

**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 CONSENT AGENDA

COMMITTEE REPORTS

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

Provost Report

Provost Karl Wright presented his report to the members of the ARSA Committee. Highlights of the report included updates on Enrollment and Graduation and also an update on the Accreditation process. Other highlights in his report included Memorandums of Understanding with Eastern Caribbean Institutions, Assessment of Student Learning Outcomes, St. John Academic Project and an update on the Hotel and Tourism Management program.

Audit Committee.....Mr. Edward E. Thomas

A. Draft FY 2011 Workplan

An annual workplan synopsis, highlighting areas that will be focused on for the upcoming year, was presented by the Internal Auditor to the members of the Audit Committee. Highlights included the review of “p-cards” and cash transactions as well as bank reconciliations.

B. Risk Assessment Process, Internal Audit

The Risk Assessment process of identifying auditable units of UVI and then rating and ranking each of the auditable units against a selected set of risk factors was outlined to the members of the Audit Committee. After providing this explanation, the Internal Auditor requested and received permission to conduct the p-card and cash transactions reviews and then return to conduct the risk assessment.

C. Risk Assessment Process, Cabinet

The Internal Auditor reported that assistance would be provided to the President’s Cabinet with putting together a comprehensive risk assessment. Information was compiled on internal controls and a questionnaire was

developed to assist the Cabinet with beginning the process of identifying areas under their purview where opportunities for improvement may exist. While the members of Cabinet are in the process of completing the process, the Internal Auditor will provide continued guidance, but will step back and allow each Cabinet member the opportunity to identify risks for areas under their purview. It was also reported that the university-wide risk assessment process started in the Spring 2010 and included a ½ day seminar by a consultant, who explained the process to identify non-financial risks in a university environment.

D. Office of Internal Audit Website

Internal Auditor reported that a link for the Office of Internal Audit will be set up on the UVI website. At this link, the Internal Audit Charter, policies, reports, and information about the audit function would be available to UVI and the community.

E. Update on External Audit

It was reported that Ernst & Young was attempting to complete the financial statement audit by the end of February 2011, with significant, but not 100 percent, completion of the single audit at that time. With respect to the financial statement audit, E&Y was still testing income statement accounts; to date, there were no significant findings but E&Y anticipates making adjustments to the financial statements based on its review. In addition, E&Y recently provided UVI with the Management Letter for the FY 2009 audit; the Management Letter contained no new information to that previously reported in the Audited Financial Statements and Single Audit issued in June 2010. Based on feedback from Committee members, Ms. Chados will provide the Management Letter to Committee members.

Buildings and Grounds.....Atty. Henry C. Smock

A. St. Croix Campus Project Report

The St. Croix report addressed the progress of various projects. These included updates on the Building B renovation, Cafeteria, ATM Facility, MEC 300 Level Upgrade Project and Evans Center Sidewalk repairs.

B. St. Thomas Campus Project Report

The St. Thomas report addressed the progress of various projects. These included updates on the Executive Residence Main Walkway, Penha House, Upper Academic Cooling System Upgrade, Classroom Administration Building Chiller Repair, Hurricane Earl Repairs, Hurricane Otto Repairs, Classroom Administration Building Main Stairwell Project. and Campus Roads and Driveway Repairs.

C. Capital Projects Report

The Capital Projects Report addressed the progress of various projects on the two Campuses. On the St. Thomas Campus, these included the Wind Turbine Project, Wellness Center, John Brewers Bay Beach and Shower Facility, Library and Upper Campus ADA Accessibility Project, Classroom Administration (CA) Building ADA and Code Compliance Renovation Project and 100 Bed Residence Facility. On the St. Croix Campus, projects reported on included the Library Expansion Project, Evans Center Electrical Upgrade, and Athletic Field.

Committee on Trustees.....Mrs. Jennifer Nugent-Hill

A. Discussion of Trustee Scholarship Fund through Institutional Advancement

Trustees Aletha Baumann and Luz Suarez de Highfield and Vice-President of Institutional Advancement Dionne Jackson gave a presentation to the Committee on Trustees about the potential to establish a Trustee scholarship fund. The members of the Committee on Trustees agreed that this was an important topic for discussion and also agreed to refer the matter to the Development Committee for disposition.

B. Approval of the reappointment of Trustees elected by the Board

The terms of service for Trustee Moorhead and Trustee Thraen will expire this year. Both are Trustees elected by the Board of Trustees. The Committee on Trustees commended Trustees Moorhead and Thraen for their work and contributions to the Board of Trustees and agreed that a subcommittee would be formed to officially review the performance of the two Board-elected Trustees and to poll other Board members for potential nominations. Chair Nugent-Hill will reach out to other Board members to create the subcommittee and will report back at the next Committee on Trustees meeting so action could be taken to the full Board at the June meeting.

C. Review of the performance of the Board of Trustees

Committee on Trustees members agreed that the current self-assessment instrument developed by AGB was sufficient to meet the assessment goals of the Committee on Trustees. Chair Nugent-Hill will draft a memo to Board members and Gail Steele will distribute the assessment tool on her behalf. Trustees will be asked to complete the self-assessment and return it to Ms. Steele by February 18th.

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

Status Report on Annual Fund

Total Contributions Fiscal Year (Oct 1, 2010 – January 14, 2011) \$386,351.15.

The University raised \$554,413.39 from 250 gifts received from 204 donors. The alumni giving rate is 1.55%. The Institutional Advancement Office has undergone restructuring the past six months resulting in programmatic enhancements, staffing changes and the addition of several fundraising programs. President Hall applauded Vice President for Institutional Advancement, Mrs. Dionne Jackson, for her leadership, energy and creativity in achieving UVI's institutional goals while working with limited resources and budgetary restraints. President Hall provided an update on his goal to secure naming opportunities for a several capital projects and acknowledged the assistance received by several donors in support of the Male Empowerment Conference and the Brothers with a Cause student initiative.

Finance and Budget.....Mr. Edward E. Thomas

A. Update on the Local Government Appropriation – Fiscal Year 2011

Act No. 7222 approved by the Governor and the 28th Legislature of the Virgin Islands of the United States appropriated the sum of \$34,680,408 to the University of the Virgin Islands for Fiscal Year 2011. As of January 27, 2011, the University received a total of \$11,559,673.60 in allotments from the V.I. Government for Fiscal Year 2011. This represents 100% of the amount of \$11,559,673.60 requested by the University through January 2011.

B. (a) Review of Unrestricted Operating Budget Performance through December 31, 2010

Total actual revenues through the period ended December 31, 2010 was \$17,311,308 representing 112.4% of the budgeted amount of \$15,402,351. Actual expenditures and transfers of \$10,582,749 were less than the amount budgeted of \$12,059,592. Total actual revenues and total actual expenditures and transfers were \$15,977,457 and \$10,243,871, respectively, for the same period in the prior year. Total revenues increased by 8.3% from last year and total expenditures increased by 3.3%.

(b) Review of Restricted Current Funds Expenditures through December 31, 2010

For the period October 1, 2010 through December 31, 2010, the University's restricted current funds performed as follows:

Category	Budgeted Expenditures	Actual Expenditures	% of Budget Used
Federal Grants	\$17,999,448	\$2,988,513.26	17%
Local Grants and Contracts	\$726,798	\$350,374.49	48%

VI Legislature	\$50,036	\$45,495.50	91%
Private Grants and Contracts	\$221,708	\$169,506.64	76%
Other	\$439,362	\$356,602.42	81%
Total	\$19,437,352	\$3,910,492.31	20%

C. Review of CELL Budget Performance through December 31, 2010

CELL's activity through December 31, 2010 shows the unrestricted actual tuition and fees collected and the expenditures were higher than the budgeted amount for the period in review. The net revenue was a positive \$25,977. During this period there was also restricted revenue which included OSHA, Homeland Security and Local Appropriations. CELL's Restricted Fund has a current Net Operating Position (NOP) of \$7,010.

D. Reichhold Center Budget Performance through December 31, 2010

The Reichhold Center's Net Operating Position (NOP) at the period ending December 31, 2010, was (\$22,142) as compared to (\$91,654) for the same period in the previous fiscal year. The Center realized 80% of the budgeted revenues for the period ending December 31, 2010; however, the Foundation Appropriations, which account for 53% of the total revenues, were not received. The Center also had a decrease in total expenditures of 11% compared to the same period in FY 2010 primarily due to compensation two entry-level staff persons received from the Department of Human Services for their work.

E. Quarterly Grants and Contracts Report through December 31, 2010

In the first quarter of FY2011, UVI submitted twenty-three proposals totaling \$4,909,756 and was awarded nine grants totaling \$1,101,629. This represents an increase of 18% in the dollar volume of proposals submitted and a decrease of 62% in grants awarded, when compared to the corresponding quarter of the previous fiscal year.

F. Status of Audited Financial Statements and Single Audit of Federal Financial Assistance Programs for the Year Ended September 30, 2010

As of February 3, 2011, the FY 2010 Financial Audit was incomplete. The financial part of the audit was almost complete. The work of the Single Audit or the A133 Federal Audit began the week of February 1, 2011, the Research field work will begin by February 15th and the audit will be completed by the last week of February. It is anticipated that the financial report will be issued before the Single Audit is completed.

G. Status of Compensation Market Study Process

The University of the Virgin Islands Compensation Market Study is being undertaken to conduct a comparative analysis of employee salaries, and determine the level of funding that would be required to bring the University of the Virgin Islands (UVI) salaries in alignment with the market, if there is a disparity. The University believes that it must offer competitive compensation opportunities to ensure the retention of talented and dedicated employees. All efforts will be made throughout the process to ensure that appropriate and fair standards are used and a sound and transparent analysis for the data will occur.

Planning Committee.....Mr. Sinclair L. Wilkinson

A. Prospectus/Admissions and Recruitment 2012 and Beyond

Staff made a presentation to the Committee on current and planned efforts to increase enrollment at the university. They shared that use of the UVI web page for recruitment purposes will be increased and commercially available software will be used to communicate and follow-up electronically with students who apply to UVI. Local recruitment efforts will be increased by making more visits to schools, residential areas and through recruiters' participation in parent-teacher association meetings and other similar gatherings. Additionally the staff spoke of the recent implementation of the Students Together Assisting in Recruitment (STAR) program in which current students are involved in recruitment activities by serving as tour guides, hosts and ambassadors. Formal collaborative agreements with regional colleges and universities will also be utilized as part of UVI's recruitment strategy.

B. VISION 2012: 2010-2011 Update

An update on the 42 VISION 2012 Measures of Accomplishment (MOA) on which focus is being placed in the 2010-2011 fiscal year, revealed that 15 have been fully achieved, 18 are greater than 50% achieved, 8 are less than 50% achieved and 1 is on hold. Among the fully achieved objectives were establishment of an Institutional Advancement Component professional development plan, increasing the number of alumni contributors to 6% of the alumni population and presentation of a balanced budget for FY 2011. The MOA having to do with approval of an A.A.S. in Information Technology has been placed on hold.

C. Key Performance Indicators – Financial, Research and Development Indicators

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's support for UVI for FY 2011 was also about the same as what it had been 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%.