UNIVERSITY OF THE VIRGIN ISLANDS
BOARD OF TRUSTEES RESOLUTION

Authorizing the University to use up to $1.5M from the Quasi-Endowment Fund which
would assist with the provision of funds to offset the $2.2M reduction in Government of
the Virgin Islands appropriations.

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 was $27,598,070; and

WHEREAS, the Executive Budget of the Government of the Virgin Islands recommends
the amount of $25,342,414 for the University of the Virgin Islands for Fiscal Year ending
September 30, 2004; and

WHEREAS, the reduction of $2,255,656 ($27,598,070-$25,342,414) represents an
eight-percent (8%) reduction in the University’s operating funds; and

WHEREAS, in recognition of the projected reduction, the University has developed
strategies that would produce approximately $1,232,500 from various sources of funds as
referenced in Schedule I (attached); and

WHEREAS, the University has determined that $500,000 is needed to provide seed
funding for various cost-reduction strategies, and when added to the reduction of
$2,255,656 produces a gap in funding for Fiscal Year 2004 in the amount of $2,755,656;
and

WHEREAS, the University needs approximately $1.5M ($2,755,656-$1,232,500) to
close the gap in funding for Fiscal Year 2004; and

WHEREAS, Fiscal Year 2004 is the third consecutive year that the faculty and staff of
the University will not receive a pay increase; and

WHEREAS, the inability of the University to pay annual merit increases harms the
University’s ability to retain faculty and staff members with a record of good job
performance.
NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF THE VIRGIN ISLANDS:

Section 1: That the Board of Trustees hereby authorizes the University to use up to $1.5M from the Quasi-Endowment Fund for the purpose of supplementing the University's operating funds for Fiscal Year 2004.

Section 2: That the administration of the University shall prepare a plan for the review and approval of the Board of Trustees to pay a salary increase, or at a minimum, a bonus, to faculty and staff of the University in Fiscal Year 2005.

Section 3: That the Board of Trustees authorizes the President and Acting Vice-President of Administration and Finance of the University of the Virgin Islands 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 hereby certify that the foregoing is a true and exact representation of a resolution of the Board of Trustees of the University of the Virgin Islands and adopted at a special meeting on Saturday, November 8, 2003 as recorded in the minutes of said meeting.

[Signatures]
Chairman of the Board
Date

[Signatures]
Secretary of the Board
Date
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<tr>
<th>Sources of Funds</th>
<th>Year 2 Fiscal Year 2005</th>
<th>Year 1 Fiscal Year 2004</th>
<th>Total Year 1 + Year 2</th>
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<td>Tuition</td>
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<td>Fees</td>
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<td>Reduction in Auxiliaries subsidies</td>
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<td><strong>Grand Total</strong></td>
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<td><strong>$1,742,500</strong></td>
<td><strong>$2,975,000</strong></td>
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