

University of Virginia Hospital Auxiliary, Inc.
Board of Directors Meeting
April 15, 2010

Board Members Present (absent members in parentheses): Weiss, Riechman, Van Winkle, Jonson, DiSandro, Verhagen, Berman, Blight, (Blohowiak), Courain (ex officio), Dunn, Herakovich, Johnson, (Keith), Kindred, Ledford, Lindsey, McGaugh, McLaughlin, (Morris), Richards, Rollins, Templeman, (Verity), Wagaman, Westley, (White), Zeitler,

Call to Order: President Martha Weiss called the meeting to order at 10:02.

Emergency Preparedness Program Presentation (Guests Angel Cyphert, Sharon Bragg, and Suellen McLaughlin who are UVA nurses and graduate students at the UVA School of Nursing):

The graduate students made a PowerPoint presentation regarding measures that individuals may take to enhance their preparedness to protect themselves and their households in the event of an emergency --whether caused by man or nature. Those measures include (1) having each family member aware of a home evacuation route; and (2) maintaining a disaster supplies kit in the home to provide water, food, first aid, radio, clothing, cash, medications and other special needs for at least three days.

Cancer Center Gala (Lucille Digges):

Plans are progressing nicely. We need to identify prospective donors of silent auction items. To make sure that contacts with prospective donors are made in a coordinated manner that is consistent with Gala planning and UVA practices Auxiliary members who have contacts with such individuals and businesses should talk with Lucille Digges, Martha Weiss or Susan Howell before making overtures.

Treasurer's Report (Ted Verhagen):

Mr. Verhagen distributed the current financials. He reported that after all remaining bills are paid for the fiscal year, we will have a cash surplus. The Gift Shop had its best month ever in March. With the cash surplus in mind, the Board unanimously approved an increase of \$1,000 in the Dawson scholarship.

Mr. Verhagen then distributed the proposed budget for the coming fiscal year. The budget takes 4 1/2% of the Endowment Fund as usable income for Auxiliary operations. The budget makes a few minor adjustments up or down in carry over line items. The budget includes \$10,000 as seed money for the March 2011 Cancer Center Fundraising Gala. By motion made, seconded and passed unanimously, the Board approved the budget as submitted.

Finance Committee Policy Recommendation (Clark Blight):

Mr. Blight presented the Finance Committee's recommended policy to supersede the 1997, 2002, and 2005 Board statements of financial policies. The new policy provides for the membership of the Finance Committee, a meeting schedule, the Committee's role in the budgeting process, guiding principles for the Auxiliary's reserve fund, and an annual independent review of the Auxiliary's books. The recommended policy, which is attached hereto, was unanimously approved by Board motion.

Minutes:

The minutes of the March 18, 2010 Board meeting were approved as submitted.

Correspondence (Winnie DiSandro):

Ms. DiSandro advised the Board of thank-you notes received from recipients of Auxiliary contributions and recognitions.

Auxiliary Update (Martha Weiss):

An Attractions Book of discounts from Charlottesville area businesses for services, goods and meals is available to Board members for \$12.50. The coupons in the book are good through December 31, 2010. A 2010-2011 edition will be available for general sale by the Auxiliary in August. The Auxiliary will receive 50% of the proceeds from the sale of the new edition. By motion, the Board unanimously approved the sale of Attractions Books.

Representatives from the UVA Auxiliary (Liz Courain, Martha Weiss, Meg Riechman, Maggie Van Winkle and Jane McLaughlin) will visit the Culpeper Auxiliary on April 28, 2010.

Shirley Lindsey and Bob Campbell have agreed to serve as honorary (non-voting) members of the Board.

Ms. Weiss expressed thanks to the Board for its support during her term as President. The Board in turn gave Ms. Weiss a heartfelt round of applause for her outstanding service.

Board Gatherings:

Meg Riechman asked Board members to mark their calendars for the annual new Board/Old Board picnic to be held at her home on June 26.

Marla McGaugh advised the Board that plans are progressing for the Annual Luncheon on May 27 in Alumni Hall.

Gift Shop (Lynda Dunn):

As noted in the Treasurer's Report, the Gift Shop had an excellent March. Ms. Dunn and Elaine Powell, Gift Shop Manager, will attend a merchandise show in Chicago and will attend meetings with Purchasing Power Plus, a consortium of which the Auxiliary is a member. She is

in the process of hiring a replacement for the Gift Shop morning manager.

Committee Reports:

Public Relations: Maggie Van Winkle reported that an updated brochure describing the Auxiliary will be ready soon as will a Mission Statement for the back of business cards.

Positive Image Center: Pat Periolat reported that the Committee has been expanded to address specific needs in the start up process. She noted that the Committee is actively studying the challenges posed by service to the uninsured and underinsured. She distributed a FAQ on the Positive Image Center.

Vendor Sales: Marlene Herakovich reported that the vendor sales are proceeding as scheduled. She asked for volunteers to staff shifts during the spring sales event.

Annual Report: Julia Kindred reported that most material for the Annual Report is in hand.

Scholarships: Sara Templeman reported on the recipients of Auxiliary-sponsored scholarships and their expressions of appreciation.

Daffodil Day: Jane McLaughlin reported that over 400 flower arrangements were distributed to patients on Daffodil Day.

Director of Volunteer Services (Liz Courain):

The week beginning April 19 is Volunteer Week. Ms. Courain provided Board members with notes of appreciation and candy.

Ms. Courain reported that Martha Bethel of Health System Development will assist in planning for the Gala. Ms. Bethel is experienced in major fund raising events for UVA Children's Hospital. She will serve on a volunteer basis as an advisor.

Sixty-five students have been selected to participate in the 7-week summer volunteer program.

From the Floor:

Sandra Wagaman reminded the Board that the Children's Telethon is the first week in June. By motion the Board unanimously approved a contribution of \$1,000.

Adjournment (President Weiss):

The meeting was adjourned at 12:02. The next meeting is the Annual Meeting and Luncheon on May 27, 2010.

Respectfully submitted,

Ken Jonson
Recording Secretary

University of Virginia Hospital Auxiliary, Inc.
Financial Policy
April 15, 2010

This policy supersedes a previous “Financial Policy Accepted at a Board Meeting on November 20, 1997,” a “Revised Financial Policy Approved by the Board of Directors on April 18, 2002,” and the “Endowment Earnings Program Approved by the Board of Directors on January 20, 2005.”

Finance Committee:

A Finance Committee will consist of the President, President-elect, 2nd Vice-President of the Gift Shop, and Treasurer, plus a minimum of two additional members who will be appointed by the President. The President will appoint the Chair of the Finance Committee.

Suggested ex-officio members may be the Assistant Treasurer, 1st Vice-President, Director of Volunteer Services and any other members appointed by the President.

Finance Committee Meetings:

The Finance Committee will meet:

- a. at approximately mid-point in the fiscal year (fiscal year is May 1-April 30) to review the Auxiliary’s finances and make recommendations, as appropriate, to the Executive Committee to revise the current budget if necessary;
- b. to prepare an annual budget proposal prior to the Auxiliary Board of Directors meeting in April of each year; and,
- c. at other times as necessary as directed by the President.

Budget:

The Finance Committee will prepare the annual budget proposal, including financial commitments and projected income, reserves for operating expenses, and any project expenses in excess of current commitments.

The Finance Committee will recommend, in conjunction with the Executive Committee, the annual budget proposal to the Board of Directors for approval by the Board at its April meeting. Final approval of the annual budget will be made by the Auxiliary membership at the Annual Meeting in May.

The Board of Directors will approve changes, as appropriate, to the budget during the year, upon recommendation by the Executive Committee.

The Auxiliary will endeavor to distribute all budgeted funds in a timely fashion.

Reserve Fund:

Auxiliary reserve funds are to be invested conservatively. These funds may be deposited in the UVA Pooled Endowment Fund managed by the University of Virginia Investment Management Company. Or, these funds may be invested in US Treasury Securities, FDIC-insured money market funds, or bank CD's.

The Auxiliary Treasurer is responsible for the investment of the reserve funds, at the direction of the Board of Directors.

The Executive Committee will annually review the “core” amount of the reserve fund (originally \$200,000) that is to remain invested in the UVA Pooled Endowment Fund. Changing the core amount will require approval of the Board of Directors; otherwise, no action will be required. Any amount reducing the core of the reserve fund will be included as a line item in the proposed budget.

Money in excess of the core amount is accrued earnings. Accrued earnings, as well as a portion (as approved by the Board) of the core amount, may be used to support the Auxiliary’s mission.

The Finance Committee will recommend annually to the Board of Directors how much, if any, of the accrued earnings should be withdrawn to support the budget; this amount will be included as a line item in the proposed budget. It is not required that accrued earnings, or a portion of the core amount, be allocated or spent each year. The money may be kept in the reserve fund.

Determining the accrued earnings will be based on a percentage (as agreed upon by the Executive Committee and Finance Committee) of the present value of the fund. The present value of the fund, for the purpose of determining accrued earnings, is hereby defined as the market value of the fund minus money that is already set aside and earmarked for a designated purpose while remaining deposited in the fund (e.g., money for the hospitality house, positive image fund). This set-aside and earmarked money will be identified on balance sheets prepared by the Treasurer and may be withdrawn for its intended purpose at anytime.

Record Examination:

All financial Auxiliary and subsidiary operating books will undergo an annual

independent financial examination. A report concerning this examination will be presented to the full Auxiliary Board in a timely fashion.