UNIVERSITY OF THE VIRGIN ISLANDS
BOARD OF TRUSTEES RESOLUTION

Approving a contingency financial plan authorizing the University to secure working capital funds in the event that the Government of the Virgin Islands’ allotments are not received timely.

WHEREAS, Act No. 6538 (Bill No. 24-0266) enacted by the Twenty-fourth Legislature of the Virgin Islands of the United States authorized the appropriation of $29,050,600 to the University of the Virgin Islands for Fiscal Year ending September 30, 2003, and

WHEREAS, on or about February 6, 2003, the University of the Virgin Islands received communication that based on a five-percent (5%) reduction in allotments, the revised allotment amount for Fiscal Year ending September 30, 2003 is $27,598,070, and

WHEREAS, as of May 15, 2003, the University has not received its scheduled allotments for the months of March 2003, April 2003 and May 2003, and

WHEREAS, the amount of allotments due and owing to the University through May 15, 2003 for Fiscal Year ending September 30, 2003, is $3,912,517, and

WHEREAS, the total allotments received for the Fiscal Year ending September 30, 2003 as of May 15, 2003 is $16,042,919 which leaves a balance of $11,555,151, and

WHEREAS, the University’s operations require the receipt of the total allotment, and the University remains diligent in its efforts to pursue it, and

WHEREAS, the University has prepared a contingency financial plan to address its operating needs through the end of the Fiscal Year ending September 30, 2003;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY:

Section 1: Construction of the Harvey Administration and Conference Center will be suspended.

Section 2: That the Board of Trustees of the University of the Virgin Islands hereby authorizes the University to secure working capital funds on an as-needed basis from the following sources, in the amounts stated, in the event that the Local Government’s allotments, for the Fiscal Year ending September 30, 2003, are not received timely:

- Line of Credit or Short-Term Loan from First Bank - $1.5M for
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federal reimbursable expenditures
• Request to the Foundation of the University - $1M
• Request to the Foundation for the Reichhold Center for the Performing Arts - $.5M

Section 3: That the Board of Trustees of the University of the Virgin Islands authorizes the President and Vice-President of Administration and Finance to take the necessary actions to implement this resolution.

Section 4: That this resolution shall be in full force and effect from and after its adoption.

CERTIFICATION

The undersigned does hereby certify that the foregoing is a true and exact copy of a resolution of the Board of Trustees of the University of the Virgin Islands and adopted at its meeting on Saturday, June 21, 2003 as recorded in the minutes of said meeting.

\[Signature\]  \[Signature\]
Chairman of the Board  Secretary of the Board

6/24/03  6/23/03  Date  Date