Hawaiian/ Other Pacific Islander, Black or African American, Hispanic or Latino, Two or more races. Underrepresented groups do not include White, Unknown, Nonresident aliens.
COMMITTEE ON DEVELOPMENT
February 8, 2013
10:30 – 10:35 a.m.
Board Room - Blow Memorial Hall

Thomas R. Frantz, Chair
L. Clifford Schroeder, Sr., Vice Chair
Michael Tang, Vice Chair

I. Opening Remarks – Mr. Frantz

II. Approval of Minutes – November 29, 2012

III. University Development Report – Interim Vice President Earl T. Granger, III

1. Amendment of the Roby-Sherman Scholarship Fund.
   Resolution 14.

IV. Discussion

V. Adjourn
COMMITTEE ON DEVELOPMENT

MINUTES – NOVEMBER 29, 2012
MINUTES
Committee on Development
November 29, 2012
Board Room - Blow Memorial Hall


Chair Thomas R. Frantz called the meeting to order at 4:41 p.m.

Recognizing that a quorum was present, Mr. Frantz asked for a motion to approve the minutes of the meeting of September 20, 2012. Motion was made by Mr. Schroeder, seconded by Mr. Ashton and approved by voice vote of the Committee.

Interim Vice President Earl T. Granger, III discussed the reunions program and stated that they presented President Reveley a check of $21.9M during Homecoming. Mr. Granger challenged further classes to match or exceed this year’s accomplishments. The reunion efforts encourage classes to give back to their alma mater.

Mr. Granger introduced Dustin Evatt, Coordinator for Student Philanthropy and Recent Graduate Programs who made a presentation about Student Philanthropy and Recent Graduate Programs. He described the vision of the program and the FY’13 goals. He explained the different ways that a student can be involved in fundraising: development ambassadors, senior class gift representative, recent graduate program and 5th year reunion gift committee. Mr. Evatt emphasized that it is critical to get students involved in philanthropy as students, so they will continue to support the College as alums.

The Board discussed the participation rate and how it was unacceptable for all classes not to be at 100%. Rector Trammell discussed his own reunion gift committee and the lack of accurate information. President Reveley stated that, although the database was updated a couple of years ago, this is an ongoing problem. He asked development for an update on the accuracy of the database. Mr. Granger stated that we are always researching ways to maintain and update the data.

Student representative Curt Mills mentioned that graduates now keep their William and Mary email addresses and it should be easier to keep in touch with recent graduates. Mr. Granger stated that we need to re-think how we can use the system and reevaluate how we can use it. There is also a need to figure out what we are trying to capture before next steps can be taken.
Committee on Development and Alumni Affairs
MINUTES
Page 2

Mr. Frantz asked for a motion that the Committee on Development convene in closed session pursuant to Section 2.2-3711.A.8., of the Code of Virginia, in order to discuss specific recommendations related to future fundraising strategies as well as current development activities. Motion was made by Mr. Schroeder, 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 5:05 a.m.

The Committee reconvened in open session at 5:35 p.m. Mr. Frantz reviewed the topics discussed during closed session for the benefit of the observers, then asked for a motion to adopt the Resolution certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was made by Mr. Schroeder, seconded by Mr. Banks and approved by roll call vote of the Committee members conducted by Secretary to the Board Michael Fox. (Certification Resolution is appended).

Rector Trammell thanked the Development team for their continued efforts.

There being no further business, the Committee adjourned at 5:36 p.m.
Committee on Development

November 29, 2012

Resolution D-1

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: 14

NAYS: 0

ABSENT DURING CLOSED SESSION:

[Signature]

Thomas R. Frantz
Chair
Committee on Development
COLLEGE OF WILLIAM AND MARY
AMENDMENT OF THE
ROBY-SHERMAN SCHOLARSHIP FUND
AS A QUASI-ENDOWMENT

Shirley Roby and Carol Sherman made a generous gift to the College of William and Mary to establish the Roby-Sherman Scholarship Fund, which will provide financial assistance to deserving students with demonstrated interest and ability in dance. The establishment of this fund was approved in Resolution 14 at the September 19-21, 2012, meeting of the Board of Visitors as the Roby-Sherman Scholarship Fund; however, it should have been designated a quasi-endowment.

THEREFORE, BE IT RESOLVED, That the Board of Visitors of the College of William and Mary hereby amends and re-establishes the Roby-Sherman Scholarship Fund as a quasi-endowment.
THE COLLEGE OF WILLIAM AND MARY
BOARD OF VISITORS
OFFICERS AND COMMITTEES

2012-2013

EXECUTIVE COMMITTEE
Jeffrey B. Trammell, Chair
Charles A. Banks III, Vice Chair
Dennis H. Liberson, Secretary
Robert E. Scott
Todd A. Stottlemyer
Michael Tang
John C. Thomas

COMMITTEE ON ACADEMIC AFFAIRS
Robert E. Scott, Chair
Todd A. Stottlemyer, Vice Chair
Peter A. Snyder
Michael Tang
Michael R. Halloran

COMMITTEE ON ADMINISTRATION, BUILDINGS AND GROUNDS
Charles A. Banks III, Chair
Dennis H. Liberson, Vice Chair
Ann Green Baise
Thomas R. Frantz
Sue H. Gerdelman
L. Clifford Schroeder, Sr.
Peter A. Snyder
John C. Thomas
Michael R. Halloran
Anna B. Martin

COMMITTEE ON ATHLETICS
Peter A. Snyder, Chair
Kendrick F. Ashton, Jr., Vice Chair
Keith S. Fimian
Thomas R. Frantz
Sue H. Gerdelman
Todd A. Stottlemyer
Edward C. Driscoll, Jr.

COMMITTEE ON AUDIT AND COMPLIANCE
John C. Thomas, Chair
Michael Tang, Vice Chair
Edward L. Flippen
John E. Littel
Leigh A. Pence
L. Clifford Schroeder, Sr.
Michael L. Stump
COMMITTEE ON FINANCIAL AFFAIRS
Todd A. Stottlemyer, Chair
Charles A. Banks III, Vice Chair
Edward L. Flippin, Vice Chair
Kendrick F. Ashton, Jr.
Thomas R. Franitz
Robert E. Scott
Michael R. Halloran
Samuel E. Jones

RICHARD BLAND COLLEGE COMMITTEE
Dennis H. Liberson, Chair
Ann Green Baise, Vice Chair
Kendrick F. Ashton, Jr.,
Keith S. Finnian
Edward L. Flippin
Sue H. Gerdelman
John E. Littel
Debbie L. Szydow

COMMITTEES OF THE WHOLE:

COMMITTEE ON ALUMNI RELATIONS
Kendrick F. Ashton, Jr., Chair
Peter A. Snyder, Vice Chair
Karen R. Cottrell

COMMITTEE ON DEVELOPMENT
Thomas R. Franitz, Chair
L. Clifford Schroeder, Sr., Vice Chair
Michael Tang, Vice Chair
Earl T. Granger III

COMMITTEE ON STRATEGIC INITIATIVES AND NEW VENTURES
Michael Tang, Chair
Edward L. Flippin, Vice Chair
Robert E. Scott, Vice Chair
Peter A. Snyder, Vice Chair
Michael R. Halloran
James R. Golden

COMMITTEE ON STUDENT AFFAIRS
Leigh A. Pence, Chair
John C. Thomas, 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
February 8, 2013
MEETING AGENDA
Board of Visitors
The College of William and Mary

February 8, 2013 - 10:45 a.m.
Board Room - Blow Memorial Hall

I. Welcome and call to order
   Rector Jeffrey B. Trammell

II. Approval of Minutes – November 28-30, 2012
    Mr. Trammell

III. Opening Remarks
     Mr. Trammell
     President W. Taylor Reveley III

IV. Closed Session (if necessary)
    Mr. Trammell

V. Open Session - Certification of Closed Session Resolution
   Mr. Trammell

VI. Reports of Standing Committee chairs

A. Committee on Administration, Buildings and Grounds
   Charles A. Banks III

B. Committee on Athletics
   Peter A. Snyder

C. Committee on Audit and Compliance
   John C. Thomas

1. Resolution 2: Revision of the Office of Internal Audit Charter
   tab #2

2. Resolution 3: Compliance Program Charter
   tab #3

D. Richard Bland College Committee
   Dennis H. Liberson

1. Resolution 1: Appointments to Fill Vacancies in the Professional Faculty
   tab #1

E. Committee on Development
   Thomas R. Frantz

1. Resolution 14: Amendment of the Roby-Sherman Scholarship Fund
   tab #14

F. Committee on Financial Affairs
   Todd R. Stottlemyer

1. Resolution 12: Cash Management Investment Policy
   tab #12

2. Resolution 13: Corporate Resolution to Transact Business and Confirm Authorized Business Agents for the College of William and Mary
   tab #13
G. Committee on Academic Affairs

1. Resolution 4: Appointments to Fill Vacancies in the Professionals and Professional Faculty

2. Resolution 5: Award of Academic Tenure

3. Resolution 6: Faculty Promotions

4. Resolution 7: Designated Professorships

5. Resolution 8: Retirement of Robert J. Diaz
   School of Marine Science
   tab #8

6. Resolution 9: Retirement of Carl H. Hobbs III
   School of Marine Science
   tab #9

7. Resolution 10: Retirement of Howard I. Kator
   School of Marine Science
   tab #10

8. Resolution 11: Retirement of John D. Milliman
   School of Marine Science
   tab #11

H. Executive Committee

Mr. Trammell

VII. Old Business

Mr. Trammell

VIII. New Business

Mr. Trammell

IX. Executive Session (if necessary)

Mr. Trammell

X. Open Session - Certification of Closed Session Resolution

Mr. Trammell

XI. Closing remarks

XII. Adjournment

Mr. Trammell

BOARD DINING ROOM:

12:00 Noon  Lunch with Cypher Society
FULL BOARD MEETING

MINUTES – NOVEMBER 28-30, 2012
MINUTES
Meeting of the Board of Visitors
The College of William and Mary in Virginia

November 28-30, 2012

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, November 28-30, 2012, and on the Richard Bland College campus in Petersburg on Thursday, November 29, 2012.

On Wednesday, November 28, the Committee on Audit and Compliance met in the Board Conference Room from 3:30 to 5:00 p.m., the Committee on Athletics met in the Board Room from 4:04 to 5:00 p.m. and the Executive Committee met from 5:00 to 6:15 p.m. in the Rector’s Office. That evening the full Board convened for dinner in Plumeri House at 119 Chandler Court.

Those present on Wednesday were:

Kendrick F. Ashton, Jr.          Robert E. Scott
Ann Green Baise                Peter A. Snyder
Charles A. Banks III           Michael Tang
Thomas R. Frantz               John C. Thomas
Dennis H. Liberson             Jeffrey B. Trammell, Rector
Leigh A. Pence

Absent: Keith S. Fimian
        Edward E. Flippen
        John E. Littel
        L. Clifford Schroeder, Sr.
        Todd A. Stottlemyer

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

At 8:15 p.m. the Rector convened the full Board at Plumeri House, and asked for a motion that, pursuant to Section 2.2-3711.A.1., of the Code of Virginia, the meeting be closed for the purpose of discussing personnel matters pertaining to the evaluation of a specific executive employee. Motion was made by Mr. Liberson, seconded by Mr. Trammell and approved by voice vote. The observers were asked to leave the room and the Board went into closed session at 8:15 p.m.

The Board reconvened in open session at 9:00 p.m. Mr. Trammell reviewed the topic discussed during closed session, then asked for a motion to adopt the Resolution certifying that the closed session was held in compliance with the Freedom of Information Act. Motion was made by Mr. Liberson, seconded by Mr. Trammell and approved by roll call vote of the Committee members conducted by Secretary of the Board Dennis Liberson. (Certification Resolution is appended.)

There being no further business, the Board adjourned at 9:00 p.m.
Board of Visitors
MINUTES
Page 2

On Thursday morning, November 29, the Richard Bland College Committee met as a committee of the whole from 10:00 a.m. to 12:20 p.m. in Room 104 of James B. McNeer Hall on the campus of Richard Bland College in Petersburg.

That afternoon, the Board members returned to Williamsburg and the Committee on Academic Affairs, Committee on Student Affairs and Committee on Development met in the Board Room in Blow Memorial Hall on the William and Mary campus.

Those present on Thursday afternoon were:

Kendrick F. Ashton, Jr.                           Robert E. Scott
Ann Green Baise                                  Peter A. Snyder
Charles A. Banks III                            Todd A. Stottlemyer
Thomas R. Frantz                                 Michael Tang
Dennis H. Liberson                               John C. Thomas
John E. Littel                                   Jeffrey B. Trammell, Rector
Leigh A. Pence                                   Faculty representative: William J. Hausman
L. Clifford Schroeder, Sr.                       Student representative: Curtis A. Mills

Absent:                                          Keith S. Fimian
                                                  Edward E. Flippen

Others present were:

W. Taylor Reveley III                           Kiersten L. Boyce
Michael R. Haileran                             Karen R. Cottrell
Virginia M. Ambler                              Michael J. Fox
James R. Golden                                 Fanchon Glover
Earl T. Granger, III                            Brian W. Whitson
Samuel E. Jones                                 Sandra J. Wilms
Anna B. Martin

Also in attendance were University Counsel Deborah Love, Staff Liaison Lydia C. Whitaker, Dean of University Libraries Carrie Cooper, Dean Katharine Conley, Dean Davison Douglas, Dean John T. Wells, members of the William and Mary Faculty and Student Liaison Committees, and other administrative staff.

At 2:54 p.m., following the conclusion of the Committee on Academic Affairs meeting, the Rector convened the Board for the Provost Report and Faculty Presentation. Mr. Scott called on Provost Michael Halleran who reported on the recent grant by the U.S. Agency for International Development (USAID) to create the AidData Center for Development Policy. A brief discussion ensued.

Faculty Liaison Committee Chair Suzanne Raitt introduced Associate Professor of English and Education Anne Charity Hudley and Professor of Biology Dan Cristol, who discussed their
respective research in linguistics and mercury in the Shenandoah Valley. A brief discussion ensued.

Provost Halleran introduced the Director of the Washington DC Office, Adam Anthony, and Assistant Director Roxane Adler. Mr. Anthony provided an overview of the opportunities available for students and faculty; Ms. Adler discussed the three academic programs offered—W&M in Washington Program, D.C. Summer Institutes and the W&M DC Summer Session. Mr. Anthony provided background information regarding student housing and other opportunities and internships available through the Washington Office. A brief discussion ensued.

At 3:44 p.m., the Board convened as a committee of the whole for the Committee on Student Affairs. Ms. Pence presided as chair and introduced Vice President for Student Affairs Virginia Ambler. Ms. Ambler reported on key initiatives underway this year, including the receipt of a federal grant funded through the Substance Abuse and Mental Health Services Administration (SAMHSA) to promote mental health; student leadership development and plans for a business boot camp through the Cohen Career Center. She provided a brief update on the fraternity housing project and the conversion of the units to a freshman village. Ms. Ambler introduced Jodi Fisler, Assistant to the Vice President and Director of Student Affairs Planning and Assessment. Ms. Fisler reported on how assessment data is used to improve and inform decisions. A brief discussion ensued.

Student liaisons Kylee Ponder and Drew Chlan reviewed past, current and future student events with the Committee. Following a brief discussion, and there being no further business, the Committee adjourned at 4:38 p.m.

The Committee on Development met from 4:40 to 5:35 p.m., at which time the Board recessed until Friday morning.

On Friday, November 30, the Committee on Administration, Buildings and Grounds met from 8:07 to 8:47 a.m. and the Committee on Financial Affairs met from 8:47 to 9:58 a.m. in the Board Room, prior to the full Board meeting.

Those present were:

Kendrick F. Ashton, Jr.        Peter A. Snyder
Ann Green Baise                Todd A. Stottlemyer
Charles A. Banks III          Michael Tang
Keith S. Fimian                John C. Thomas
Thomas R. Frantz              Jeffrey B. Trammell, Rector
Dennis H. Liberson            Faculty representative: William J. Hausman
John E. Littel                Barbara M. Morgan
Leigh A. Pence                 Student representative: Curtis A. Mills
Robert E. Scott                Jessica C. Salazar

Absent: Edward E. Flippen
        L. Clifford Schroeder, Sr.
Board of Visitors
MINUTES
Page 4

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  Michael L. Stump
Earl T. Granger, III  Brian W. Whitson
Samuel E. Jones  Sandra J. Wilms
Anna B. Martin

Also in attendance were University Counsel Deborah Love, Staff Liaison Lydia C. Whitaker, Dean Katharine Conley, Dean Davison Douglas, Dean Virginia L. McLaughlin, Dean John T. Wells, Richard Bland College President Debbie L. Sydow, members of the William and Mary Faculty and Student Liaison Committees and other William and Mary and Richard Bland administrative staff.

The Rector convened the Board as a committee of the whole at 10:07 a.m. for the Committee on Strategic Initiatives and New Ventures. Michael Tang presided as chair and briefly reviewed the agenda.

Vice President Jim Golden provided a communications update, noting the improving quality and quantity of national media coverage, discussed the changes undertaken in internal communications with the William and Mary web, and reviewed the new Alumni-Communications-Development (ACD) initiatives.

Provost Michael Halleran and Vice President Golden presented a PowerPoint presentation that provided a discussion of the five-year review process and the strategic framework, including implementation steps to date and major achievements as well as continuing strategic priorities. A brief discussion ensued.

The new ventures overview focused on the EVMS proposal review and included a brief status report. A brief discussion ensued.

Mr. Tang moved that the Committee on Strategic Initiative and New Ventures of the convene in closed session for the purpose of discussion or consideration of the acquisition of real property for a public purpose where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, as provided for in Section 2.2-3711.A.3. and 7., of the Code of Virginia. Motion was seconded by Mr. Stottlemyer and approved by voice vote. The observers were asked to leave the room and the Committee went into closed session at 10:54 a.m.

The Committee reconvened in open session at 11:39 a.m. Mr. Tang 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. Banks and approved by roll call vote of the Committee members conducted by Secretary to the Board Michael Fox (Certification Resolution is appended).

There being no further business, the Committee adjourned at 11:40 a.m.

Following a short break, the Rector convened the full Board at 11:47 a.m.

Recognizing that a quorum was present, the Rector asked for a motion to adopt the minutes of the meeting of September 19-21, 2012. Motion was made by Mr. Scott, seconded by Mr. Thomas and approved by voice vote.

In his opening remarks, Mr. Trammell welcomed the members of the Richard Bland College administrative staff and thanked the members of the Board who traveled to Richard Bland College for the meetings on Thursday. Mr. Trammell announced that the remembrance service for former Provost of the College Gillian T. Cell would be held this afternoon (Friday, November 30) at 2:30 p.m. in the Wren Chapel.

President Reveley had no opening remarks.

Mr. Trammell moved that the Board of Visitors of the College of William and Mary convene in closed session for the purpose of discussing personnel actions pertaining to the appointment, promotion, tenure and leaves of specific instructional and professional faculty; consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice; discussing specific recommendations related to fundraising strategies as well as current development activities; discussion of matters pertaining to the consideration of honorary degrees for Charter Day and Commencement 2013; and discussion of reports or plans related to security of any College facility, building or structure, as provided for in Section 2.2-3711.A.1., 7., 8., 10., and 19., of the Code of Virginia. Motion was seconded by Mr. Thomas and approved by voice vote. The observers were asked to leave the room and the Board convened in closed session at 11:50 a.m.

The Board reconvened in open Session at 11:56 a.m. Mr. Trammell 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. Scott and approved by roll call vote of the Board members conducted by Secretary to the Board Michael Fox (Certification Resolution is appended).

The Rector asked Mr. Scott to report for the Committee on Academic Affairs.

Mr. Scott advised that the Committee had reviewed Resolution 7, Appointments to Fill Vacancies in the Instructional Faculty; Resolution 8, Appointments to Fill Vacancies in the Professionals and Professional Faculty; Resolution 9, Award of Academic Tenure, and Resolution 10, Faculty Leave of Absence and moved adoption of these resolutions as a block. Motion was seconded by Mr. Littel and approved by voice vote.
Mr. Scott presented the following resolution, hereby designated Resolution 17, and moved its adoption:

Whereas, the Board of Visitors has approved the College’s 6-year plan submitted to the State in October of this year; and

Whereas, the Board of Visitors is committed to meeting the SCHEV goal of having average faculty salaries reaching the 60th percentile of the College’s SCHEV-defined peer group;

THEREFORE, BE IT RESOLVED, That the Board of Visitors will take action to achieve these goals no later than at its April 2013 meeting.

Motion was seconded by Mr. Tang and approved by voice vote.

Mr. Thomas reported for the Committee on Audit and Compliance, and briefly reviewed the committee agenda.

Mr. Thomas moved adoption of Resolution 5, Approval of 2013 Internal Audit Work Plan. Motion was seconded by Mr. Scott and approved by voice vote.

Mr. Thomas moved adoption of Resolution 6, Repeal of the Code of Conduct Governing Student Loan Practices. Motion was seconded by Mr. Ashton and approved by voice vote.

Mr. Snyder reported for the Committee on Athletics, and briefly reviewed the committee agenda. There were no action items.

Mr. Liberson reported for the Richard Bland College Committee, briefly reviewed the committee agenda and called on President Debbie Sydow.

In her remarks, President Sydow expressed her appreciation to the members of the Board who came to campus and engaged in the dialogue with the members of the faculty and administrative team about strategic planning and the future direction of the College. The President commented on the continued implementation of the shared governance system, one component of which is the new Faculty Senate. President Sydow expressed her thanks for the Board’s continued support of Richard Bland College.

Mr. Liberson asked for a motion to adopt as a block Resolution 1, 2012-2018 Six-Year Plan (Update), Resolution 2, Resolution to Approve the Establishment of the Richard Bland College Faculty Senate and Bylaws of the Organization; Resolution 3, Retirement of Dr. Russell E. Whitaker, Jr., Vice President of Administration and Finance; Resolution 4, Retirement of Frances S. Scarbrough, Human Resources Director; and Resolution 14, 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, 2012, which was presented jointly with William and Mary. Motion was made by Ms. Baise; seconded by Mr. Thomas and approved by voice vote.
Mr. Banks reported for the Committee on Administration, Buildings and Grounds, and briefly reviewed the agenda.

Mr. Banks moved adoption as a block of Resolution 11, Resolution to Approve Purchase of Properties: 427 Scotland Street & 406 Jamestown Road; Resolution 12, Resolution to Approve the Inter-Agency Transfer Agreement of Longhill Connector Land to Eastern State; and Resolution 13, Resolution to Approve Closure of Landfill and Recordation of Deed. Motion was seconded by Mr. Snyder and approved by voice vote.

Mr. Stottlemyer reported for the Committee on Financial Affairs, briefly reviewed the agenda, and moved the adoption of Resolution 14, 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, 2012, presented jointly with Richard Bland College; and Resolution 15, Receipt of the Financial Report of the Intercollegiate Athletic Department for the Fiscal Year Ended June 30, 2012. Motion was seconded by Mr. Ashton and approved by voice vote.

There was no report for the Executive Committee.

Mr. Tang reported for the Committee on Strategic Initiatives, briefly reviewed the agenda, and moved adoption of Resolution 18, Request for Appropriation From the 2013 Virginia General Assembly, which was distributed in Committee. Motion was seconded by Mr. Snyder and approved by voice vote (Resolution 18 is appended).

Under Old Business, Mr. Trammell asked University Counsel Deb Love to report on Resolution 16: Revisions to the Bylaws of the Board of Visitors of the College of William and Mary.

Ms. Love provided a brief review of the suggested Bylaws changes and stated that a recommendation to amend Article VII, Section 3, Richard Bland College Committee, was received following the required 30-day advance notice for any changes to the Bylaws. Therefore, Resolution 16 will need to be revised to amend the third sentence in Article I, Section 5: Richard Bland College Committee (on page 6 of 20). Mr. Liberson explained the amendment and asked for a motion to amend page 6. Motion was made by Ms. Baise, seconded by Mr. Tang and approved by voice vote.

Mr. Trammell then asked for a motion to approve Resolution 16 as revised. Motion was made by Mr. Littel, seconded by Mr. Ashton and approved by voice vote. (Revised paragraph on page 6 of 20 of Resolution 16 (R) is appended).

Under New Business, Mr. Trammell announced that the Richard Bland College Committee will meet at Richard Bland College on April 25, 2013, to discuss the Strategic Plan, and President Debbie Sydow’s inauguration will be held at Richard Bland on April 26, 2013. The Rector encouraged all Board members to be there for both events.

Mr. Trammell moved that the Board of Visitors convene in Executive Session for the purpose of discussing personnel matters pertaining to performance evaluations of a specific executive
employee; discussion of disciplinary matters that would involve the disclosure of information concerning any student of any Virginia public institution of higher education; as well as consultation with legal counsel regarding specific legal matters, as provided for in Section 2.2-3711.A.1., 2., and 7., 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 12:20 p.m.

The Board reconvened in open session at 1:00 p.m. Mr. Trammell 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 Ms. Baise 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 1:00 p.m.
Board of Visitors

November 28, 2012

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: 11

NAYS: 0

ABSENT DURING CLOSED SESSION:

[Signature]

Jeffrey B. Trammell
Rector of the College
Committee on Strategic Initiatives and New Ventures

November 30, 2012

Resolution SI&NV-1

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: 14

NAYS: 0

ABSENT DURING CLOSED SESSION:

Michael Tang
Chair
Committee on Strategic Initiatives and New Ventures
Board of Visitors

November 30, 2012

CERTIFICATION OF CLOSED SESSION

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

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

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

VOTE

AYES: 14

NAYS: 0

ABSENT DURING CLOSED SESSION:

[Signature]
Jeffrey B. Trammell
Rector of the College
COLLEGE OF WILLIAM & MARY
REQUEST FOR APPROPRIATION FROM THE
2013 VIRGINIA GENERAL ASSEMBLY

WHEREAS, William & Mary (W&M) has been engaged in due diligence on possibly forging a substantial affiliation with Eastern Virginia Medical School (EVMS); and,

WHEREAS, the due diligence committee and its EVMS counterpart have identified possible valuable areas of partnership between the two schools;

NOW THEREFORE, BE IT RESOLVED, that the Board of Visitors directs W&M’s senior administration to work with the senior leadership at EVMS and submit to the Governor and the General Assembly the following language for consideration in the 2013 General Assembly session:

The Virginia General Assembly hereby appropriates $1,000,000 to W&M and EVMS to allow the Boards of Visitors to explore possible increased collaboration and development of integrated academic programs. The two institutions shall address and evaluate options for the appropriate relationship between the two institutions and the clinical affiliates of EVMS to improve the health of the citizens of Greater Hampton Roads and the Commonwealth and to meet the region’s healthcare workforce needs.
Section 5. RICHARD BLAND COLLEGE COMMITTEE

The Richard Bland College Committee shall be composed of no fewer than five Board members. It shall consider and make recommendations concerning the financial and academic affairs of Richard Bland College, review the submission and approval of any and all budgets and the administration of the academic and financial policies and procedures of Richard Bland College. The Committee shall serve as the Board's conduit with faculty and student liaison committees and make recommendations on resolutions submitted by Richard Bland College for consideration by the Board of Visitors. The non-voting, advisory student and faculty representatives from Richard Bland College shall also serve as members of this Committee.

Section 6. COMMITTEE ON FINANCIAL AFFAIRS

The Committee on Financial Affairs shall consider and make recommendations concerning the general direction and control of the financial affairs of the College, and the Virginia Institute of Marine Science, concerning the submission and approval of any and all budgets; and concerning the administration of the financial policies and procedures established by the Board. It shall have power and authority, subject to the guidelines set by the Board of Visitors, to invest and reinvest all funds held by the Board as an endowment or in trust for the uses and purposes of the College, of Richard Bland College and of the Virginia Institute of Marine Science, and with the assistance of the President of the College and the President of Richard Bland College shall direct and control the handling of investments by an investment counsel or depository agent at any time employed by the Board of Visitors.

Section 7. COMMITTEE ON ADMINISTRATION, BUILDINGS AND GROUNDS

The Committee on Administration, Buildings and Grounds shall consider and make recommendations on all matters relating to the buildings and grounds of the College, including the naming of College buildings referred to it by the Rector, the President of the College, or the Board, the administrative operations of the College, including human resources policy in regard to classified employees, university employees and other non-instructional faculty members employed by the College; information technology, procurement; and any other matters referred to it by the Rector or the President of the College, particularly in relationship to the Authorities granted under The Restructured Higher Education Financial and Administrative Operations Act.

Section 8. COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs shall consider and make recommendations on matters affecting educational policies, faculty affairs and appointments, and academic organization of the College, and shall advise the President of the College on matters of personnel policy in regard to members of the faculty, classified personnel and others employed by the College. The Committee shall meet on a regular basis with representatives of the faculties of the College.
Board of Visitors

November 30, 2012

CERTIFICATION OF CLOSED SESSION

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

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

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

VOTE

AYES: 14

NAYS: 0

ABSENT DURING CLOSED SESSION:

Jeffrey D. Trammell  
Rector of the College
AGENDA ITEMS
Board of Visitors Meeting
The College of William and Mary in Virginia

February 6-8, 2013
Board Room - Blow Memorial Hall

RICHARD BLAND COLLEGE
Resolution 1, tab #1 Appointments to Fill Vacancies in the Professional Faculty

COLLEGE OF WILLIAM AND MARY
Resolution 2, tab #2 Revision of the Office of Internal Audit Charter
Resolution 3, tab #3 Compliance Program Charter
Resolution 4, tab #4 Appointments to Fill Vacancies in the Professionals and Professional Faculty
Resolution 5, tab #5 Award of Academic Tenure
Resolution 6, tab #6 Faculty Promotions
Resolution 7, tab #7 Designated Professorships
Resolution 8, tab #8 Retirement of Robert J. Diaz School of Marine Science
Resolution 9, tab #9 Retirement of Carl H. Hobbs, III School of Marine Science
Resolution 10, tab #10 Retirement of Howard L. Kator School of Marine Science
Resolution 11, tab #11 Retirement of John D. Milliman School of Marine Science
Resolution 12, tab #12 Cash Management Investment Policy
<table>
<thead>
<tr>
<th>Resolution 13, <em>tab #13</em></th>
<th>Corporate Resolution to Transact Business and Confirm Authorized Business Agents for the College of William and Mary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resolution 14, <em>tab #14</em></td>
<td>Amendment of the Roby-Sherman Scholarship Fund</td>
</tr>
</tbody>
</table>
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 appointment of the following individual to fill these positions:

Charles T. Moore, Jr., Director of Athletics and Recreation, effective October 15, 2012

B.S. (1999), Christopher Newport University
M.A. (2010), American Public University

Randolph Macon College
Assistant Men’s Basketball Coach, 2010-2012

Virginia Commonwealth University
Coordinator of Work Study and Student Development, 2011-2012
Fitness Programs Assistant, 2009-2011

Patrick Henry Community College
Head Coach – Men’s Basketball, 2007-2009

Amelia Academy
Athletic Director/Boys Basketball Coach, 2001-2007

Jeremy M. Colb, Admissions Counselor/Academic Advisor, effective November 14, 2012

B.S. (2010), Christopher Newport University

TYGES International, Executive Recruiter, May 2012-August 2012

Christopher Newport University, Admissions Officer, August 2010-May 2012

Newport News/Williamsburg International Airport, Marketing/Public Relations Intern, January 2010-August 2010
RICHARD BLAND COLLEGE
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONAL FACULTY

Lashrecse D. J. Aird, Assistant to the President, effective November 25, 2012

B.A. (cum laude) (2008), Virginia State University

Virginia House of Delegates
Legislative Aide to Delegate Rosalyn R. Dance, 2006-2007 and 2008-2012

Jason M. Brown, Director of Human Resources, effective January 10, 2013

B.S. (1993), Virginia Commonwealth University
M.A. (2006), Webster University

City of Richmond
Human Resources Division Chief, 2011-2012
Benefits Administrator, 2010-2011

Department of Defense
U.S. Army Officer, 1995-2010
COLLEGE OF WILLIAM AND MARY

RESOLUTIONS
The Office of Internal Audit Charter was last revised at the February 2011 meeting of the Board of Visitors. It is appropriate to review such documents periodically.

The revised Office of Internal Audit Charter (attached) has been reviewed by the Chair of the Audit and Compliance Committee, the President and Vice President for Finance of the College of William and Mary, the President of Richard Bland College, and the Director of Internal Audit. The revisions address changes in the Board of Visitors Bylaws and various auditing standards.

The Audit and Compliance Committee also oversees the work of the College of William and Mary’s Compliance Office. The Board of Visitors Bylaws will be amended to reflect this during the next revision of the Bylaws.

Proposed additions to the existing text are shown in bold italics; proposed deletions are struck-through.

BE IT RESOLVED, That the Office of Internal Audit Charter is approved by the Board of Visitors as revised, effective immediately.
Article I, section 14 of the Board of Visitors Bylaws, revised November 30, 2012, states: The Committee on Audit and Compliance shall oversee the Office of Internal Audit, which is charged with the responsibility of auditing the College of William and Mary and Richard Bland College and shall consider and make recommendations on policy matters pertaining to campus safety and security and risk management. The Director of Internal Audit shall be directly responsible to the Committee on Audit and Compliance in the formation of an annual Audit Plan. The President of the College and the President of Richard Bland College may advise and consult with the Committee on any matter pertaining to internal auditing. The Committee shall perform an annual evaluation of the Director of Internal Audit during the Board's annual meeting for recommendation to the full Board.

Article II, section 10 of the Board of Visitors Bylaws, revised November 30, 2012, states: The Board of Visitors shall, on recommendation of the President of the College and the President of Richard Bland College, appoint a Director of Internal Audit. The Director of Internal Audit shall report directly to the Committee on Audit and Compliance and shall be responsible to the Committee for the administration and operation in the Office of Internal Audit and for the formation of an annual Audit Plan. The budget for and authorization of positions in the Office of Internal Audit shall be reviewed and approved by the Committee on Audit and Compliance. The Director of Internal Audit shall consult with the President of the College and the President of Richard Bland College in the administration and operation of the Office of Internal Audit. The Director of Internal Audit shall be evaluated annually by the Committee on Audit and Compliance during the Board's annual meeting for recommendation to the full Board.

Mission

The mission of the Office of Internal Audit is to support the respective missions of the College of William and Mary and Richard Bland College by providing auditing services to the Board of Visitors and the colleges. The mission statements follow:

The College of William and Mary, a public university in Williamsburg, Virginia, is the second-oldest institution of higher learning in the United States. Established in 1693 by British royal charter, William and Mary is proud of its role as the Alma Mater of generations of American patriots, leaders, and public servants. Now, in its fourth century, it continues this tradition of excellence by combining the best features of an undergraduate
college with the opportunities offered by a modern research university. Its moderate size, dedicated faculty, and distinctive history give William and Mary a unique character among public institutions, and create a learning environment that fosters close interaction among students and teachers.

The university’s predominantly residential undergraduate program provides a broad liberal education in a stimulating academic environment enhanced by a talented and diverse student body. This nationally acclaimed undergraduate program is integrated with selected graduate and professional programs in five faculties — Arts and Sciences, Business, Education, Law, and Marine Science. Masters and doctoral programs in the humanities, the sciences, the social sciences, business, education, and law provide a wide variety of intellectual opportunities for students at both graduate and undergraduate levels.

At William and Mary, teaching, research, and public service are linked through programs designed to preserve, transmit, and expand knowledge. Effective teaching imparts knowledge and encourages the intellectual development of both student and teacher. Quality research supports the educational program by introducing students to the challenge and excitement of original discovery, and is a source of the knowledge and understanding needed for a better society. The university recognizes its special responsibility to the citizens of Virginia through public and community service to the Commonwealth as well as to national and international communities. Teaching, research, and public service are all integral parts of the mission of William and Mary.

**Richard Bland College**, of The College of William and Mary in Virginia was founded in 1960. It is The Junior College of the Commonwealth of Virginia. The College offers a traditional curriculum in the liberal arts and sciences leading to the associate degree, and other programs appropriate to a junior college. The curriculum is intended to allow students to acquire junior status upon transferring to a four-year college, or to pursue expanded career opportunities. The College also recognizes its responsibility to serve the public by providing educational and cultural opportunities for the community at large.

**Overview Background**

Audit and advisory reports are addressed to the Chair of the Committee on Audit and Compliance with copies to members of the Committee, the appropriate college president, and others directly impacted by audit findings. All reports are reviewed and signed by the Director. The Director also provides summarized reports to the Committee on Audit and Compliance. Whenever the Director learns of any manner of fraud, waste, or abuse of
Commonwealth or private resources, and any other matter deemed significant by the Director, he must promptly report such information to the Chair of the Committee on Audit and Compliance, presidents, and when appropriate, the Inspector General, Auditor of Public Accounts (APA), William and Mary Police, or the State Police. The Director regularly consults with the presidents, provosts, deans, and vice presidents of the colleges. The Office shall have unrestricted access to all activities, properties, personnel, and records of the colleges to the fullest extent of the law. The Office retains and releases records in compliance with the Commonwealth’s laws. Should the Director leave employment for any reason, the Committee on Audit and Compliance of the Board of Visitors will interview the departing Director.

Professional Auditing Standards and Statements

Internal auditing is an advisory function. The Office objectively analyzes, reviews, and evaluates existing procedures and activities; reports on conditions found; and recommends actions for consideration. This includes an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the colleges. The Office’s Our work is completed with care, prudence, and professionalism. The Office will We report weak or missing controls, inefficiencies, fraud, illegal activities, or impediments to the Office’s our work in accordance with the following:

- American Institute of Certified Public Accountants (AICPA) pronouncements
- Commonwealth of Virginia (CoV) laws and regulations
- Financial Accounting Standards Board (FASB) statements
- Generally Accepted Auditing Standards (GAAS) including Statements of Auditing Standards (SAS) and the Government Accountability Office’s (GAO) Governmental Auditing Standards (Yellow Book)
- Governmental Accounting Standards Board (GASB) statements
- Institute of Internal Auditors (IIA) pronouncements

Audit and Advisory Services

Consulting: Provide consulting and advisory services as requested by the Board of Visitors, presidents, provosts, deans, and vice presidents of the colleges. Such services should improve the colleges' governance, risk management, and control processes - without the Office of Internal Audit assuming management responsibility.

Compliance: In cooperation with the Office of Compliance, determine compliance with policies, procedures, laws and regulations established by the colleges, the Commonwealth, the Federal Government and applicable certain external bodies, such as the National Collegiate Athletic Association (NCAA).
Board of Visitors

February 6-8, 2013

Financial: Audit internal control systems and financial transactions of the colleges, including capital projects.

Operational: Provide an **Evaluate** evaluation of operational efficiency and effectiveness in accordance with the goals and policies established by the colleges, Commonwealth, **and** the Federal Government.

Technology: Evaluate the design, development, implementation, and internal controls of information technology systems.

**Responsibilities of the Director**

- The Director represents the Office, the colleges, the Commonwealth, and the auditing profession at all times. Consequently, the Director must always be mindful of his/her actions.

- The Director must maintain a high level of professionalism within the Office. Accordingly, the Director is responsible for providing continuing professional education required by professional standards.

- The Director should prepare a report of Office activities for the Committee on Audit *and* Compliance on a regular basis. This report may be sent to presidents, provosts, vice presidents, and, at the discretion of the Director, others directly impacted by audit findings. The report should be concise with supporting detail available upon request.

- The Director prepares a comprehensive annual work plan based upon judgment and a risk assessment model. This should be discussed with the presidents, provosts, vice presidents, and anyone else the Director deems necessary before the plans are presented to the Committee on Audit *and* Compliance for approval.

- The Director is responsible for the work of all auditors in the Office.

- The Director is responsible for the efficient and effective use of Internal Audit resources.

- The Director is the primary liaison to all external audit entities including the Federal Government and the Commonwealth.

- The Director is responsible for periodic external reviews of the Office, if funds are available. These reviews should be performed in accordance with professional auditing standards. A written report should be provided to the Committee on Audit *and* Compliance and the presidents.
 COLLEGE OF WILLIAM AND MARY
COMPLIANCE PROGRAM CHARTER

WHEREAS, The Committee on Audit and Compliance oversees the Compliance Program of the College of William and Mary; and

WHEREAS, The proposed Compliance Program Charter (attached) has been reviewed by the Chair of the Audit and Compliance Committee, the President, the Provost, and other College officials;

NOW, THEREFORE, BE IT RESOLVED, That the Compliance Program Charter is approved by the Board of Visitors, effective immediately.
THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA

COMPLIANCE PROGRAM CHARTER

William and Mary, as a public institution of higher education, is regulated by both the federal government and the Commonwealth of Virginia. The responsibility for compliance with these legal obligations is shared by all members of the university community:

- Employees must obey the laws, regulations, and policies applicable to their university activities, and report illegal or unethical action that comes to their attention.¹

- Supervisors must ensure that employees have the knowledge and skills to fulfill their obligations, and address or elevate reported violations or similar issues.

- Members of senior management must promote a culture of compliance and ethical behavior, and ensure that the university has policies and standards reasonably designed to prevent compliance violations in their areas of operation.

As federal and state laws increase and become more complex, the university has charged the Compliance and Policy Office with the coordination, monitoring and, when appropriate, improvement, of the array of compliance functions. This Office works closely with other offices providing general compliance services, particularly Internal Audit, University Counsel, and Human Resources. To assist employees, the university also has offices and officers with expertise and responsibilities in various compliance areas, such as the Office of Sponsored Programs for compliance obligations arising in the conduct of research, the Environmental Health & Safety Department for workplace safety compliance, and the Assistant Athletics Director for Compliance and Educational Services, for NCAA compliance.

Collectively, these institutional expectations, responsibilities, and services comprise the university’s compliance and ethics program. As defined by federal regulations, the program is “reasonably designed, implemented, and enforced” to prevent and detect illegal conduct through “due diligence and the promotion of an organizational culture that encourages ethical conduct and a commitment to compliance with the law.”

¹ Code of Ethics of the College of William and Mary.
The Chief Compliance Officer has overall responsibility for the compliance program.² The Compliance Officer, working with senior management and other employees and in close cooperation with Internal Audit, University Counsel, and Human Resources, strives to:

1. ensure that the university has policies and procedures reasonably designed to satisfy existing or new legal obligations.

2. ensure that the university has procedures aimed at detecting and remediying compliance problems and risks, including methods for employees to “report or seek guidance regarding potential or actual” illegal conduct without fear of retaliation.

3. conduct or assist with certain internal compliance investigations and otherwise help management address compliance violations reported or detected.³

4. ensure the university has practices and systems to communicate key policies and other relevant aspects of the compliance and ethics program to affected employees. The Compliance and Policy Office also directly communicates new and proposed policies to the campus community.

5. assist senior management and others promote and enforce the compliance program.

6. assist in identifying and addressing significant compliance risks, for example by conducting compliance gap analyses and risk assessments (including under the auspices of the university’s Risk Management Committee) and providing compliance resources and guidance.

The Committee on Audit and Compliance of the Board of Visitors provides oversight of the compliance program. The Chief Compliance Officer reports regularly to the Committee regarding the status and effectiveness of the compliance program, and brings to the Committee’s attention significant compliance risks and matters.

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² Federal regulations require that a specific, “high-level” individual be given “overall responsibility” for the compliance and ethics program. The Chief Compliance Officer reports to the President and directs the Office of Compliance and Policy.

³ Reported or suspected violations may be investigated by any number of individuals, committees, or offices, under university policies.
COLLEGE OF WILLIAM AND MARY
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY

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

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

JANA HOLT ALLEN, Associate Director of Flex and EMBA Programs, Mason School of Business, effective January 28, 2013

B.A. (1977); M.A. (2002), Dallas Baptist University

Rollins College
Director, Corporate and Saturday MBA, 2006-2010

Baylor University
Director, Executive MBA Program, 2003-2006
Assistant Director, Executive MBA Program, 2000-2003

Meeting Concepts
President, 1998-2000

LU ANN HOMZA, Dean for Educational Policy, Faculty of Arts and Sciences, effective January 1, 2013

Ph.D. (1992); M.A. (1981), The University of Chicago
B.A., Scripps College, 1980

College of William and Mary
Professor, 2007-2013
Director, Medieval and Renaissance Studies Program, 2008-2011
Associate Professor, 1998-2007
Assistant Professor, 1992-1998
COLLEGE OF WILLIAM AND MARY
APPOINTMENTS TO FILL VACANCIES IN THE
PROFESSIONALS AND PROFESSIONAL FACULTY

THERESE A. LOVEGREEN, Director of Academic Advising, Faculty of
Arts and Sciences, effective January 25, 2013

M.A.Ed., Virginia Polytechnic Institute and State University, 2003
B.S., University of Pittsburgh, 1980

Virginia Polytechnic Institute and State University
Associate Director, University Academic Advising Center/University
Studies, 2010-2012
Interim Director, University Academic Advising Center/University
Studies, 2009-2010
Associate Director for Academic Advising and Assessment, 2006-2009
Academic Advisor, University Academic Advising Center/University
Studies, 2003-2006

MICHAEL NANCE UMBERGER, Reference Librarian, William & Mary
Law School, effective January 2, 2013

M.L.I.S., University of Washington, Information School, 2012
J.D., Mercer University, Walter F. George School of Law, 2011
B.A., Mercer University, 2008

University of Washington, Gallagher Law Library
Reference Librarian, 2012
COLLEGE OF WILLIAM AND MARY
AWARD OF ACADEMIC TENURE

The following members of the Instructional Faculty at the College of William and Mary have been recommended for the award of academic tenure by the appropriate departmental committees and chairs, the appropriate deans, and by the Provost and President.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the following members of the Faculty be awarded academic tenure, effective with the beginning of the 2013-2014 academic year:

SETH A.M. AUBIN, Department of Physics

ANGELA M. BANKS, School of Law

M. VICTORIA COSTA, Department of Philosophy

CATHERINE A. FORESTELL, Department of Psychology

MATTHEW HAUG, Department of Philosophy

ROSS IACI, Department of Mathematics

MICHAEL S. KORDOSKY, Department of Physics

KATHRIN H. LEVITAN, Department of History

LEAH B. SHAW, Department of Applied Science

RICHARD TURITS, Department of History

PATRICIA VAHLE, Department of Physics

GEXIN YU, Department of Mathematics

GANG ZHOU, Department of Computer Science
COLLEGE OF WILLIAM AND MARY
FACULTY PROMOTIONS

The following members of the Instructional Faculty of the College of William and Mary have been recommended for promotion in academic rank by the appropriate departmental committees and chairs, the appropriate deans, and by the Provost and President.

BE IT RESOLVED, That upon recommendation of the President, the Board of Visitors of the College of William and Mary approves the academic promotions of the following members of the Faculty of the College, effective with the beginning of the 2013-2014 academic year:

Assistant Professor to Associate Professor

SETH A.M. AUBIN, Department of Physics

M. VICTORIA COSTA, Department of Philosophy

CATHERINE A. FORESTELL, Department of Psychology

MATTHEW HAUG, Department of Philosophy

ROSS IACI, Department of Mathematics

MICHAEL S. KORDOSKY, Department of Physics

KATHRIN H. LEVITAN, Department of History

LEAH B. SHAW, Department of Applied Science

PATRICIA VAHLE, Department of Physics

GEXIN YU, Department of Mathematics

GANG ZHOU, Department of Computer Science

Associate Professor to Professor

ANGELA M. BANKS, William & Mary Law School
COLLEGE OF WILLIAM AND MARY
DESIGNATED PROFESSORSHIPS

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

BE IT RESOLVED, That upon recommendation of the President, the Board
of Visitors of the College of William and Mary approves the designated professorships of
the following members of the Faculty of the College, effective with the 2012-2013
academic year:

CINDY HAHAMOVITCH, Class of 1938 Professor of History, for a five-year
term.

SIMON P. JOYCE, Margaret Hamilton Professor of English, for a three-year
term.
Professor Robert J. Diaz joined the faculty of the College of William and Mary in 1978 as an Assistant Professor after attaining his M.S. and Ph.D. degrees from the University of Virginia in 1971 and 1977. Among his many accomplishments and honors Professor Diaz was awarded a Doctor Honoris Causa from Gothenburg University, Sweden in 1996 and received the Prestigious Virginia Outstanding Scientist Award in 2011.

Professor Diaz is known internationally for his research on the dynamics and distribution of human-caused ocean hypoxia or “dead zones.” His research has focused more specifically on the effects of low oxygen on ecosystem functioning, energy flow and benthic community structure in regions ranging from both local to global scales. Professor Diaz is a noted expert on Oligochaeta and has authored many important research papers and contributions to books on their ecology, life histories and population dynamics. Professor Diaz has also conducted important work on the effects of sediments and organism-sediment interactions on benthic communities; especially the effects of dredging activities and the subsequent deposition of sediments on benthic organisms. In his research activities throughout his career Professor Diaz has developed many novel and useful approaches and instruments for evaluating and studying benthic communities, including a real-time benthic “Worm Camera” that allows researchers and scientists to view and record sub-benthic communities in situ.

Professor Diaz has been an important contributor to graduate education in the School of Marine Science. He has been one of the principal quantitative ecologists in the School of Marine Science for many years and has taught numerous introductory and advanced courses on statistical analyses to generations of graduate students. He has always been a generous and informative advisor to students and faculty on experimental design and quantitative analysis. Professor Diaz has mentored many Ph.D. and M.S. students throughout his career at the School of Marine Science, and has served on graduate committees at Old Dominion University, the University of Delaware, University of Charleston, Gothenburg University in Sweden and the University of Vienna in Austria.

Professor Diaz has always been active in providing his scientific experience and expertise to solve real-world problems at local, national and international levels. At the international level his work has been through his activities with many agencies in the United Nations as well as directly with many countries including Mexico, Spain, China, Denmark and Sweden. At the national level he has worked with the Environmental Protection Agency, the Department of Interior and the Corps of Engineers, as well as many other agencies and organizations, and has been called upon for his help and expertise in regions including the Hudson River, the Gulf of Mexico and numerous other coastal environments throughout the United States. Locally, he has been an important advisor and contributor to the efforts to improve and restore the Chesapeake Bay and its many rivers and bays in Maryland and the Commonwealth of Virginia for many years.
BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of Professor Robert J. Diaz; expresses its appreciation to him for the many contributions he has made to the College of William and Mary; and approves, with deep gratitude for his 34 years of devoted service to the University, a change in status from Professor of Marine Science to 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 Diaz with best wishes for continuing and creative work in the years ahead.
Carl H. Hobbs, III joined the faculty of the College of William and Mary in 1975 as an Instructor in the School of Marine Science. He received his B.S. in 1966 from Union College, his M.S in 1972 from the University of Massachusetts, and his Ph.D. in 1997 from the University of Mississippi. He became an Assistant Professor in 1977 and was promoted to Associate Professor in 1998. In 2007 he was also appointed Director for Operations, Support Services and Special Projects at the Virginia Institute of Marine Science, home of William and Mary's School of Marine Science.

Professor Hobbs' research has focused on coastal geology, namely the study of the geomorphology, sedimentology, and stratigraphy of estuaries, beaches, barrier islands and the continental shelf. He is member of the Editorial Board of the Journal of Coastal Research and a leading expert on the geology of the York River, Chesapeake Bay, and the Eastern Shore of Virginia. He was a pioneer in the use of modern geophysical techniques in Virginia waters, including high resolution seismic reflection profiling and side scan sonar. He has applied his expertise to diverse, societally relevant issues, including the economic and environmental ramifications of offshore mineral and sand mining, coastal dredging, and shoreline erosion. He has also applied the techniques of geophysical exploration to marine archeology and to the history of Jamestown Island. Over the years he has worked closely with the U.S. Minerals Management Service and also with the Center for Archaeological Research at the College of William and Mary.

Professor Hobbs has been an important contributor to graduate education in the School of Marine Science, leading or co-leading the School's "Introduction to Geological Oceanography" course for more than 20 years. Other courses he has taught have included Quaternary Coastal Geology, Methods in Geological Oceanography, and Marine Acoustics. His generosity and broad knowledge of geological oceanography has made him a popular member of graduate student advisory committees. Professor Hobbs has also been a selfless contributor to University governance, having served as Chair of the School of Marine Science's Education Policy Committee, Vice Chair of the Department of Physical Sciences, and Chair of many other VIMS committees, including Radiation Safety, Accident Review, Bio-Hazards, VIMS Safety, Emergency Management, and Space.

BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of Professor Carl H. Hobbs, III; expresses its appreciation to him for the many contributions he has made to the College of William and Mary; and approves, with deep gratitude for his four decades of devoted service to the University, a change in status from Associate Professor of Marine Science to 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 Hobbs with best wishes for continuing and creative work in the years ahead.
Dr. Howard I. Kator joined the faculty of the College of William and Mary in 1983 as an Associate Professor in the School of Marine Science. He had joined the VIMS faculty in 1975 as a Senior Marine Scientist in the Department of Microbiology-Pathology. Professor Kator received his B.A. in Biology in 1965 from Harpur College (SUNY Binghamton), and his Ph.D. in Biological Oceanography from Florida State University in 1972. From 1972 to 1974 he was a Post-doctoral Research Associate at the University of Texas and served as a Microbiologist for a year at the Helgoland Institute in Germany. He served as the Head of the Department of Estuarine and Coastal Ecology from 1983-1986 and as Chair of the Department of Environmental and Aquatic Animal Health from 2004 until his retirement in December of 2012.

Dr. Kator’s creative research has focused primarily on applied microbial ecology issues including valued studies evaluating microbial degradation of petroleum by marine bacteria and the microbiology of shellfish and shellfish-growing waters. He has made substantial contributions to understanding the microbial ecology of aquatic systems and the uptake and elimination of microorganisms by bivalve shellfish, particularly pathogens that can have profound impacts on public health. His research has informed the regulatory policies implemented for recreational waters, shellfish harvesting and aquaculture growing areas in Virginia and the region. Over the years, he has worked closely with the Virginia shellfish industry and wastewater treatment plant facilities, as well as numerous regulatory agencies. He served as Chair of the Interstate Shellfish Sanitation Conference Research Guidance and Microbiology Committee for a number of years and worked closely with the Virginia Departments of Health and Environmental Quality and the U.S. Environmental Protection Agency on several projects and management issues. His research funding has come from many different sources including NOAA, EPA and local and state agencies.

Professor Kator has contributed to the educational mission of the University in many ways. He has mentored numerous graduate, undergraduate and high school students and served on several graduate student committees during the past 37 years. He has taught a number of graduate level aquatic microbiology lecture and laboratory courses, most notably Aquatic Microbial Ecology, Environmental Microbiology, and Fundamentals of Environmental Science for Policy. Students were very fortunate to benefit from an instructor who had applied the principles taught in these courses to “real world” situations.

Another hallmark of Dr. Kator is the valuable mentoring he provided to staff, other faculty and regulatory personnel. He has generously shared his knowledge, experiences and wisdom with others over the years, so that his impact will be felt at VIMS and throughout the Chesapeake Bay region for many years to come.
BE IT RESOLVED, that the Board of Visitors acknowledges the retirement of Professor Howard I. Kator; expresses its appreciation to him for the many contributions he has made to the College of William and Mary; and approves, with deep gratitude for his 37 years of devoted service to VIMS and the University, a change in status from Associate Professor of Marine Science to 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 Kator with best wishes for continuing and creative work in the years ahead.
Dr. John D. Milliman joined the faculty of the College of William and Mary in 1993 as Dean of Graduate Studies of the School of Marine Science (SMS) and Virginia Institute of Marine Science (VIMS). He was named Chancellor Professor of Marine Science in 2001 and College Faculty Marshall in 2003.

Professor Milliman received his B.S. in 1960 from the University of Rochester, his M.S. in 1963 from the University of Washington, and his Ph.D. in 1966 from the University of Miami. For more than 20 years he was on the Scientific Staff at the Woods Hole Oceanographic Institution; he has also been a Guest Professor at the University of Heidelberg, a Guest Professor at the University of Oslo, an Adjunct Professor at the University of Southampton, and an Honorary Professor at the Institute of Oceanology in Qingdao. In 1992 he was awarded the Francis P. Shepard Medal for excellence in marine geology, and in 2012 he received the Virginia Outstanding Scientist of the Year Award.

As Dean of Graduate Studies of SMS/VIMS (1993-1999), Professor Milliman worked tirelessly to advance the College's Graduate Program in Marine Science. During his time as Dean, student applications to the School of Marine Science peaked, the quality of applicants soared, and the diversity of the student body increased significantly. He restructured the SMS Graduate Program to provide a more modern balance of discipline-specific and interdisciplinary courses. Through his efforts, the SMS converted its Master of Arts degree to a Master of Science degree, which tacitly acknowledged the student research required for successful completion of the program. He also was successful in obtaining a National Science Foundation (NSF) traineeship at VIMS to support minority students and was instrumental in developing a NSF-funded Research Experiences for Undergraduates program, which is currently recognized as one of the most successful in the U.S.

Professor Milliman is a leading international expert in the study of the transport, deposition, and diagenesis of sediments and river discharge to the sea. His investigations have included the study of such diverse areas as the U.S. East Coast, South African and Brazilian continental margins, the East China, South China and Yellow seas, the small, mountainous rivers of Alaska, New Guinea and Taiwan, as well as carbonate environments on tropical banks and continental shelves from around the world. Through the years he has organized cooperative research programs with Brazil, Norway and Iceland, led the first China-U.S. cooperative oceanographic research program, and recently initiated the first cooperative research study of the Gulf of Tonkin between Vietnam and the USA. He is the author or co-author of more than 200 journal articles, and author or editor of nine books. The more than 800 annual citations of his scientific publications make him one of the most widely cited faculty members at the College of William and Mary.

Professor Milliman's enthusiasm for research has never distracted from his devotion to teaching and mentoring at William and Mary. Over the years he has taught numerous undergraduate and graduate courses, including Marine Geology, Tropical Carbonates, and
Paradigm Shifts in Geology. His most popular course, "Rivers: Processes and Management," is a condensed six-week short-course, followed by a one-week field trip in which a number of diverse river localities throughout California are visited, many of which are hosted by local experts, including one of his past graduate students who is now a professor in her own right. Professor Milliman's devotion to his students is typified by the fact that he has consistently received the highest teaching evaluations of any faculty member in his department.

BE IT RESOLVED, That the Board of Visitors acknowledges the retirement of Professor John D. Milliman; expresses its appreciation to him for the many contributions he has made to the College of William and Mary; and approves, with deep gratitude for his twenty years of devoted service to the University, a change in status from Professor of Marine Science to 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 Milliman with best wishes for continuing and creative work in the years ahead.
The Cash Management Investment Policy applies to the investment of operating funds belonging to the College of William and Mary and under the control of the College's appointed Board of Visitors. Under the Restructured Higher Education Financial and Administrative Operations Act, Chapter 4.10 (§23-38.104) of Title 23 of the Code of Virginia, the College, as a covered institution "may invest its operating funds in any obligations or securities that are considered legal investments for public funds in accordance with Chapter 45 (§2.2-4500 et seq.) of Title 2.2. Such institution's governing body shall adopt written investment guidelines which provide that such investments shall be made solely in the interest of the covered institution and shall be undertaken with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims."

The College’s operating funds and balances consist of tuition and fee revenue, expendable gift monies, endowment income, earned interest from investments, grants and sponsored research, rental income from owned properties, income received from external trusts, interest and dividends received on gifted securities, cash balances that reside in College auxiliary accounts and agency accounts, and generally any revenue received by the College of William and Mary that is deemed not to be state money and therefore subject to other mandatory depository restrictions of the State of Virginia. These institutionally ("locally") controlled operating funds are the basis of working capital from which the annual private fund and auxiliary budgets are constructed and they remain invested in short and intermediate term investments until such time as expenditures are drawn. Based on cyclical patterns of when revenue is received and funds subsequently disbursed, the invested balance of operating funds fluctuates monthly within a range between approximately $50 million and $100 million.

The Board of Visitors last reviewed its policy on cash management at its meeting on April 15-16, 2010. It is the practice of the College to review at least every three years its operational policies and guidelines to ensure that the authorizations contained therein are in keeping with the current thinking of the Board of Visitors.

All short term and intermediate term investments as disclosed in this policy are currently managed by SunTrust Bank, the depository institution used by the College. If the College were to use different service providers for cash management, these same investment guidelines would apply.

RESOLVED, That the Board of Visitors of The College of William and Mary in Virginia approves the amended guidelines on the following pages as the Cash Management Investment Policy for institutional funds belonging to the College of William and Mary, superseding any existing policy under the same name. Proposed additions are shown in shaded text; proposed deletions are struck-through.
THE BOARD OF VISITORS
THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA

CASH MANAGEMENT INVESTMENT POLICY

Purpose and Scope

The purpose of this Cash Management Investment Policy is to articulate the investment and operational guidelines and authorizations for the non-general operating cash balances and reserves, referred to as local or private funds, under the control and oversight of the Board of Visitors. This policy is crafted to adopt best practices in the prudent management of short-term investments, complying with laws and regulations applicable to qualified public entities in Virginia. Accordingly, this policy does not cover the College's investment of long-term or endowment assets, general funds managed on behalf of the Commonwealth, proceeds from tax-exempt bond issues, or guidelines in the procurement of banking services. Except for cash in certain legally restricted and special accounts, the College shall consolidate cash and reserve balances to optimize College-wide liquidity management, maximize its investment earnings potential, and to increase efficiencies in the cost of investment management.

Statement of Objectives

- To ensure the safety of funds held in the short-term investment portfolio.

- To maximize investment return within the constraints of safety of principal and of maintaining sufficient adequate liquidity to meet all operating needs and obligations that may be reasonably anticipated.

Governing Authority: Laws and Regulations

This Cash Management Investment Policy shall be governed by existing law and regulations that apply to the investment of public funds, specifically the Virginia Security for Public Deposits Act, Chapter 44 (§2.2-4400 et seq.) of Title 2.2 of the Code of Virginia, as amended; the Investment of Public Funds Act, Chapter 45 (§2.2-4500 et seq.) of Title 2.2 of the Code of Virginia, as amended; the Uniform Prudent Management of Institutional Funds Act, Chapter 11, (§64.2-1100 et seq.) of Title 64.2 of the Code of Virginia, as amended; and §23-44.1 of the Code of Virginia, as amended, concerning the College's investment of endowment income, gifts, standards of care, liability, and exemption from the Virginia Public Procurement Act. Further authority as it relates to the investment of operating fund reserves and balances of or held by the College is delegated to the Board of Visitors in a certain Management Agreement dated March 30, 2009, by and between the Commonwealth of Virginia and the Rector and Board of Visitors of the College of William and Mary, pursuant to the Restructured Higher Education Financial and Administrative Operations Act of 2005.
Standards of Care

The College will have the option to manage its non-general short term operating cash reserves internally, only when necessary and feasible, and/or preferably through the exercised care of professional investment managers.

The College shall rely on the "prudent person" standard in the exercised care of its investments. Accordingly, as stated in the Investment of Public Funds Act, Chapter 45 ($2.2-4514 et seq.) of Title 2.2 of the Code of Virginia, investments shall be made "with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." College employees and officials who exercise proper due diligence in following this investment policy according to the "prudent person" standard shall be relieved of personal responsibility for an individual security's credit risk or market price changes. When investments are made in conformity with Investment of Public Funds Act, Chapter 45 of the Code of Virginia, §2.2-4516 states that "no treasurer or public depositor shall be liable for any loss therefrom in the absence of negligence, malfeasance, misfeasance, or nonfeasance on his part or on the part of his assistants or employees." Furthermore, when deposits are made in conformity with the Virginia Security for Public Deposits Act, Chapter 44 of the Code of Virginia, §2.2-4410 states that "no official of a public depositor shall be personally liable for any loss resulting from the default or insolvency of any qualified public depository in the absence of negligence, malfeasance, misfeasance, or nonfeasance on his part or on the part of his agents."

Members of William and Mary community are required to adhere to a Code of Ethics Policy which was passed by the Board of Visitors on April 17, 2009. College personnel involved with the investment of funds shall be governed by these ethical guidelines and furthermore shall take meaningful effort to refrain from actions or activities that would have the appearance of violating the nature and intent of the College's standards of ethical behavior.

Upon retention, external managers will be given a copy of this Cash Management Investment Policy and shall be required to maintain compliance with all directives stated herein. External managers shall be required to have a Code of Ethics or similar governing rules of ethical behavior that shall be disclosed to the College prior to their formal engagement. Failure to maintain compliance with these governances may result in dismissal and other potential measures of recourse.

Approved Investments

- U.S. Treasury Bills
- U.S. Treasury Notes and Bonds
- U.S. Federal Agency Obligations (including mortgage backed securities)
- Money market mutual funds (no-load open-ended investment funds) which invest in U.S. Treasury Bills, Notes, Bonds, Federal Agency Obligations, and high
quality Corporate Obligations, provided such funds are registered under the Federal Investment Company Act of 1940 and rated at least "AAm" or the equivalent by a Nationally Recognized Statistical Rating Organization ("NRSRO") and properly registered for sale in Virginia under the Securities Act (§13.1-501 et seq.) of the Code of Virginia. Money market funds must comply with the diversification, quality, and maturity requirements of Rule 2a-7, or any successor rule, under the Federal Investment Company Act of 1940, provided the investments of such funds are restricted to investments otherwise permitted by the Code of Virginia.

- Bond mutual funds, commingled investment funds, and bank common trust funds (all classified as no-load open or closed-ended investment funds) which invest in high grade quality government (USD-denominated securities) and high quality corporate obligations with intermediate individual effective maturities no longer than 5 years and an average portfolio duration no longer than 2 years. High quality corporate obligations shall carry a rating of at least "A" by two rating agencies, one of which shall be either Moody's Investors Service, Inc., or Standard & Poor's, Inc. Funds must be registered under the Federal Investment Company Act of 1940 and be properly registered for sale in Virginia under the Securities Act (§13.1-501 et seq.) of the Code of Virginia. Investments in these funds are restricted to investments otherwise permitted by the Code of Virginia for qualified public entities.

Bankers' Acceptances and Certificates of Deposit of banks rated A-1 by Standard & Poor's or P-1 by Moody's Investor Service

- Bankers' Acceptances that are issued by domestic banks or domestic offices of foreign banks (in USD), which are eligible for purchase by the Federal Reserve System with a maturity of 180 days or less. The issuing corporation, or its guarantor, must have a short-term debt rating of no less than "A-1" (or its equivalent) by at least two NRSROs. The amount invested in any single bank will not exceed 5% of the total funds available for investment (based on book value on the date of acquisition).

- "Prime quality" Commercial Paper rated A-1 by Standard & Poor's or P-1 by Moody's Investors Service with a maturity of 270 days or less and a short-term debt rating of no less than "A-1" (or its equivalent) by at least two of the NRSROs at time of purchase. Issuing corporations must be organized and operating under the laws of the United States or any state thereof and have a minimum net worth of $50 million. The net income of the issuing corporation, or its guarantor, must have averaged at least $3 million per year for the previous five years. All existing senior bonded indebtedness of the issuer, or its guarantor, must be rated "A" or better by at least two NRSROs.

- High quality corporate notes and obligations rated at least "Aa" by Moody's Investors Service, Inc., and a rating of rated at least and "AA" or better by Moody's Investors Service and Standard & Poor's, Inc., and a maturity of no more than five years (as allowed by the Code of Virginia).
- High quality asset-backed securities with a duration of no more than five years (as allowed by the Code of Virginia) and a rating of no less than "AAA" by two NRSROs, one of which must be either Standard & Poor's, Inc. or Moody's Investors Service, Inc.

- Certificates of Deposit and Bank Deposit Notes of domestic banks and domestic offices of foreign banks, lawfully authorized to do business in Virginia, with a rating of at least "A-1" by Standard & Poor's, Inc. and "P-1" by Moody's Investors Service, Inc., for maturities of one year or less, and a rating of at least "AA" by Standard & Poor's, Inc. and "Aa" by Moody's Investors Service, Inc., for maturities over one year and not exceeding five years. Certificates of Deposit and Bank Deposit Notes with any institution other than the College's primary depository shall not exceed levels of provided insurance by the Federal Deposit Insurance Corporation.

- Time Deposits in any federally insured bank or savings institution that is qualified by the Virginia Treasury Board to accept public deposits. Deposits in any such institutions shall be at levels whereby the College's money shall remain fully insured by the Federal Deposit Insurance Corporation (or collateralized in full with U.S. Government or agency securities by the College's primary depository as assets belonging to a public entity covered under the Virginia Security for Public Deposits Act, Chapter 44 (§2.2-4400 et seq.) of Title 2.2 of the Code of Virginia).

- Investment in overnight repurchase agreements. Certain conditions for investment shall apply:

  - When investments are made in overnight repurchase agreements, the College will require that its investments be 102% collateralized by U.S. Treasury and Agency obligations, and that this collateral be delivered to the College's custodian bank and identified according to Uniform Commercial Code book entry procedures on the custodian's books as property belonging to the College of William and Mary;
  - A master repurchase agreement or specific written repurchase agreement shall govern the transaction;
  - The securities are free and clear of any lien;
  - Qualified counterparties must be either member banks of the Federal Reserve System having total assets of more than $10 billion and that are among the 50 largest commercial banks in the U.S.; or, non-bank dealers who are designated by the Federal Reserve Bank of New York as primary dealers in government securities;
  - The counterparty must have a long-term credit rating of at least "AA" or the equivalent from an NRSRO, been in business for at least 5 years, and be reputedly known among market participants.
State and Municipal Obligations consisting of bonds, notes, and other general obligations of any state or municipal authority organized within the United States upon which there has been no default and having a rating of at least "AA" by Standard & Poor's, Inc., and "Aa" by Moody's Investors Service, Inc., and maturing within two years of the date of purchase.

Local Government Investment Pool (LGIP). This highly diversified money market fund, administered by the Treasury Board of the Commonwealth of Virginia, referenced in Chapter 46 (§2.2-4600 et seq.) of Title 2.2 of the Code of Virginia (Local Government Investment Pool Act), offers public entities in Virginia a convenient and cost effective means to invest short-term monies adhering to all investment guidelines required by the Code of Virginia. The LGIP is rated "AAAm" by Standard & Poor's, Inc.

Diversification of Approved Investments

The maximum allowable percentage of the College's short-term portfolio permitted in each single asset category is as follows along with the maximum limits allowed in the Code of Virginia:

<table>
<thead>
<tr>
<th>Category</th>
<th>CWM</th>
<th>Code VA</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Government securities and its agencies</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Overnight Repurchase Agreements with Required Collateral</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Money Market Mutual Funds</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Commingled Investment Funds or Bank Common Trust Funds</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>Bond Mutual Funds</td>
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<td>100%</td>
</tr>
<tr>
<td>Commercial Paper (A-1 P1)</td>
<td>35%</td>
<td>35%</td>
</tr>
<tr>
<td>High quality Corporate Debt (Aa AA)</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>BAs and CDs Bankers' Acceptances</td>
<td>35%</td>
<td>50% 100%</td>
</tr>
<tr>
<td>Certificates of Deposit and Bank Deposit Notes</td>
<td>35%</td>
<td>100%</td>
</tr>
<tr>
<td>Insured and/or collateralized bank deposits</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>Asset-backed securities</td>
<td>35%</td>
<td>100%</td>
</tr>
<tr>
<td>State and Municipal Obligations</td>
<td>20%</td>
<td>NA</td>
</tr>
<tr>
<td>State run LGIP</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Prohibited Investments

Without the expressed consent of the Board of Visitors, evidenced by signatory authorization from the Treasurer Vice President for Finance, the following investments are prohibited:

- Floating rate notes with maturities under two years that have any embedded leverage or option ability (e.g., caps, floors, multiple reset features, etc.), however, U.S. Agency adjustable rate mortgage backed securities (ARMs) are permitted investments.
- Floating rate notes with maturities over two years
- Structured notes
- Swaps
- Other derivatives
- High Yield and Distressed Debt
- Reverse repurchase agreements
- Borrowing funds for the purpose of reinvesting the proceeds of such borrowing
- Investing in any security not specifically permitted by this Policy

Where written consent is given for investment in any of these categories, the Board of Visitors will require the investment manager to adhere to specific safeguards.

Investment Limits

No more than 5% of the portfolio shall be invested in specifically held securities of any single issuer, with the exception of the United States Government and its Agencies which will have no limit. A single issuer shall incorporate all debt issued by parent, subsidiary, and affiliated companies, thereby limiting investment exposure to any one holding company or entity.

The following exceptions to this 5% single issuer limit shall apply:
- U.S. Treasury obligations 100% maximum
- Money market funds of only U.S. Gov't and Agency obligations 100% maximum
- Bond mutual funds of only U.S. Gov't and Agency obligations 100% maximum
- State run LGIP 100% maximum
- Each Federal Agency (held as discrete investments) 50% maximum
- Diversified money market and mutual funds 35% maximum
- Other types of mutual and commingled funds 35% maximum

There will be no more than $15 million invested in a Core Balance strategy, separate from that of cash required for the College’s immediate operating needs and liquidity requirements. This Core Balance strategy will be a part of the overall short-term investment portfolio and similarly follow allocation guidelines for approved and prohibited investments, albeit with longer average maturity and duration limits.
Foreign Securities

The direct purchase of discrete foreign securities that are not denominated in U.S. dollars will be prohibited in any College account set up under these guidelines for short and intermediate term investment. U.S. dollar denominated sovereign and supranational bonds (Yankee bonds) with one year or less of maturity will be permitted for investment. Should a company whose security is held in a short or intermediate term investment account be acquired by a foreign company, the security may remain in the portfolio as long as it is determined by the portfolio manager that it is in the best economic interest of the College to hold the security for the short term. Exempt from this prohibition on foreign securities are high quality money market and commingled funds which may have foreign securities as a small component of the fund.

Security Downgrades

In the event that any security or fund held in the investment portfolio is downgraded below the rating requirement required by this policy, the security or fund shall be sold within 60 days of such downgrade.

Risk Parameters

Investment of the College’s operating cash will be undertaken by managing those risks that can affect the value of investments. Investment firms engaged by the College will be required to continuously monitor the various types of risk inherent in a diversified institutional investment portfolio.

Interest rate risk will be controlled primarily by investing in bonds with various maturities. Controlling the portfolio’s average maturity and duration will also mitigate the negative effects of interest rate risk. At no time will any individually owned security have an effective and/or legal maturity longer than 5 years. The short-term portfolio used for liquidity management, exclusive of the Core Balance strategy, shall maintain a weighted average effective maturity not to exceed 24 months and an average duration not to exceed 15 months. Core Balance investments, when managed separately in a discrete portfolio, shall maintain a weighted average effective maturity not to exceed 60 months and an average duration not to exceed 24 months.

Credit risk is managed primarily by limiting the opportunity set to certain approved high quality investments as reflected above that conform to Virginia statutes. Rating agencies, herein referred to as NRSROs, such as Moody’s and Standard & Poor’s, will be used as a measure to evaluate and monitor credit risk of held investments.

Counterparty risk will be continually monitored to ensure the continued financial strength and investment quality of the issuer.
Required Collateral

When investments are made in overnight repurchase agreements, the College will require that its investments be 102% collateralized by U.S. Treasury and Agency obligations, and that this collateral be delivered to the College’s custodian bank and identified on the custodian’s books as property belonging to the College of William and Mary.

Qualified Counterparties

Repurchase agreements must be executed only with Qualified Counterparties defined as member banks of the Federal Reserve System having total assets of more than $1 billion and that are among the 100 largest commercial banks in the U.S.; or, non-bank dealers who are designated by the Federal Reserve Bank of New York as primary dealers in government securities. In both cases, Qualified Counterparties must satisfy the College’s credit standards as otherwise defined.

Liquidity Constraints

Without the prior approval of the Vice President of Finance of the College, no investments in specific securities shall be made where maturities exceed 3 years (where 5 years is the maximum permitted by this policy). Weighted average life will be used as a proxy for maturity date for mortgage backed securities. The portfolio shall maintain adequate liquidity to ensure the College’s ability to meet its operating requirements. At all times, the College shall maintain sufficient liquidity on an overnight basis to ensure clearance of its known payments and unanticipated presentment of checks. The College and its engaged investment manager(s) shall constantly monitor cash levels and maintain a portfolio structure that allows sufficient liquidity within time periods of a day, week, month, and six-months, taking into consideration fluctuating cash levels associated with cyclical revenue and expenditure patterns.

Authorized Personnel and Delegated Authority

The Vice President for Finance of the College or such person(s) he/she designates in writing is (are) authorized to make investment decisions under this policy for the College of William and Mary, including the selection and contractual engagement of professional investment firms that would adhere to the guidelines presented herein and that of generally accepted prudent fiduciary practices.

The Vice President for Finance and certain members of his/her staff shall also be responsible for maintaining internal controls that appropriately safeguard the investable assets of the College consistent with this policy and the permissions given for types of investment and engagement of external professional management. Professional investment management firm(s) engaged by the College MUST be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940, showing proof of such prior to their hiring. Before an organization can provide investment management services to the College, it
must confirm in writing that it has reviewed this Policy and is able to fully comply with all requirements. Furthermore, the organization must submit the following materials:

- Proof of its registration with the SEC under the Investment Advisers Act of 1940;
- An annual updated copy of Form ADV, Part II;
- Proof of its registration to conduct business in the Commonwealth of Virginia;
- Demonstrable evidence in providing like services under the Investment of Public Funds Act, Chapter 45 of the Code of Virginia; and
- Confirm use of only qualified security brokers/dealers. To achieve qualification, the broker/dealer should be financially stable and have the ability to effectively execute buy and sell transactions. The engaged manager(s) will maintain a list of qualified brokers/dealers who meet the criteria of this Policy; and
- Confirm that procedures for best execution will always be followed and that soft dollar commissions or credits for College asset trades will not be collected or otherwise utilized in the execution of investment services

Reporting Requirements

Engaged investment managers shall be required to prepare and deliver comprehensive monthly accounting and analytical reports to the College that provide the following information:

- Monthly buy and sell transactions;
- Monthly realized gains and losses on sales;
- Month-end holdings that show amortized book value, maturity date, yield-on-cost, market value and other features deemed relevant;
- Monthly transactions that account for income, fees and disbursements, purchase of accrued income, and other relevant activity; and,
- Monthly performance of asset categories and the aggregate portfolio.

Engaged investment managers shall be required to prepare and deliver comprehensive quarterly investment reports to the College that provide the following information:

- Summary of recent market conditions, economic developments, a forecast of future economic activity, and an assessment of how the investment manager fared in the investment of the College’s funds;
- A comprehensive quarter-end holdings report that further shows the calculated total rate of return for the quarter and year-to-date versus appropriate benchmarks; and,
- Any areas of policy concern warranting discussion with College officials, as in the case of recommended revisions.

Performance Benchmarks

Investment performance of the portfolio shall be monitored and evaluated using various individual benchmarks that have similar maturity, duration, and risk characteristics of those investments held in the portfolio. Overall portfolio performance shall be evaluated on an
ongoing basis by management, taking into consideration asset allocation, quality and safety factors, maturities and implied risks, and various external market factors.

Accordingly, the College shall use the 91 Day Treasury Bill Index as the primary benchmark in review of investment performance and may use other benchmarks such as the Merrill Lynch 3-month and 6-month Treasury Bill Indexes and/or the Barclays Capital 3-6 Month Treasury Bill Index for purposes of comparability.

**Performance Review and Evaluation Requirements**

External managers shall be formally evaluated by management at least on an annual basis according to certain criterion that was used in the process of engagement as well as any other more contemporaneous factors that should be noted in a formal evaluation. An overall rating of anything less than satisfactory will be cause for dismissal.

**Monitoring the Cash Management Investment Policy**

The Board of Visitors or its designated subcommittee thereof shall review this policy at least once every three years in order to ensure that the governances, provisions, and guidelines stated herein appropriately reflect the perspective and risk tolerances of the Board with respect to current market conditions. Management will inform the Board of any violations to this policy, discussed below, and extenuating results.

**Occurrences of Non-Compliance with the Policy and Process of Resolution**

Compliance with stated guidelines in this policy is a requirement. Violations of any kind will require full explanation of the event. Management will evaluate the severity of the violation, the circumstances by which it occurred, and the manager's corrective response. Management will then decide what recourse to pursue in dealing with the manager. Should the infraction be serious enough, the manager will be immediately dismissed. Multiple or recurring infractions may warrant immediate dismissal. Lesser infractions will also be documented and discussed with the manager's senior representatives. Resolution and types of restitution will be discussed with the manager depending on the severity of the violation.
Current Asset Allocation of Operating Funds as of Dec. 30, 2012 (market value)

**Short-Term Investment Portfolio**

Federated Gov’t Obligations Fund, Institutional Class
   Ticker GOIIXX (AAAm rating from S&P, Aaa-mf rating from Moody’s) $52,522,929
Accrued Income 742
Total Short-Term Investments $52,523,671

**Core Balance Strategy (3-5 Yr.) Portfolio**

Federated Gov’t Obligations Fund, Institutional Class
   Ticker GOIIXX (AAAm rating from S&P, Aaa-mf rating from Moody’s) $1,005,484
RidgeWorth U.S. Gov’t Securities Ultra-Short Bond Fund
   Ticker SIGVX (5 Star rating from Morningstar) 9,109,588
Accrued Income 7,197
Total Core Balance Strategy $10,122,269
COLLEGE OF WILLIAM AND MARY
CORPORATE RESOLUTION TO TRANSACT BUSINESS AND CONFIRM
AUTHORIZED BUSINESS AGENTS FOR THE COLLEGE OF WILLIAM AND MARY

On November 30, 2012, the Board of Visitors of The College of William and Mary in Virginia met and passed revisions to the Bylaws to clarify the power of certain officers of the College to transact business in the name of the College.

Article II, Section 3. of the revised Bylaws states:

Concurrently with the President, the Vice President for Finance shall have the authority to transact business in the name of The College of William and Mary in Virginia, including: (1) the transfer, conversion, endorsement, sale, purchase, assignment, conveyance and delivery of any and all shares of stocks, bonds, debentures, notes, and subscriptions warrants, cash or equivalent assets, and evidence of indebtedness; (2) any and all contracts for the purchase of real estate and other property, or other securities or assets now or hereafter owned by the Board of Visitors of the College of William and Mary in Virginia, or bearing any similar designation indicating ownership by the College; (3) agreements setting forth the terms for the acceptance of gifts to the College; and (4) any other agreements necessary to carry out and support the operations of the College, with the exception of those particular assignments made to the Provost or the Vice President for Administration. The sale of real property requires the approval of the Board of Visitors and the Commonwealth of Virginia. The Vice President for Finance shall have the authority to further delegate such authority; such delegation must be consistent with applicable law and regulations, and subject to guidelines for the exercise thereof.

BE IT RESOLVED, That the following statement of certification will accompany this resolution, requiring signature by the Secretary of the Board of Visitors attesting to its validity and correctness:

I, ______________________, Secretary of the Board of Visitors of The College of William and Mary in Virginia, do hereby certify that the foregoing is a true and correct copy of the Resolution approved by the Board of Visitors of said College at a duly constituted meeting held in the City of Williamsburg, Virginia, on the 8th day of February, 2013, at which a quorum was present and acting throughout, and that said resolution appears in the minutes of said meeting, and that the same has not been rescinded or modified and is now in full force and effect. I further certify that said organization is duly organized and existing, and has the power to take the action called for by the foregoing resolution. I further certify that W. Taylor Reveley III is President and Samuel E. Jones is Vice President for Finance of The College of William and Mary in Virginia.

Given under my hand and official seal of The College of William and Mary in Virginia on the ______ day of ________________.

__________________________________________, Secretary
COLLEGE OF WILLIAM AND MARY
AMENDMENT OF THE
ROBY- SHERMAN SCHOLARSHIP FUND
AS A QUASI-ENDOWMENT

Shirley Roby and Carol Sherman made a generous gift to the College of William and Mary to establish the Roby-Sherman Scholarship Fund, which will provide financial assistance to deserving students with demonstrated interest and ability in dance. The establishment of this fund was approved in Resolution 14 at the September 19-21, 2012, meeting of the Board of Visitors as the Roby-Sherman Scholarship Fund; however, it should have been designated a quasi-endowment.

THEREFORE, BE IT RESOLVED, That the Board of Visitors of the College of William and Mary hereby amends and re-establishes the Roby-Sherman Scholarship Fund as a quasi-endowment.
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., ___.

<table>
<thead>
<tr>
<th>Code Section</th>
<th>Topic</th>
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<tbody>
<tr>
<td>2.2-3711.A.1.</td>
<td>Personnel matters involving identifiable college employees (i.e., appointments, performance evaluations, leaves, etc.) or discussion of candidates for employment.</td>
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<tr>
<td>2.2-3711.A.2.</td>
<td>Matters concerning any identifiable student</td>
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<tr>
<td>2.2-3711.A.3.</td>
<td>Acquisition of real property for a public purpose or disposition of publicly held real property</td>
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<tr>
<td>2.2-3711.A.4.</td>
<td>Protection of individual privacy in personal matters not related to public business</td>
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<td>2.2-3711.A.6.</td>
<td>Investment of public funds where bargaining or competition is involved</td>
</tr>
<tr>
<td>2.2-3711.A.7.</td>
<td>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</td>
</tr>
<tr>
<td>2.2-3711.A.8.</td>
<td>Gifts, bequests and fund-raising activities, or grants and contracts for services or work to be performed by the College</td>
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<td>2.2-3711.A.10.</td>
<td>Honorary degrees</td>
</tr>
<tr>
<td>2.2-3711.A.19.</td>
<td>Reports or plans related to security of any College facility, building or structure, or safety of persons using such facility, building or structure</td>
</tr>
<tr>
<td>2.2-3711.A.29.</td>
<td>Public contracts involving the expenditure of public funds</td>
</tr>
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§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
February 6-8 (Charter Day February 8)
April 17-19 (Commencement weekend May 10-12)
September 25-27
November 20-22

FEBRUARY 2013