

**MEETING OF THE BOARD OF TRUSTEES  
OCTOBER 30, 2010**

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

**DRAFT CONSENT AGENDA**

**COMMITTEE REPORTS**

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

**Provost's Report**

Dr. Karl Wright presented his first Provost's Report to the ARSA Committee and highlighted a number of areas, including the fall 2010 enrollment update, students academic achievements, the P-Semester pilot program, and the academic goals for 2010-2011. The Committee engaged in an extensive discussion on the "post purge" data as well as the challenges and opportunities presented by the increase in enrollment. As of September 27, 2010, paid enrollment stood at 2,700 students.

There were a number of student academic achievements included in the Provost's Report, specifically in the College of Science and Mathematics and the College of Liberal Arts and Social Sciences. The Science and Math Symposium on September 26, 2010 highlighted student research in the areas of DNA, computerized imaging, and mathematical modeling to name a few. The Provost also provided the committee with an update on the P-Semester pilot program, which is scheduled for 16 days beginning on December 13<sup>th</sup>. The P-Semester is a joint collaboration with Clark Atlanta University to offer Clark students a cultural experience on St. Croix during the intersession break.

Finally, the Provost presented an overview of the academic goals for the 2010-2011 academic year. Among the goals highlighted and discussed by the Committee were the integration of the land-grant, research faculty and public service functions into the mainstream and the marketing and promotion of the graduate programs.

**Audit Committee.....Edward E. Thomas**

**A. Discussion with the External Auditors – Ernst & Young**

The auditors discussed their views of the University's Accounting Policies and Procedures with the Audit Committee.

**B. Presentation of the 2009 Audit**

The 2009 Audit Report, which includes the Unqualified Opinion of the external auditors, two (2) financial audit findings (i.e., Internal Control and Capitalization of Assets) and four (4) single audit findings (i.e., Department of Education Financial Aid Title IV programs, Minority Health & Health Disparities Research, Department of Health and Human Services and Small Business Administration), was presented to the Audit Committee.

**C. Discussion of the 2010 Audit**

The Auditors presented the 2010 audit plan, which begins on November 1, 2010, to the Audit Committee. The Audit Committee voted to accept Ernst & Young’s audit plan to perform the University’s FY 2010 audit and that the management letter be delivered at the time of delivery of the financial statement.

**D. .Update on the Internal Auditor**

The President reported to the Audit Committee that an offer was made to the Internal Auditor candidate as approved by the Executive Committee and that she is expected to assume full responsibility on November 1, 2010.

**Buildings and Grounds Committee.....Henry C. Smock**

**St. Thomas Campus Project Report**

The St. Thomas report addressed the progress of various projects. These included updates on the Executive Residence Main Walkway, Upper Academic Buildings Exterior Painting & Refinishing, Cooperative Extension Project, Library Guttering Replacement, Classroom Administration Building Guttering Replacement, Penha House Renovations, Humanities Building Upgrades, Dining Pavilion Roof Repairs, Faculty East One – Roof Resealing, East Hall Electrical Lock Installation.

**St. Croix Campus Project Report**

The St. Croix report addressed the progress of various projects. These included updates on the West Campus Sidewalk, Modular Building Emergency Repairs, ATM Facility, Building A (Great House) Guttering Repairs, and Sudgen Property Maintenance Project.

**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 Partnership Program, Wellness Center Project, the John Brewers Bay Beach Restroom and Shower Facility, Library and Upper Classroom ADA Accessibility 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.

**Wind Turbine Partnership Program**

The UVI Capital Projects Manager, Gerard Buggy, met with Mr. Vargrave Richards and Mr. Lew Lester at their request and they are preparing a proposal for the University. Messrs. Richards and Lester requested additional time to prepare their proposal and Mr. Buggy informed them to call when the proposal is ready. Mr. Buggy has not heard from Mr. Richards or Mr. Lester as yet.

**Wellness Center Project**

The project is 100% completed in terms of construction. All inspections are completed and certificates have been issued. The grand opening has been rescheduled to Friday, September 24, 2010.

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

**A. Review of the performance of the Committee on Trustees**

The Committee on Trustees discussed the best method to conduct the annual self-assessment of the performance of members of the Board. The Committee agreed that the assessment should be postponed until January 2011 because some trustees had recently joined the Board. The self-assessment document will be sent out prior to the February 2011 meeting of the Committee on Trustees. Trustees will be asked to submit their self-assessments at February's Committee meeting.

**B. Review the reversing of the University's position regarding the request for personnel salaries and job descriptions to the VI Daily News**

The periodic request from the VI Daily News for salaries and other information on UVI employees prompted the Executive Committee to ask the Committee on Trustees to review the request and the response from the University. After discussion, the Committee voted to table the item until more information is gathered on best practices at other institutions. This will be an agenda item at upcoming meetings.

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

**Status Report on Annual Fund**

Total contributions to date for fiscal year 2010 (Oct 1, 2009 – September 23, 2010)  
\$1,319,220

The Committee discussed the University's success in exceeding the fundraising and alumni giving rate goals established for fiscal year 2010, and the impact of the economic downturn on gifts and donations to the University. In addition, President Hall provided a brief update on his outreach and fundraising activities.

**Finance and Budget Committee.....Edward E. Thomas**

**A. UVI Wellness Center Operating Budget**

The Finance and Budget Committee recommended for approval the proposed fees and operating budget of the UVI Wellness Center on the St. Thomas campus effective Fall 2010.

The fees are as follows:

<b>Membership Category</b>	<b>Applicable Fee</b>
Staff	\$29/month
Faculty (Full and Part time)	\$29/month
Spouses/Dependents	\$30/month
Students (Fall & Spring)	\$24/semester
Students (Summer)	\$18/semester
Alumni	\$30/month
Community	\$30/month

The operating budget for the first three years is as follows:

<b>Category</b>	<b>1<sup>st</sup> year Fall/Spring</b>	<b>1<sup>st</sup> year Summer</b>	<b>2<sup>nd</sup> Year Fall/Spring</b>	<b>2<sup>nd</sup> year Summer</b>	<b>3<sup>rd</sup> year Fall/Spring</b>	<b>3<sup>rd</sup> year Summer</b>
Monthly Revenues	\$19,353	\$18,037	\$21,185	\$19,770	\$23,318	\$21,794
Monthly Expenditures	\$17,975	\$17,750	\$18,815	\$18,550	\$19,660	\$19,400
Net Operating Position (per month)	\$1,378	\$2,371	\$2,371	\$1,220	\$3,658	\$2,394

The item was referred to the Executive Committee for review and action at its scheduled meeting to be held on August 20, 2010.

**B. UVI Budget Reduction Principles**

The Finance and Budget Committee recommended for approval the Fiscal Year 2010-2011 Budget Reduction Principles as presented by the University's Administration. The principles were prepared in response to the projected 3% reduction in the University's Fiscal Year 2010-2011 appropriation as communicated by the Office of Management and Budget of the Government of the Virgin Islands.

The item was referred to the Executive Committee for review and action at its scheduled meeting to be held on August 20, 2010.

### **C. Presentation Strategy for Legislative Budget Hearing**

The University's budget hearing to present the Fiscal Year 2010-2011 appropriation request was scheduled for August 24, 2010. In light of the 3% reduction, the Finance and Budget Committee voted to recommend to the Executive Committee the amendment of the appropriation request from \$34.5M to \$33,465,000.

### **D. UVI FY2009 Audited Financial Statements and Single Audit Report**

The University's FY2009 Financial Statement was completed and submitted electronically on EZ Audit on time, on June 30, 2010. The Finance and Budget committee agreed that the report be forwarded to the Audit Committee for consideration.

### **E. Update on the Local Government Appropriation – Fiscal Year 2010**

On September 14, 2010, the University received its final allotment of the appropriation from the Virgin Islands Government for Fiscal Year 2010 in the amount of \$2,876,265. This brings the total received for the fiscal year to \$34,500,000, which represents 100% of the amount appropriated to the University through September 30, 2010.

### **F. Status of the Local Government Appropriation – Fiscal Year 2011**

An update on the status of the Fiscal Year 2011 Government of the Virgin Islands Appropriation was presented at the meeting. As of September 17, 2010, Bill No. 28-0287, UVI's FY2011 Appropriation Bill in the amount of \$34,730,000, was passed by the Committee on Appropriations and Budget and the Committee on Rules on to the Floor (full body). On September 21, 2010, the Senate Committee of the Whole adopted Bill No. 28-0287 and will be submitting it to the Governor for action.

### **G. Review of Unrestricted Operating Budget to Actual Performance through August 31, 2010**

Total actual revenues through the period ended August 31, 2010 was \$46,444,829 representing 101.6% of the budgeted amount of \$45,720,929. Actual expenditures and transfers of \$42,064,317 were less than the amount budgeted of \$45,797,738. Total actual revenues and total actual expenditures and transfers were \$44,285,493 and \$42,007,190, respectively, for the same period last year. Total revenues increased by 4.9% from last year and total expenditures increased by 0.1%.

#### H. Tuition and Fees Increase – Fall 2011

The Finance and Budget Committee agreed to table the agenda item regarding the Tuition and Fees increase proposal to give the Administration time to present the proposal to the student groups. The St. Thomas Student Government Association was completing the election process and the new leadership would need time to address the proposal. It was determined that a special meeting of the Finance and Budget Committee will be scheduled prior to the October 30, 2010 meeting of the Board of Trustees to consider the tuition increase proposal.

#### I. Review of Restricted Current Funds Expenditures through August 31, 2010

For the period October 1, 2009 through August 31, 2010, the University's restricted current funds performed as follows:

<b>Category</b>	<b>Budgeted Expenditures</b>	<b>Actual Expenditures</b>	<b>% of Budget Used</b>
Federal Grants	\$33,984,535	\$24,637,514.68	72%
Local Grants and Contracts	\$1,844,984	\$1,434,216.73	78%
VI Legislature	\$601,073	\$619,176.38	103%
Private Grants and Contracts	\$1,356,326	\$1,161,895.49	86%
Other	\$1,771,216	\$946,512.54	53%
<b>Total</b>	<b>\$39,558,135</b>	<b>\$28,799,315.82</b>	<b>73%</b>

#### J. Review of CELL Budget to Actual Performance through August 31, 2010

CELL's activity through August 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 \$15,631. 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 (\$26,394).

#### K. Reichhold Center Budget to Actual Performance through August 31, 2010

The Reichhold Center's Net Operating Position (NOP) as of August 31, 2010 was (\$672,679). Total revenues received through August 31, 2010 were \$486,271. Actual expenditures of \$1,158,952 were below the amount budgeted of \$1,200,000. Grants/Sponsorships are 108% over budget due primarily to aggressive efforts to increase corporate sponsorship for programs. Overruns were realized in the areas of travel, transportation, hospitality and advertising.

#### L. Quarterly Grants and Contracts Report through June 30, 2010

In the third quarter of FY2010, UVI submitted twenty-three proposals totaling \$10,653,395 and was awarded twelve grants totaling \$2,557,215. This represents an increase of 115% in the dollar volume of proposals, when compared to the corresponding quarter of the previous fiscal year. In the period October – June of FY 2010, UVI submitted \$18,956,655 in proposals, and was awarded \$8,555,681. The cumulative amount for proposals submitted is greater than in the

corresponding period of the previous fiscal year, with proposal dollar volume up by 91%, while the cumulative dollar volume of grants awarded increased by 30%.

**M. Authorization of University of the Virgin Islands 2010 General Obligation Refunding Bonds**

The Administration of the University is requesting authorization to refund all of the outstanding principal and interest due and payable on the Series 1999 A Bonds. For purposes of reimbursement of costs incurred prior to the issuance of any federally tax-exempt bonds, the University declares its intent to finance all or a portion of the costs of the St. Thomas Residence Hall through tax-exempt financing. This action constitutes an "official action" under the Internal Revenue Code, as amended, but does not commit the University to issue any indebtedness or to take any future action in connection with the proposed financing of the St. Thomas Residence Hall.

The Finance and Budget voted to recommend to the Board of Trustees the approval of the *Resolution of the University of the Virgin Islands authorizing amendment and restatement of the original indenture and issuance of General Obligation Refunding Bonds of the University of the Virgin Islands.*

In order to meet time considerations, the matter was forwarded to the Executive Committee for review and approval prior to the October 30, 2010 Board of Trustees meeting. If approved, it will be ratified by the full Board at that meeting.

**N. UVI Research and Technology Park Collaboration**

The University is considering the feasibility of utilizing available space within the proposed UVI Research and Technology Park facility to address some of the critical space needs of the UVI St. Croix campus. The Finance and Budget Committee agreed that it would be appropriate to include the Building and Grounds Committee in discussions regarding the project. It was also agreed that the collaboration was more favorable than an independent project for the University.

The Finance and Budget Committee voted unanimously that the joint project between the University and the Research Park be further explored.

**Planning Committee.....Sinclair L. Wilkinson**

**A. Report on Enrollment**

It was reported that on the date of the meeting, September 17, 2010, 2888 students were registered and 2,601 of these had paid. Among this group were 442 new freshmen. On St. Croix there were 200 freshmen; on St. Thomas there were 242. The fall 2010 student body includes 97 new transfers, 66 new graduate students and three new early admissions students.

***B. Key Performance Indicators – “Current State of UVI” - Fall 2010 Enrollment, Retention, Student Profile, Employee Profile, Development***

Student headcount on September 3<sup>rd</sup> was reported as 2,942, exceeding the fall 2010 enrollment goal of 2,700. This and other related figures were expected to change as the enrollment process progressed. The retention rate of 75% has been met and male enrollment has increased. Data has revealed that the typical freshman at UVI is a full-time black female who is a resident of the territory and is a recent high school graduate. The typical undergraduate is a full-time more mature female who has other responsibilities beyond attending UVI. There are 380 staff members, a decline of 3% from last year. The number of teaching faculty has increased by 8% to 124. The 2009-2010 fundraising goal of \$1.1M has been exceeded as well as the targeted 7% alumni giving rate.