

**MEETING OF THE BOARD OF TRUSTEES  
June 19, 2021**

**UNIVERSITY OF THE VIRGIN ISLANDS  
BY ZOOM  
9:00A.M.**

**CONSENT AGENDA**

**Academic, Research, and Student Affairs..... Dr. Yvonne E. L. Thraen**

**Provost's Report**

**Building and Grounds.....Henry C. Smock**

- A. Campus Projects Update
  - a. Albert A Sheen Campus Report
    - i. Campus Projects Updates & Campus Restoration – Hurricane Repairs Update
    - ii. Update on FEMA Funding of Hurricane Damaged Facilities
  - b. Orville E. Kean Campus Report –
    - i. Campus Projects Updates & Campus Restoration – Hurricane Repairs Update
    - ii. Update on FEMA Funding of Hurricane Damaged Facilities
  - c. Medical School Facilities Update
    - i. Simulation Center Update
    - iii. Medical Research and Training Center Update
- B. Update on Development of West Bay facility
- C. Update on Hotel Development Project
- D. Golf Course Development Update

**Development Committee.....Rev. Dr. Wesley S. Williams, Jr.**

**Status Report on Annual Fund**

Total contributions to date for fiscal year 2021 (October 1, 2020 – May 21, 2021)  
\$2,056,024.72.

Vice President Mitchell Neaves provided a summary of the support received to date in FY2021, the ongoing efforts to increase the Alumni Giving Rate, and information on the

recent hire of Dr. Joseph Rives, the Director of Corporate and Foundation Relations. President David Hall provided the Committee with specifics regarding his efforts with several major donor prospects who are interested in supporting the UVI (University of the Virgin Islands) School of Medicine and the impact these gifts will have on the LCME (Liaison Committee for Medical Education) accreditation process. President Hall also shared an overview of a new fundraising initiative launched by the FUVI (Foundation of UVI) Board.

## **Finance and Budget Committee.....Oran C. Roebuck**

### **A. Update on the Local Government Appropriation – Fiscal Year 2021**

#### **FY2021 Appropriation**

The University's Fiscal Year 2021 local government appropriation was approved for \$34,336,559 as authorized by Act No. 8366 (Bill No. 33-0405). Subsequently, the University appropriation was revised to include an additional \$180,000 for preparing an Agriculture Plan as authorized by Act No. 8411 (Bill No. 33-0435). Thus, the University's monthly allotment release is \$2,876,495.37 from the Office of Management and Budget and the Department of Finance.

Under the Internal Revenue Matching Fund section as authorized by Act No. 8347 (Bill No. 33-0393), the University has been appropriated \$4,000,000. In addition, on December 11, 2020 Act No. 8408 (Bill No. 33-0432) was approved by the Legislature of the Virgin Islands for \$100,000 towards the University's Plant Fund. This brings the University's combined total appropriation from the Government of the Virgin Islands to \$38,616,559 for Fiscal Year 2021.

#### **Release of FY2021 Allotments**

As of April 30, 2021, the University received a total of \$24,044,088.13 in allotments from the V.I. Government for Fiscal Year 2021. This represents 100% of the allotments due for the period October 2020 through April 2021 and 63% of the total allotment of \$38,436,559 for the fiscal year.

UPDATE on FY2022 Governor's Executive Budget

### **B. COVID-19 Financial Update and Opportunities as of May 21, 2021**

<b>Project Description</b>	<b>Amount Awarded</b>	<b>Amount Expended</b>	<b>Balance</b>	<b>Project End Date</b>
The University of the Virgin Islands CARES Act Emergency Relief Initiative - Student Portion	\$4,554,658.00	\$1,698,016.70	\$2,856,641.30	5/13/2022

University of the Virgin Islands - HBCU Higher Education Emergency Relief Initiative	\$5,578,546.00	\$1,875,124.00	\$3,703,422.00	2/26/2022
The University of the Virgin Islands CARES Act Emergency Relief Initiative - Institutional Portion	\$5,926,637.00	\$1,006,476.22	\$4,920,160.78	5/13/2022
CARES Act Governor's Emergency Education Relief Fund	\$1,000,000.00	\$279,851.56	\$720,148.44	9/30/2021
<b>TOTAL</b>	<b>\$17,059,841.00</b>	<b>\$4,859,468.48</b>	<b>\$12,200,372.52</b>	

**C. (a) Review of Unrestricted Operating Budget to Actual Performance through March 31, 2021**

Total actual revenues through the period ended March 31, 2021 was \$22,902,639 representing 91% of the budgeted amount of \$25,146,479. Actual expenditures of \$20,947,680 represent 84% of the amount budgeted of \$24,943,030. The University's Net Operating Position (NOP), which is the difference between year-to-date revenues and year-to-date expenditures at the end of March 31, was \$1,954,959 as shown in Exhibit A on page 3 of the report. With respect to revenues, the most significant variance of 66% occurred in the Miscellaneous revenue category due primarily to the delayed receipt of the FUVI annual subvention anticipated to be received in the last quarter of the fiscal year. We also continue to be challenged in the auxiliary category as a result of the COVID-19 pandemic. In spite of the lower than budgeted revenues we project ending the year with a positive net operating position as we work to keep our spending within the actual revenue level.

With the exception of Academic Support, which performed at 102% of budget, all other categories performed within the range of 69% to 100% of their budget. We incurred Academic Support related expenses in excess of the amount allocated for the period, specifically for library and other software maintenance supports; however, it is not anticipated that the annual budget amount will be exceeded. The Instruction expenses reached 69% primarily due to lower than anticipated spending in travel and other direct expenditures as well as salary related expenses in the online degree program, which will be further elaborated on during the Online Degree tuition increase proposal presentation later on the meeting agenda.

**C. (b) Review of Unrestricted Operating Actual to Actual Performance through March 31, 2021**

Total actual revenues and total actual expenditures were \$24,816,894 and \$24,072,396, respectively, for the period ended March 31, 2020. Total revenues decreased by approximately 8% from the prior year and total expenditures decreased by 13% compared to the same period of the year before.

The highlights in the period to period comparison include:

1. **Instruction** – The 11 percent decrease in Instruction expenses is due to less incurred labor costs for faculty in Business Administration, Humanities, and Social Sciences; as well as less incurred costs for contracted services associated with the PHD Program and travel associated with all Schools and Departments.
2. **Research** – The 19 percent decrease in Research expenses is due to less incurred labor costs for office and clerical staff in CMES, temporary and professional services in ECC, and a full time faculty member's salary which was charged to the Research component in FY 20.
3. **Public Service** – The 30 percent increase in Public Service expenses is due to the return of the executive salary for the Vice Provost for Research whose salary was paid by the Census in FY 20, along with new labor costs for temporary professionals in Personal and Community Development.
4. **Academic Support** – The 10 percent decrease in Academic Support expenses is due to less incurred labor costs for administrators and temporary staff and contracted services in the Office of the Provost, as well as less incurred costs for travel in the component.
5. **Student Aid** – The 25 percent increase in Student Aid expenses is due to more grants made to students.
6. **Auxiliary Enterprises** – The 65 percent decrease in Auxiliary Enterprises expenses is due to less incurred costs for temporary salaries for food services, as well as less incurred costs for items for resale at the bookstores and Sports and Fitness Center concession, electricity in the residence halls, food services purchases, and athletic scholarships and travel.

#### **D. Review of Restricted Current Funds Expenditures through March 31, 2021**

For the period October 1, 2020 through March 31, 2021, the University's restricted current funds performed as follows:

<b>Category</b>	<b>October 1, 2020 Fund Balance</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>March 31, 2021 Fund Balance</b>
Federal Grants	\$4,046,635	\$37,826,361	\$17,876,648	\$23,996,348
Local Grants and Contracts	\$1,554,288	\$1,355,926	\$799,360	\$2,110,854
VI Legislature	\$5,927,183	\$7,657,708	\$1,596,617	\$11,988,274
Private Grants and Contracts	\$3,392,646	\$1,049,134	\$785,185	\$3,656,595
Other	\$-1,345,713	\$3,327,692	\$2,453,777	\$-471,798
<b>Total</b>	<b>\$13,575,039</b>	<b>\$51,216,821</b>	<b>\$23,511,587</b>	<b>\$41,280,273</b>

#### *Senior Citizen's Tuition Waiver and University Bound Programs*

*(Note: Progress is being made with the program leaders in reducing the negative fund balance)*

#### *Hazard Mitigation and Other Grants\**

*(Note: Pending reimbursements from FEMA and miscellaneous programs such as Entrepreneurship and Sustainability Recovery in the VI)*

#### **E. Review of CELL Budget to Actual Performance through December 31, 2020**

In Q2 of FY21, UVI CELL completed work on two major projects, the Comprehensive Economic Development Strategy (CEDS) and the Tourism Master Plan (TMP). These projects culminated with a presentation to Governor Bryan and key economic development stakeholders. Throughout the project timeframe, UVI CELL worked in collaboration with the Economic Development Authority to ensure for alignment with Vision 2040.

The CEDS includes the following recommended projects/strategic actions tied directly to UVI CELL:

- Establish a Disaster Management certificate program at UVI CELL
- Establish CELL Workforce Development and Job Transition centers on STX and STT
- Conduct training in the science of Strategic Doing for each of the three island groups
- Conduct a feasibility study for the establishment of a museum and arts center on STT, an arts theater on STX, and a music production center on STJ (this is near completion)

For the reporting period, revenues totaling \$224,666 and expenditures totaling \$168,882 were generated in the Unrestricted Fund creating an operating surplus of \$55,784. The restricted programs funded primarily through OSHA, VI Government and ILOE performed positively during the reporting period and ended the quarter with an operating surplus of \$327,835. Overall, CELL's combined net operating position as of March 31, 2021 was \$383,619. CELL continues to seek new and creative ways to generate revenues to end the fiscal year in a positive net operating position.

#### **F. Review of Reichhold Center Budget to Actual Performance through March 31, 2021**

The Reichhold Center for the Arts was awarded \$239,140.58 through the second quarter of Fiscal Year 2021 from the Foundation for the Reichhold Center for the Arts against a budgeted \$125,000. A grant of \$10,000 from the Virgin Islands Council on the Arts for related projects occurring over the fiscal year was also received.

Of the \$125,000 budgeted for expenditures for the period, a total of \$117,665.50 was expended on salaries, benefits and direct expenditures. Three of the four current employees are temporary and compensated on a "call as needed basis" for assistance with projects such as Back the Bucs Week, Charter Day ceremony, Afternoon on the Green and the RCA sessions.

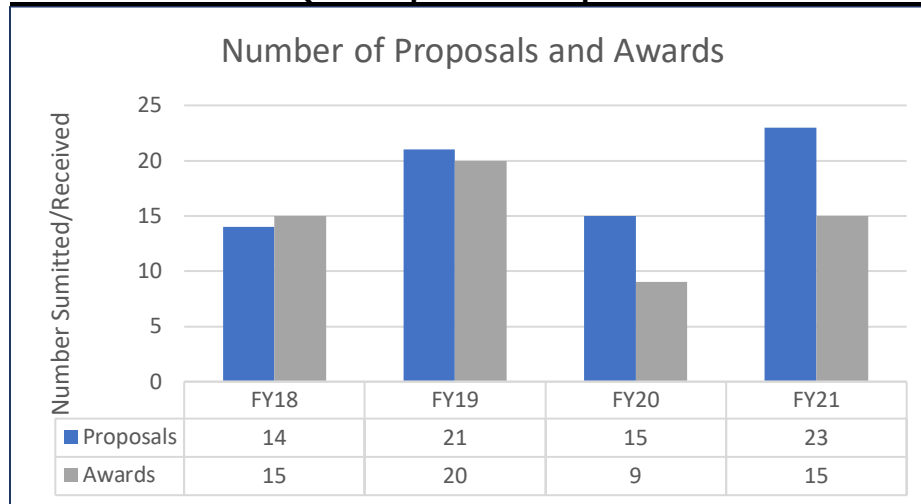
The Net Operating Position for RCA for the period October 1, 2020 through March 31, 2021 is a surplus of \$131,475.08.

#### **G. Quarterly Report of Proposals Submitted and Awards Received for the Quarter ended March 31, 2021**

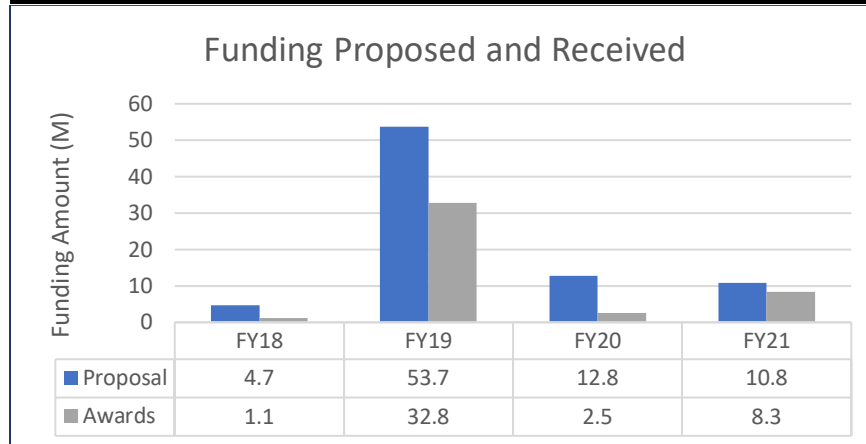
The Proposal metrics show a positive trend for the second quarter of FY2021. In Fiscal Quarter 2 (UVI has increased the number of proposals submitted

compared to the 2<sup>nd</sup> Quarter of FY 2020, as shown in Table 1, however the overall proposal amount is decreased slightly as shown in Table 2. Overall, since FY2018, UVI is still showing a positive trend in proposal submissions. The number of awards received and award amounts increased when compared to Quarter 2 of FY2020.

**Table 1- Fiscal Year Q2 Comparison: Proposal and Awards Submitted/Received**



**Table 2- Fiscal Year Q2 Comparison: Funding Amount Proposed and Received**



#### H. Quasi-Endowment Fund Balance as of March 31, 2021

University of the Virgin Islands  
Endowment Funds  
Comparison Periods Ended March 31, 2021 and December 31, 2020

Description	March 2021	December 2020	Variance
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Seslia Title III Endowment	\$ 245,893.36	\$ 248,536.42	\$ (2,643.06)
Common Fund Term Endowment	\$ 473,362.63	\$ 456,963.84	\$ 16,398.79
Common Fund National Guard Assistance	\$ 424,365.25	\$ 407,494.59	\$ 16,870.66
Common Fund Veterans Tuition Assistance	\$ 801,402.83	\$ 774,459.47	\$ 26,943.36
Common Fund Scholarship fund	\$ 204,937.69	\$ 198,000.53	\$ 6,937.16
Common Fund Quasi Endowment	\$ 6,576,157.76	\$ 6,517,710.01	\$ 58,447.75
Common Fund School of Medicine Endowment	\$ 24,384,083.43	\$ 24,904,035.49	\$ (519,952.06)
Common Fund SOM Sustainability Fund	\$ 4,001,191.81	\$ 2,604,536.89	\$ 1,396,654.92
Common Fund Sustainability Fund I	\$ 3,461,406.67	\$ 3,464,548.44	\$ (3,141.77)
Common Fund Sustainability Fund II	\$ 519,588.51	\$ 519,548.09	\$ 40.42
Common Fund TOPA Scholarship Endowment	\$ 2,525,621.27	\$ 2,441,035.21	\$ 84,586.06
<b>Total</b>	<b>\$ 43,618,011.21</b>	<b>\$ 42,536,868.98</b>	<b>\$ 1,081,142.23</b>

During the reporting period, January through March 2021, \$1.4M was transferred from the Commonfund School of Medicine Endowment fund to the School of Medicine Sustainability fund. This was done in an effort to preserve the gains from the endowment fund and doesn't impair the corpus of the endowment fund which as you might recall is funded through a \$23M loan with FirstBank. All other variances represent gains or small losses on investments.

#### **I. Status of Audit for the year ended September 30, 2020**

- The audit of the University's Financial Statements, Reports and Schedules required by the Uniform Guidance for the year ended September 30, 2020 commenced in November 2020, with a new audit team, BDO USA.
- The University delivered the trial balance and Schedule for Expenditures of Federal Awards, as well as other planning requests on December 15<sup>th</sup>, 2020.
- The University has reached out to the Government of the Virgin Islands for a timeline on the availability of the Pension and Other Post-Employment benefits packages, necessary for the timely and accurate completion of the University's audit. The timeline was provided as follows:
 

○ Package	FY2020	FY2021
○ Pension	04/30/2021	01/31/2022
○ OPEB	06/15/2021	01/31/2022

- The Office of Management and Budget (OMB) has issued OMB Memo M-20-21 (Memo) addressed to federal agencies. The memo provides extended due dates for the submission of single audits. The extended due date for the University's audit is January 3, 2022.
- The University is actively working with the BDO USA audit team to ensure timely completion of the reports, following the receipt of the Pension and OPEB packages.

**Planning Committee.....Dr. John A. Quelch**

### **Shared Governance**

The Planning Committee received a report on the framework and process of Shared Governance. Recommended improvements from Staff Council, FEC, AAUP, UVI Senate, SGA(STT/STX), and the Town Hall Meeting was shared. Trustee Quelch requested one year from now, a checklist update with all recommendations implemented be provided to the Planning Committee.