

**ANNUAL MEETING OF THE BOARD OF TRUSTEES
JUNE 11, 2011**

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

CONSENT AGENDA

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

Provost Report

The main highlight of the Provost Report was the status of accreditation in the Schools of Business, Education and Nursing. The School of Business has not received an official report as yet from the Accreditation Council for Business Schools and Programs (ACBSP) but did receive a verbal notice. The Bachelor of Science program in the School of Nursing on the St. Thomas campus has been reaffirmed by the National League for Nursing Accrediting Commission (NLNAC), with conditions. The School of Education is continuing its efforts towards initial accreditation from the National Council for Accreditation of Teacher Education (NCATE). The Provost believes that the School is about two to three years away from being accredited.

There were a number of noteworthy faculty and student achievements that were also highlighted in the report.

AUDIT COMMITTEE..... Edward E. Thomas

A. Hotline

The Internal Auditor reported that all the elements to establish the Hotline, specifically, a dedicated telephone number with no caller identification (693-1576), an email address (hotline@uvi.edu), and a lockbox outside of the Office of Internal Audit have been implemented. The Audit Committee approved the President issuing the letter introducing the Hotline and Frequently Asked Questions about the Hotline to the University community, as amended by Trustee Moorhead.

B. Procurement Card (PCard) Transactions

The Internal Auditor reported the preliminary results of the review of PCard Transactions. On an overall basis, PCard holders generally used the PCards in an ethical and responsible manner. However, in order to strengthen internal controls over the PCard process, the Internal Auditor suggested that the University consider implementing a provision for a supervisor/manager review into the PCard Policy.

The Audit Committee concurred with the Internal Auditor's suggestion to formally implement a supervisor/manager review process in the PCard policy and requested that the President address all other operating matters as the Chief Executive Officer of the University.

C. Office of Internal Audit Staffing

The Internal Auditor reported that Ms. Alina Matthew was hired as the Administrative Specialist for the Office effective April 18, 2011.

D. Update on External Audit

The Internal Auditor reported that Ernst and Young anticipated completing the financial audit by the end of April, and with respect to the single audit, the student financial aid fieldwork was complete but had not yet been reviewed by an Ernst and Young audit manager, and fieldwork relating to federal grant awards was in process with anticipated completion by the end of April.

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

A. Albert Sheen Campus Project Report

The report on the Albert Sheen Campus addressed the progress of various projects. These included updates on the Cafeteria Upgrade – Phase II (Light Enhancement), ATM Facility, Research Extension Center Fume Hood Repairs.

B. St. Thomas Campus Report

The report on the St. Thomas addressed the progress of various projects. These included updates on the Upper Academic Cooling System Upgrade, Classroom Administration Building Chiller Repair, Hurricane Earl, Campus Main Walkway Repairs and Upgrade, Environmental Protection Agency (EPA) Drinking Water Improvement Grant, Campus Main Walkway Lighting Upgrade/Green Project, South Dormitory Minor Renovation, Physical Plant/Purchasing Rear Ramp Replacement, and Administration and Conference Center (ACC) Exterior Wall 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, 100 Bed Residence Facility-STT, John Brewer Beach Restroom and Shower Facility, Library and Upper Campus ADA Accessibility Project and Classroom Administration (CA) Building Code Compliance Renovation Project. On the St. Croix Campus, projects reported on included the Library Expansion Project, Evans Center Electrical Upgrade, and the Physical Education Athletic Field Project.

Classroom Administration (CA) Building and Code Compliance Renovation Project

The goal of this project is to provide ADA compliant access to all levels of the CA building from one point of entry and address code, access, life-safety issues, electrical distribution system, lighting system, egress routes, ADA access, emergency signage, panic door hardware, etc. as well as, finish upgrades in the Little Theatre. The scope of work for this project includes the construction of an addition to the existing facility that will house a central

entrance as well as an elevator serving all levels of the building and minor renovation to existing bathroom facilities to make them ADA compliant and code related work in the Little Theatre.

Elevators and lifts for the Library & Upper Campus ADA project will be purchased on the same purchase order as the CA building project to maximize savings. This project is scheduled to begin in June 2011 and end December 2011.

Physical Education Athletic Field Project

GSE Dospiva LLC was selected to provide design services for this project. The initial design included a competition level soccer field as well as two (2) additional regulation sized practice fields and natural beams for seating areas, bleachers, field irrigation and site drainage. At the request of Dr. Hall the engineer and OCP are investigating the cost benefit of eliminating one practice field and utilizing the savings to provide other site improvements. This project is scheduled to begin May 2011 and end October 2011.

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

Status Report on Annual Fund

Total Contributions Fiscal Year (Oct 1, 2010 – May 5, 2011) \$710,891.41.

The University raised \$710,891.41 from 484 gifts received from 407 donors. The alumni giving rate is currently 7.09%. President Hall gave the Committee an overview of the solicitation process used to secure the \$5M donation from Mr. Kiril Sokoloff. President Hall also provided a brief summary of the University funding priorities going forward. The Vice President for Institutional Advancement, Mrs. Dionne Jackson, provided an update detailing the enhancements made to the 2011 Annual Fund drive as well as the groundwork strategy being implemented for the upcoming Capital Campaign.

EXECUTIVE COMMITTEE..... Alexander A. Moorhead

Mid-year review of the job performance of President David Hall

President Hall presented to the Executive Committee a written report outlining his accomplishments for the period of August 2010 – to May 2011 based on his approved goals. After review and brief clarifications, the mid-year report presented was accepted unanimously.

FINANCE AND BUDGET.....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. In a memorandum dated April 20, 2011, the Office of the Management

and Budget (OMB) informed the University of a 3% reduction in its allotment ceiling which reduced it to \$33,688,495.76. As of May 13, 2011, the University received a total of \$22,780,723.42 in allotments from the V.I. Government for Fiscal Year 2011. This represents 100% of the amount of \$22,780,723.42 requested by the University through May 2011.

B.

(a) Review of Unrestricted Operating Budget Performance through March 31, 2011

Total actual revenues through the period ended March 31, 2011 was \$28,079,973 representing 101.8% of the budgeted amount of \$27,592,402. Actual expenditures and transfers of \$23,188,711 were less than the amount budgeted of \$24,713,227. Total actual revenues and total actual expenditures and transfers were \$27,409,152 and \$23,316,701, respectively, for the same period in the prior year. Total revenues increased by 2.4% from last year and total expenditures decreased by .5%.

(b) Review of Restricted Current Funds Expenditures through March 31, 2011
(Presentation/Discussion)

For the period October 1, 2010 through March 31, 2011, the University's restricted current funds performed as follows:

| Category | Budgeted Expenditures | Actual Expenditures | % of Budget Used |
|------------------------------|------------------------------|----------------------------|-------------------------|
| Federal Grants | \$18,251,368 | \$9,603,899.53 | 52.6% |
| Local Grants and Contracts | \$1,506,866 | \$1,361,675.52 | 90.4% |
| VI Legislature | \$557,414 | \$312,024.87 | 56.0% |
| Private Grants and Contracts | \$416,510 | \$409,381.82 | 98.4% |
| Other | 593,531 | 593,530.42 | 100% |
| Total | \$21,325,329 | \$12,280,512.16 | 57.6% |

C. Review of CELL Budget Performance through March 31, 2011

CELL's activity through March 31, 2011 shows the unrestricted actual tuition and fees collected and the expenditures were higher than the budgeted amount for the period in review. Unrestricted expenditures were slightly higher than revenues creating a net operating position of (\$12,848). During this period there were also restricted revenues which included OSHA, Homeland Security and Local Appropriations. CELL's Restricted Fund has a current net operating position of \$0.

D. Reichhold Center Budget Performance through March 31, 2011

The Reichhold Center's Net Operating Position (NOP) at the period ending March 31, 2011, was (\$411,050). The Center realized only 54% of its revenues due to the non-receipt of the foundation gift of \$325,000, which is projected to be realized during the third quarter.

Expenditures for productions occurring in the third and fourth quarters prompted the second quarter's reported expenditures to be higher than budgeted by approximately 13%.

E. Quarterly Grants and Contracts Report through March 31, 2011

Through the second quarter of FY2011, UVI submitted forty-seven proposals for grants totaling \$14,474,452 and was awarded twenty-four grants totaling \$2,663,799. This represents an increase of 73% in the dollar volume of proposals submitted and a decrease of 34% in grants awarded, when compared to the corresponding quarter of the previous fiscal year.

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

As of May 19, 2011 the audit of the University's financial statements and federal financial assistance programs for the year ended September 30, 2011 was approximately 97% completed. The statements of the UVI Foundation are still outstanding and are crucial to the completion of the project. The expected submittal date is the end of May 2011. Once they are received, a draft of the statement would be made available. Ms. Smith further confirmed that notes to the financials were turned over, but the Management Discussion and Analysis Document (MDandA) was still outstanding. However, this issuance of the University's audited financial statements is on target for June 30, 2011.

G. Update on Market Salary Study

The University is conducting a comparative analysis of employee salaries in an effort to determine the level of funding that would be required to bring salaries in alignment with the market, if there is a disparity. A consultant has been selected and a compensation task force is being established to provide input to the process.

H. Update on Human Resources Policy Manual Revision

The University's Human Resources Policy Manual is being updated under the guidance of the Director of Human Resources. The updates include reformatting the layout, renumbering sections and removing procedural references. Some of the sections were forwarded to the University Senate and are being held until all sections have been submitted and reviewed.

PLANNING COMMITTEE..... Sinclair L. Wilkinson

A. Progress Towards Institutionalizing the P-16 Collaborative

The Provost reported on the P-16 collaborative between UVI, the Virgin Islands Department of Education and the Board of Education. A focus of the effort is on improving the status of public education in the U. S. Virgin Islands as well as improving the academic performance of college-

bound students. UVI has applied for and received two grants from the U. S. Department of Education's Title III Program under the Student Aid and Fiscal Responsibility Act (SAFRA). The first grant will fund a program that will increase the number of highly qualified and certified teachers in the territory's public education system through in-service training and professional development. The second grant will fund a summer bridge program on both campuses that is intended to enhance the math and language art skills of high school students so they will enter UVI better prepared to enroll in standard college courses. This program will begin this summer and is targeted at 40 college-bound juniors and seniors on each island. There are other on-going conversations between members of the collaborative covering professional certification of teachers, graduation requirements and alignment of the territory's high school curriculum with UVI admissions' requirements.

B. VISION 2012: 2010-2011 Update

Work on the implementation of the University's Strategic Plan, VISION 2012, continues at a steady pace. Currently there are 42 Measures of Accomplishment for FY 2010-2011. Of those, 15 are listed as achieved, 19 as greater than fifty percent complete, seven as less than fifty percent complete, and one is on hold. It is anticipated that completion of most of the Measures of Accomplishment will take place before the end of the fiscal year.

C. Key Performance Indicators – The Year in Review

The report on the performance of UVI at the end of the academic year showed that, compared to last year, more students received financial aid. Both campuses are providing a safe and comfortable environment for students in comparison to UVI's national peers, and UVI is highly engaged in the USVI community in a wide variety of activities. The number of alumni contributing to UVI as well as total contributions to the university is up in comparison to last year.

Date and Place of the next meeting of the UVI Board of Trustees

- Saturday, October 29, 2011 St. Croix Campus