University of the Virgin Islands
Approaching the Future

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President
Our Current Situation

- USVI deficit in millions
- Federal deficit in the Trillions, focus on security issues
- Budgets cut in 47 states, education large target
- VIG financial situation not likely to improve in next few years
Our Current Situation

- 2002-2003 UVI allotments from $24,669,686 to $23,251,084 for operations
- UVI receives 65% of operating revenue from VIG
- FY 2003-04 Executive budget recommends $20,961,470 for operations, a 15% reduction from 2002-03 allotment level
Our Challenges

- The Territory needs a responsive, quality higher education institution-UVI
- UVI is a public institution, not a private one – tuition and grants not major support
- Proposed level of funding cannot support current level of operations without jeopardizing the financial and operational integrity
Our Challenges

- No immediate source of revenues to absorb or offset the shortfall in appropriations
- Heavily dependent on VIG appropriations for operations
- Must maintain viable, competitive programs & services to raise revenues & attract students/clients
Goals

- A university that is financially sustainable & able to fulfill its mission
- A university that is less dependent on VIG appropriations & more dependent on resources over which it has control
- A leaner, more efficient and productive university
- Minimization of negative impacts from adjustments to resource levels
UVI in the Future

- Research
- Entrepreneurialism
- Non Traditional Programs
- Public Service
- Community Service
- Partnership
- Instruction
- Collaboration
Approaches

- Develop scenarios and approaches to address challenges using goals as targets
- Obtain Board input and support for basic approach to sustainability challenges
A Stepped Approach to Decrease Dependency on VIG Appropriations

2002-03
- VIG Appropriations: 35%
- Other Revenue*: 65%

2003-04
- VIG Appropriations: 35%
- Other Revenue*: 60%
- Loan: 5%

2004-05
- VIG Appropriations: 39%
- Cost Reduction/New Revenue: 60%
- Other Revenue*: 1%

2005-06
- VIG Appropriations: 40%
- Cost Reduction/New Revenue: 60%

*Note: Other Revenue includes sources such as grants and donations.
The 2003 Budget Process

Involves:

- Development of components’ budget proposals
- Creation of University Budget Committee (UBC) - heads of components or designee and elected representatives
- Election of representatives from research and teaching faculty, professional and regular staff to UBC (one member from each group)
- Development of budget guidelines for UBC by UVI Budget Office & Cabinet
The 2003 Budget Process

Involves:

- Training workshops for UBC representatives
- UBC reviews all submissions from components, develops recommended budget for Cabinet
- Cabinet meets to approve 2003-04 Budgets
- Final Budget reported out to components and UVI Community
- Sustainable Budget implemented by December 1, 2003
What about me? What next?

- Final appropriations level determined and Board direction by end of October
- Involvement in budget process begins September 22, 2003
- Continuous involvement in maintaining quality of core programs, identifying new revenue sources, building reputation, offering ideas for cost containment
UVI Specializes in Futures

Our future is dependent on our efforts together to Fly and Float as we demonstrate the critical importance and the limitless promise of higher education through UVI.