

**MEETING OF THE BOARD OF TRUSTEES
March 12, 2011**

**UNIVERSITY OF THE VIRGIN ISLANDS
GREAT HALL, NORTH WEST WING
ST. CROIX CAMPUS
9:00 A.M.**

**DRAFT ACTION AGENDA
Regular Session**

1. Call to Order
2. Minutes of February 11, 2011

Approval
Matters Arising
3. Old Business
4. New Business
5. Approval of Consent Agenda
6. President's Report
7. Chairman's Comments
8. Research and Technology Park Board..... Alexander A. Moorhead

Update Report
(Presentation/Discussion)

The Board will receive an update report from the Research and Technology Park Board.

No action required.

9. Committee Action Items

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

Draft Internal Audit Charter
(Presentation/ Discussion/ Action)

At its meeting of January 20th, it was reported that the Internal Audit Charter was required based on the approved, Audit Committee Charter, and that the Internal Audit Charter was prepared in accordance with guidelines promulgated by the Institute of Internal Auditors. The Draft Internal Audit Charter was reviewed and approved by the members of the Audit Committee. The Charter is being forwarded to the Board of Trustees (the Board) for review and approval.

Action Required.

Draft Fraud Policy
(Presentation/Discussion/Action)

At its meeting of January 20th, it was reported that the Fraud Policy was put together in order to ensure that a procedure existed for the receipt, retention, investigation and treatment of complaints regarding fraud, waste, and abuse. Further, it was stated that the Policy was drafted based on a template provided by the AICPA (American Institute of Certified Public Accountants) and the ACFE (Association of Certified Fraud Examiners). The Fraud policy was reviewed and approved by the Audit Committee. The Fraud Policy is being forwarded for review and approval by the Board.

Action Required.

BUILDINGS AND GROUNDS.....Atty. Henry C. Smock

UVI Residence Facility Timelines and Process Outline
(Presentation/Discussion/Action)

It was reported that the traditional process of selecting an architect, developing a design, soliciting proposals from qualified contractors based upon the project documents, and selecting the contractor for construction based upon a review of proposals received would result in the completion of the new residence halls two to three months into the first semester of the academic year.

President Hall therefore requested that research be done to find an alternative that would shorten the process for the construction of the new residence halls. Mr. Gerard Buggy reported that the design-build model would expedite the

project by combining the design and construction processes into one process instead of two separate processes. This model would provide the University the opportunity bring the project on line at the traditional time which was the beginning of the fall semester. The administration presented the design-build model to the Buildings and Grounds Committee. The Committee reviewed and unanimously approved the process.

The Committee is forwarding to the Board for review and approval the process of the design-build model for the development of the new residence halls.

Action required.

EXECUTIVE COMMITTEE.....Mr. Alexander A. Moorhead

**A. Ratification of the Approval of Proposed Fiscal Year 2010-2011
Operating Budget Revision Number Two
(Presentation/Discussion/Action)**

At its meeting of January 14, 2011, the Finance and Budget Committee reviewed and approved a revision to the Fiscal Year 2010-2011 Operating Budget as requested from the Administration. During that meeting, the President briefly outlined the justifications for the proposed revisions and highlighted three specific areas of change. They included:

- a. Family Medical coverage - increase from 44% to 60% employer contribution in the amount of \$339,373
- b. Additional \$100,000 to increase in financial aid to students to support retention efforts
- c. \$50,000 increase for Campus Safety and Prevention

The detailed revisions regarding Revenue Assumptions as well as Expenditure Assumptions were outlined in detail to the Executive Committee as well as being outlined in a resolution that was presented.

The Executive Committee reviewed the proposed revisions and approved the resolution that was presented.

The action of the Executive Committee adopting a resolution approving the Fiscal Year 2011 Operating Budget Revision Number Two for the University of the Virgin Islands is being presented to the Board for ratification.

Action required.

B. Ratification of the Approval of the Fiscal Year Appropriation Request
(Presentation/ Discussion/Action)

During a special meeting on February 28, 2011, the Finance and Budget Committee reviewed the Appropriation Request for Fiscal Year 2012 proposed by the President. The President noted that the special meeting was necessary in order for the University to comply with the deadline of Friday, March 4th, for submittal of its FY2012 Appropriation Request to the Office of Management and Budget, which submittal requires the prior approval of the Finance and Budget Committee as well as the Executive Committee. He further noted that he is not presenting a proposed FY2012 Operating Budget at this time.

The President explained that, after the Administration had completed work on a FY2012 budget-proposal based on the appropriation received for FY2011, he had received a February 11, 2011 letter from the Office of Management and Budget informing him that the University's General Fund expenditure ceiling for FY2012 is \$33,192,631, which is a reduction of 4.3% compared to FY2011. He stated that this development did not allow enough time for a thoughtful revision of the proposed FY2012 Operating Budget for consideration concurrently with the Appropriation Request for Fiscal Year 2012. He further stated that a proposed FY2012 Operating Budget will be submitted to the Finance and Budget Committee for the Committee's consideration prior to the June meeting of the Board of Trustees.

A resolution, authorizing the President and the Vice President for Administration and Finance to submit the FY2012 Appropriation Request for legislative consideration, was presented to the Finance and Budget Committee. The Committee reviewed, amended, and approved the resolution.

The Executive Committee met on March 1, 2011, and reviewed and approved the resolution as recommended by the Finance and Budget Committee.

The action of the Executive Committee adopting a resolution authorizing the University to submit the FY 2012 Appropriation Request of \$33,192,631 for operating expenses and, debt service and mandated programs is being presented to the Board for ratification.

Action required.

C. Ratification of the Approval of Budget Reduction Guiding Principles
(Presentation/ Discussion/Action)

During the special meeting of the Finance and Budget Committee on February 28th, the Administration proposed that the Guiding Principles used to reduce Fiscal Year 2011 Operating Budget be used to reduce Fiscal Year 2012

Operating Budget in response to the reduction of the University's FY2012 General Fund expenditure ceiling by 4.3% by the Office of Management and Budget. The Finance and Budget Committee reviewed the proposal and forwarded it to the Executive Committee with a recommendation that the proposal be approved. The Executive Committee met on March 1, 2011 and reviewed and approved the Budget Reduction Guiding Principles for FY 2012 Operating Budget.

The action of the Executive Committee approving the Guiding Principles for FY 2012 Operating Budget is being presented to the Board for ratification.

Action required.

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

Key Performance Indicators – Financial, Research and Development Indicators
(Presentation/Discussion)

This mid-year report showed spring 2011 enrollment, at the time of the report, to be about the same as what it was in spring 2010 with new student enrollment being slightly down. Virgin Islands government support for UVI for FY 2011 was also about the same as what it was in 2010. Grants and contracts awarded in FY 2010 was up by 7% over FY 2009 with UVI ranking second in its peer group in federal grants awarded in FY 2010. Cash contributions to UVI in the first quarter were up by 196% over the same period last year and total contributions were up by 285%.

No action required.

10. Other Business

11. Executive Session

12. Adjournment