

**MEETING OF THE BOARD OF TRUSTEES
OCTOBER 27, 2012**

**UNIVERSITY OF THE VIRGIN ISLANDS
ADMINISTRATION AND CONFERENCE CENTER
ST. THOMAS CAMPUS
9:00 A.M.**

CONSENT AGENDA

ACADEMIC, RESEARCH AND STUDENT AFFAIRS.....Dr. Yvonne E. L. Thraen

Provost's Report

The Provost provided the committee with an overview on the major components of the Provost's Report dated September 18th. The topics of specific interest that were discussed were the Fall 2012 enrollment; local and regional recruitment efforts; and the lack of academic preparation by incoming students as well as the need to identify those students prior to admission. The report also included updates on interim appointments, the selection of the Endowed Chair of Entrepreneurship, the Study Abroad Program, and student and faculty achievements.

AUDIT COMMITTEE.....Mr. Edward E. Thomas

Review FY 2011 External Audit Conducted by KPMG

The Audit Committee engaged in detailed discussion on each of the 15 finding areas contained in the draft FY 2011 external audit conducted by KPMG, and engaged in general discussion about the cause of the delays in timely completing the audit. At the conclusion of the discussions, the Audit Committee unanimously approved the draft FY 2011 Financial and Single audits of the University and authorized KPMG to issue the final report.

BUILDINGS AND GROUNDS COMMITTEE.....Attorney Henry C. Smock

A. Albert Sheen Campus Project Report

The Albert A. Sheen Campus report addressed the progress of various projects on that campus. These included:

Major Projects

Melvin Evans Center Water Pump Distribution System: This project addresses the replacement of the water pump distribution system at the Melvin Evans Center, including

the purchase and installation of a supplemental water purification system at the point of use for each facility.

Palm Drive Access – Electronic Gates: This project addresses the installation of electronic gates for access control to the campus. The gates will include electronic, programmable card access and two-way (voice and video) communication with the Security Department.

OSHA Safety – Safety Guard Posts: This project addressed the installation of safety guard posts by the outdoor generator and high voltage electrical switchgear to provide additional protection from accidental, physical damage as per OSHA safety regulations 29 CFR 1910.303(g)(2)(ii) and 1910.303(h)(2)(ii).

Renovations

Residence Halls – Partial Exterior Facility Repairs: This project addresses the replacement of guttering systems in the north building of the residence halls.

Residence Halls – Suite & Apartment Furniture Replacement: This project addressed the replacement of worn chest of drawers in residence halls. An additional purchase of dining and living room furniture for the two campus apartments were approved since the student furniture expenses were within approved budget.

Cafeteria & Snack bar – Painting (Doors): This project addressed the painting of the cafeteria exterior louvered doors and the serving area roll-up doors. This project is completed.

Security Radios: This project addressed the purchase of 25 new radios for the Security and Physical Plant departments.

Tropical Storm Isaac Emergency Project – Elevator & Roof Repairs: This project addressed the repair of the electronic call buttons on the elevator in the Melvin Evans Center. The elevator shaft roof will be repaired to prevent water intrusion.

B. St. Thomas Campus Report

The St. Thomas Campus report addressed the progress of various projects on the campus. These included:

Grant Projects

Environmental Protection Agency (EPA) Drinking Water Improvement Grant: This project addressed the rehabilitation and repair of the water distribution system to include the rehabilitation of the 65,000 gallon cistern, replacement of the well field iron pumps, replacement of the high pressure iron pumps, installation of an ultra violet sanitation system, the rehabilitation of the golf course pump station, and the upgrade of the reverse osmosis plant. This project is completed.

Renovation Projects

Administration and Conference Center: This project addresses the roof repair of the Administration and Conference Center and the repair of structural deficiencies in the building's exterior shell to prevent water intrusion. The project is anticipated to be completed by the end of September 2012.

Classroom Administration Building Classroom and Lobby Renovations: This project addressed the build out of existing walls and the installation of dry wall, painting, installation of new electrical wiring and lighting, installation of data conduits and installation of chair-rails and baseboards for the following classrooms: CA107, CA109, CA112 and CA306. The main lobby entrance was renovated by replacing the old vinyl tiles with ceramic tiles, the installation of drywalls in the corridor and stairwells and the repainting of walls. The project also included the installation of new classroom furniture and the upgrade of audio visual equipment. The project is completed.

Classroom Administration Building Main Parking Lot Improvement: This project addressed the removal of trees that caused severe structural damage to various areas of the parking lot. Damaged areas of the parking lot were re-paved. This project is completed.

Penha House Third Floor Minor Renovations: This project addresses the removal and installation of VCT tiles and other floor surfaces, the installation of hollow metal door frames, metal and wooden doors, locking hardware, and the demolition and installation of new electrical wiring.

Campus Shuttle Purchase: A second vehicle was purchased for the Campus Shuttle Service. The vehicle is expected to arrive by October 31, 2012.

Student Activity Center Minor Renovation: This project addressed the removal of the vinyl floor tiles, preparation of the floor surface for the installation of carpet tiles, installation of carpet tiles, interior and exterior painting and general cleaning of the facility. This project is completed.

Sports & Fitness Center A/C Upgrade: This proposed project will address the replacement of air handlers in the Sports & Fitness Center roof mounted A/C system. Funding of this project is pending.

Generator repairs and fuel storage: This proposed project calls for the replacement of the radiator and fuel storage unit of the main generator as a preventative maintenance measure due to the mechanical age of the system and early signs of compromise. Funding for this project is pending.

Marine Science Restroom Upgrade: This project addresses the replacement of plumbing fixtures, stall partitions, shower valves and accessories, and doors and hardware.

North & Middle Resident Hall Exterior Upgrade: This project addressed the exterior painting of the building, installation of ceramic tiles at the hall entrances, and the landscaping of the gardening areas to enhance the aesthetics of the older residence halls. This project is completed.

Campus West Housing Unit FW-2 Renovations: This project addressed the replacement of the ceramic floor tiles, re-plastering and painting of the interior walls and replacement of furniture. This project is completed.

St. Thomas Campus Signage: This project addresses the redesign, addition, and upgrade of the directional signage on campus.

Electronic Gates and Installation of Blue Phones and Surveillance Cameras: This project addresses the purchase and installation of electronic gates for access control to the campus. The gates will include electronic, programmable card access and two-way (voice and video) communication with the Security Department.

C. Capital Projects Report

The Capital Projects Report addressed the progress of various projects on both campuses. These projects included:

Major Projects

New 100 Bed Student Residence Facility: UVI received the Certificate of Occupancy from the VI Department of Planning and Natural Resources (DPNR) and the Use of Occupancy Permit from the VI Fire Services on August 24, 2012. The resident assistants and students moved into the facility on August 24, 2012.

Marine Science Center Upgrade and Addition Project: Do-Right Construction was selected to complete this project. Two of the three components of the project have been approved. The dock, which is the third component, requires additional assessments and vetting with the Army Corps of Engineers and the Department of Planning of Natural Resources. All phases of the project with the exception of the dock will be completed by the end of October 2012.

Center for Geo Computational and Statistical Analysis and Caribbean Green Technology Center: These programs will be housed on the top floor of the Old Business Office Building. The design for the layout of the offices is completed.

ARRA Projects

Library and Upper Campus ADA Accessibility Project: This project is intended to improve ADA access in the Library, the four Upper campus academic buildings and ADA parking. The project is substantially completed with the exception of delays in shipment of the nine (9) ADA lifts.

Classroom Administration Building: This project addressed code compliance, ADA and accessibility issues in the Classroom Administration Building to include the installation of a 3-stop elevator, renovation of restrooms, the upgrade of egress stairways and the

renovation of the Little Theatre to address code compliance matters. This project is completed.

Research & Technology Park Construction and Fit Out: The University's Design Review Committee met with the architect and design professionals to review and finalize the space and layout plans for classrooms, labs and faculty offices. The project timeline requires submission of drawings for permit review and contractor selection in September 2012. The fit-out will not begin until December 2012.

D. Energy Management Report

University Wide Photovoltaic System Project

The selection committee began negotiations of the final design that contains carpools and land. The design on the St. Thomas campus did not change. On the Albert A. Sheen campus, the design will only require the strip of land between the new soccer fields and the agriculture area. The land by the School of Nursing is not needed. The estimated rate was also reduced from \$0.2674 to \$0.215 per kWh for the twenty year term.

Energy Consumption Analysis

For the year 2012, the University realized a total savings of 9.4% from the 2002 baseline year. This reflects a total reduction of 479,059 KWH or approximately \$202,057 in cost avoidance. The time period of the analysis was February 2012 to June 2012.

COMMITTEE ON TRUSTEES.....Mrs. Jennifer Nugent-Hill

A. Discussion of Candidates for Vacant Board of Trustees Position

Chair Nugent-Hill briefed the Committee on Trustees on the discussions about the replacement of Donald Sussman and the expired terms for Trustee Williams and her. Dr. Hall announced that the Governor is recommending Gwendolyn Adams Norton to replace Donald Sussman. Ms. Adams Norton is from the Virgin Islands and served a short time as Commissioner of Finance under Governor Schneider. She is currently on the Board of Trustees from Spellman. The Governor also indicated that he would send both Trustee Williams' and Trustee Nugent-Hill's names to the Legislature as well. Trustee Nugent-Hill asked the Board Chair to send a note to the Governor that both Trustee Williams and she are prepared to continue to serve.

B. Implementation of Board Assessment Tool

Board Liaison Gail Steele led a brief discussion about options to implement the assessment tool that was approved by the Board in June 2012. With input from

committee members, a consensus was reached to administer the Board Assessment Tool electronically each March so that the Board of Trustees could use the results to both manage the performance of the Board and to provide information to create annual performance goals for the Board at its annual retreat.

DEVELOPMENT COMMITTEE.....Rev. Dr. Wesley S. Williams, Jr.

Status Report on Annual Fund

Total contributions to date for fiscal year 2012 (Oct 1, 2011 – August 24, 2012)
\$2,738,705.29

The Committee discussed the overarching plan for future gifts and activities, the 50-for-50 Challenge, and the funds raised to date in fiscal year 2012. The Committee also discussed the development of a comprehensive gift acceptance policy that would serve as a guide for the Capital Campaign. President Hall shared his thoughts on having one of the most productive quarters for alumni and donor outreach.

FINANCE AND BUDGET COMMITTEE.....Mr. Edward E. Thomas

A. Update on the Local Government Appropriation – Fiscal Year 2012

As of September 20, 2012, the University received a total of \$29,563,375.97 in allotments from the V.I. Government for Fiscal Year 2012. This represents approximately 100% of the amount of \$29,563,534 requested by the University through September 2012.

B. Update on the Local Government Appropriation – Fiscal Year 2013

As of September 18, 2012, Bill No. 29-0415 was passed by the 29th Legislature of the Virgin Islands appropriating \$22,908,637, which is less than the University's request of \$28,104,581 and the Governor's recommendation of that amount to the Legislature. This was noted and communicated to Senate Finance Committee Chair Dowe who agreed it is an error and has agreed to submit an amendment to rectify the error.

C. (a) Review of Unrestricted Operating Budget to Actual Performance through August 31, 2012

Total actual revenues through the period ended August 31, 2012 was \$47,576,717 representing 109% of the budgeted amount of \$43,646,173. Actual expenditures of

\$43,165,686 were less than the amount budgeted of \$43,475,041. Total actual revenues and total actual expenditures were \$44,943,813 and \$43,638,841, respectively, for the same period last year. Total revenues increased by 5.9% from last year and total expenditures decreased by 1.1%.

D. (b) Review of Restricted Current Funds Expenditures through August 31, 2012

For the period October 1, 2011 through August 31, 2012, the University's restricted current funds performed as follows:

Category	Budgeted Expenditures	Actual Expenditures	Variance
Federal Grants	\$ 24,685,090.75	\$ 18,769,095.10	\$ 5,915,995.65
Local Grants and Contracts	\$ 5,013,028.97	\$ 4,452,094.80	\$ 560,934.17
VI Legislature	\$ 824,015.31	\$ 797,105.18	\$ 26,910.13
Private Grants and Contracts	\$ 1,440,924.80	\$ 1,010,618.17	\$ 430,306.63
Other	\$ 3,778,719.18	\$ 2,074,471.38	\$ 1,704,247.80
Total	\$ 35,741,779.01	\$ 27,103,384.63	\$ 8,638,394.38

E. Review of CELL Budget to Actual Performance through August 31, 2012

During the reporting period CELL completed the Frederiksted building expansion and has targeted mid-October for an opening celebration. Year 5 of the Teaching American History Project was also secured in addition to the expansion of the OSHA program in the amount of \$100K. Several funding proposals were developed and submitted to various entities. CELL's unrestricted fund has an operating balance of \$84,640 as of August 31, 2012.

F. Review of Reichhold Center Budget to Actual Performance through August 31, 2012

Reichhold Center is reporting a net operating position of \$33,248.98 as of August 31, 2012. Revenues from Privates gifts and grants and facilities rentals have exceeded projections, funding from the Foundation has been received and salary expenditures have been contained.

G. Quarterly Grants and Contracts Report through June 30, 2012

In the third quarter of fiscal year 2012, UVI submitted twenty one proposals totaling \$5,044,971 and was awarded thirteen grants totaling \$1,956,260. Compared to the corresponding quarter of the previous fiscal year, proposal dollar volume decreased by 51%, and the dollar volume of grants awarded decreased by 56%. Also, in the period October 2011 through June 2012, UVI submitted \$23,470,812 in proposals, and was

awarded \$5,428,184, a decrease of 23% in awards received compared to the previous fiscal year.

H. Update on HBCU Loan Funded Construction Projects

The University received funding through the US Department of Education HBCU Capital Financing program to construct a 100-bed student residence hall on the St. Thomas campus and to fit-out classrooms, laboratories and faculty offices in the Research and Technology Park building on the Albert A. Sheen St. Croix campus, in addition to refinancing outstanding debt. On August 24, 2012 the University received the Certificate of Occupancy for the 100-bed student residence hall (now known as West Hall) on the St. Thomas campus. The design and construction of the project was ten months and was completed within budget. Work on the RTPark building is progressing. The University will be fitting out 8,300 square feet of the building's total 19,636 square feet for classrooms, teaching laboratories and faculty offices. This is scheduled to be completed in Spring 2013.

I. Update on Audited Financial Statements for the Year Ended September 30, 2011

The Administration presented a verbal report on the status of the FY2011 audited financial statements. The external auditor, KPMG, issued the audited financial statements and the A-133 report for the year ended September 30, 2011 on September 27, 2012. The FY 2011 Audited Financial Statements received an Unqualified Opinion; Student Financial Assistance Cluster – Unqualified; Research and Development Cluster – Qualified; State Fiscal Stabilization Fund – Qualified; College Access Challenge grant – Adverse; and Small Business Development Center – Unqualified. The reports/opinions came about as a result of the fifteen findings that were issued.

PLANNING COMMITTEE.....Mr. Sinclair L. Wilkinson

A. VISION 2012: 2011-2012 Final Report

It was reported that 33 of 46 measures of accomplishments had been completed, one measure was transferred to the Strategic Plan 2017 (the goal regarding enrollment of students up to 3,000), 9 measures were greater than 50% completed and 2 were less than 50% completed. Also, presented in the final report was an update and progress report on the 11 areas that required continued work. It was stated that despite the delay in the completion of the goals, the University was committed to completing the goals.

B. Update on Strategic Plan 2017

A brief update was provided to the Committee on the new strategic plan – Pathways to Greatness 2017. It was reported that the official launch for the Plan was set for mid-October on both campuses. It was also reported that brochures were being developed as well as updates of the university's website.

C. Admissions Update

The Committee received an update report on the Admissions. It was reported that various outreach efforts were being implemented, including participation in the upcoming Fall Fest an event that brings 150 junior and senior high school students to the St. Thomas Campus. Other efforts reported included Fall visits to the various high schools and attendance and participation at college fairs. An update on strategies to increase enrollment was presented to the committee.

D. Risk Management

The Committee received an update report on the Risk Assessment Plan for the University. Included in the report were next steps to the process.