

**MEETING OF THE BOARD OF TRUSTEES
MARCH 10, 2012**

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

**DRAFT
CONSENT AGENDA**

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

A. Provost's Report

The Provost provided an overview of the Component's activities and initiatives since the October 10, 2011 ARSA Committee meeting and highlighted a number of areas. Among the key areas highlighted were the 13D Entrepreneurship Education, study abroad initiatives, and the University colloquium and working paper series.

The 13D Entrepreneurship Education has made significant progress in the areas of the student competition; integration of the entrepreneurship education work at UVI and the primary education system in the territory; the development of an entrepreneurship curriculum for UVI; and the formation of a recruitment committee for the Endowed Chair of Entrepreneurship position. A Study Abroad Program has begun and the student evaluation committee has recommended 10 students for participation in the program. The University has launched a colloquium and working paper series that is aimed at inspiring intellectual discussion and promoting scholarly research and publication across various disciplines.

B. Status of Periodic Review Report

The President provided the Committee with an update on the Periodic Review Report, which reflects the progress that the University has made since the last accreditation visit. He informed the Committee of the process that was used to prepare the document and proposed a special meeting of the ARSA Committee in April to review and approve the document. The Periodic Review Report is due to Middle States by June 1, 2012.

C. Center for Student Success Report

The Executive Director of the Center for Student Success provided the Committee with a report on a number of initiatives that had taken place since the Center began operations on June 15, 2011. Among the areas highlighted were the Early Alert System; student interventions and individual success plans; advisement; and tutoring initiatives.

AUDIT COMMITTEE.....Edward E. Thomas

A. Review of FY 2010 Financial and Single Audit Conducted by Ernst & Young

The Audit Committee reviewed and participated in general discussion regarding the FY 2010 Financial and Single audit of the University conducted by Ernst & Young. Trustee Thomas noted that Ernst & Young did not provide the University with a Management Letter, and asked the Internal Auditor to follow up on this matter. On February 7, 2012, the Internal Auditor received a copy of the Management Letter from Ernst & Young and forwarded copies to the members of the Audit Committee.

Regarding the FY 2011 Financial and Single audit being conducted by the University's new external audit firm, KPMG, the Audit Committee unanimously passed a motion requiring KPMG to confirm, in writing, the process it will use to inform the Audit Committee of the findings resulting from the Financial and Single audit.

B. Presentation by KPMG

KPMG's Partner and Senior Manager responsible for the conduct of the University's Financial and Single Audit for FY 2011 delivered a PowerPoint presentation, which outlined KPMG's audit team, audit approach and methodology, and audit plan. KPMG also provided two articles from its Audit Committee Institute, which is a committee within KPMG that provides useful tools and best practices for members of audit committees and senior managers. The Partner and Senior Manager informed the Audit Committee that it would participate in a special meeting of the Audit Committee to provide a draft report and to discuss its findings, internal control observations, and other significant matters, prior to issuance of the final report regarding the FY 2011 Financial and Single audit.

BUILDINGS AND GROUNDS.....Henry C. Smock, Esq.

A. Albert Sheen Campus Project Report

The Albert A. Sheen Campus Report addressed the progress of various projects. These included:

1. Major Projects

- ATM Facility: First Bank ATM on the 100 level of the Melvin Evans Center - Project completed.
- Evans Center Balcony Tile Work: In progress.
- Melvin Evans Center Signage Project: In progress.
- Outdoor Lighting Assessment Project: In progress.
- Campus Roadway: In progress.

2. ARRA Projects

- ARRA Project III – Melvin Evans Center Improvement Project.
- ARRA Project IV – Project Life Replacement Project.
- ARRA Project V – Athletic Field Establishment Project. This project is comprised of the installation of two soccer fields.

All three projects are in progress. Extension of the completion date through April, 2012 was requested.

3. FY 11 and 12 Major Deferred Maintenance Projects

- Painting – The exterior of the Great House was painted according to the Government House color scheme. Project completed.
- Swale & Tree Pruning Mitigation Measures: This project involved the pruning of large trees on the Albert A. Sheen Campus. The project is completed. The swale mitigation project deferred due to rainy season.

B. St. Thomas Campus Report

The St. Thomas Report addressed the progress of various projects. These included:

1. Major Projects

- Upper Academic Cooling System Upgrade. This project involved the replacement of two 110 ton chillers which reached the end of their mechanical life. The project is completed.
- Campus Main Walkway Repairs and Upgrade. This project involved the repair of selected pedestrian walkways from the upper campus to the lower campus. The project is completed.
- Campus Main Walkway Lighting Upgrade/Green Project. The scope of this project includes the change-out or upgrade of lights along the pathway with more energy efficient lighting. In progress.
- Campus Solar Water Heater Installation Project/Green Project. This project addresses the installation of solar water heaters in selected buildings on campus in an effort to conserve energy. In progress.

2. Grant Projects

- Environmental Protection Agency (EPA) Drinking Water Improvement Grant. Four of the six projects were completed. The remaining projects should be completed by September 2012.

3. Renovation Projects

- Physical Plant/Purchasing Building, Exterior Rehabilitation: Project completed.
- Physical Plant/Purchasing Building, Rear Ramp Replacement: In progress.

Physical Plant Projects

- Campus Walkway and Parking Lot Lights: Project completed.
- Sports and Fitness Center exterior lighting: Project completed.

4. Capital Projects Report

- The Capital Projects Report addressed the progress of various projects on the St. Thomas Campus. These projects included:

Major Projects

- New 100-Bed Student Residence Hall: Project in progress with an August 2012 completion date anticipated.
- Marine Science Center Upgrade and Addition Project: RFP issued. Completion scheduled in March 2012.
- EPSCoR Research Laboratory: The renovation of vacant office space on the ground floor of the former Business Office Building is completed. Equipment installation is pending.
- Center for Geo Computational and Statistical Analysis and Caribbean Green Technology Center: The reconfiguration of vacant space on the second floor of the former Business Office Building to provide office space for the Center for Geo computational and Statistical Analysis and the Caribbean Green Technology Center is in progress. An April 2012 completion date is anticipated.

ARRA Projects

- Library and Upper Campus ADA Accessibility Project. This project addresses ADA access to Library resources and ADA compliant access to the four academic buildings on the Upper Campus as well as ADA modifications to the front parking lot. Extension of the project date through April has been requested.
- Classroom Administration Building: Work is in progress on the installation of an elevator to provide ADA access to the second and third floors and the renovation of the Little Theatre to address safety and compliance issues. Extension of the project date through April has been requested.

5. Research & Technology Park Construction & ARRA Projects

- A progress report was provided on the Research and Technology Construction and Fit-out project on the Albert A. Sheen Campus. Construction has begun on the LEED certified commercial two story, 19,000 sq. ft. facility. The building will house the offices of the UVI Research and Technology Park and approximately 8,300 sq. ft. of fit-out space leased to UVI for classrooms, laboratories and faculty offices.

C. Energy Management Report

University-Wide Photovoltaic System Project

Six firms responded to the initial Request for Quotations. A Request for Proposal was issued to four firms determined to be qualified to bid on the power purchase agreement (PPA) for a photovoltaic solar project. Two firms were selected as the finalists based on a competitive scoring process. Discussions are ongoing with the two firms to determine the most feasible design, land utilization, energy savings and competitive PPA rate.

Energy Consumption Analysis

The University has resumed the regular monitoring of energy consumption utilizing the 2003 baseline bench-marks. In 2011, the Albert A Sheen campus was averaging 20% higher than the 2003 baseline values. The increase resulted from usage in the Evans building, which is the only building on an air conditioning automation system. As a result of repairs made to the Evans Center chiller in July and the adjustment of air conditioning schedules, a significant reduction in consumption was realized during the months of August and September. This contributed to an overall -12% consumption rate for the calendar year. Programmable thermostats and timers have been approved for purchase in 12 other buildings to further reduce the consumption on this campus.

The St. Thomas campus is averaging an approximate 9% reduction in consumption through September 30, 2011 compared to the baseline year of 2003. Programmable thermostats and timers have been installed in all major buildings

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

Status Report on Annual Fund

Total contributions to date for fiscal year 2012 (Oct 1, 2011 – January 13, 2012) \$367,353.00.

The Committee discussed the strategy for the *Fifty-for-Fifty Campaign* to increase the alumni giving rate to 50% in honor of UVI's 50th Anniversary. The Committee reviewed the prospective list individuals under consideration for the Capital Campaign Committee. Cultivation of alumni, donors, and capital campaign prospects will take place during the Golden Jubilee Celebrations scheduled throughout the year. President Hall detailed his outreach efforts to acquaint prospective donors with the University.

EXECUTIVE COMMITTEE..... Alexander A. Moorhead

A. Update on Solar Energy Project

At its meeting on December 14, 2011, the Executive Committee members received an update from the Administration on the process of moving towards an Alternative Energy

Source. Members were updated on the process thus far. Members offered suggestions going forward. The Committee also proposed to the Administrations that further updates should be presented to both the Buildings and Grounds Committee and the Finance and Budget Committee.

B. Proposal to Replace Board Books with iPads

The Executive Committee members were presented with a proposal to replace Board Books with iPads as a cost reduction measure. A cost analysis was presented along with the results of research done by Chairman Moorhead and the Board Liaison. After review and discussion of the matter, the Executive Committee agreed that it was feasible to move forward with the replacement of Board Books with iPads. It was agreed that the purchase should be made after March when it was anticipated that the iPad 3 may debut with advanced features without an increase in the cost per unit.

FINANCE AND BUDGET.....Edward E. Thomas

A. Update on the Local Government Appropriation – Fiscal Year 2012

As of January 19, 2012, the University received a total of \$10,539,162.40 in allotments from the V.I. Government for Fiscal Year 2012. This represents 100% of the amount of \$10,539,162.40 requested by the University through January 2012.

B. (a) Review of Unrestricted Operating Budget to Actual Performance through December 31, 2011

Total actual revenues through the period ended December 31, 2011 was \$16,623,626 representing 115.7% of the budgeted amount of \$14,371,670. Actual expenditures of \$9,681,237 were less than the amount budgeted of \$11,778,756. Total actual revenues and total actual expenditures were \$17,311,308 and \$10,582,749, respectively, for the same period last year. Total revenues decreased by 4.0% from last year and total expenditures decreased by 8.2%.

(b) Review of Restricted Current Funds Expenditures through December 31, 2011

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

Category	Budgeted Expenditures	Actual Expenditures	Variance
Federal Grants	\$6,983,344.13	\$2,799,732.97	\$4,183,611.16
Local Grants and Contracts	\$3,247,089.28	\$1,108,559.32	\$2,138,529.96
VI Legislature	\$235,180.11	\$110,284.74	\$124,895.37
Private Grants and Contracts	\$880,127.59	\$134,184.45	\$745,943.14
Other	\$2,202,535.08	\$219,628.19	\$1,982,906.89
Total	\$13,548,276.19	\$4,372,389.6	\$9,175,886.52

C. Review of CELL Budget to Actual Performance through December 31, 2011

During the reporting period CELL captured several new agreements, successfully closed out the Energy grant and identified new on-line content provider with broader program offerings and higher profit margins. The “green-light” was also given on the SAT prep program funding from Innovative Communications and the on-line high school diploma program was approved by the Workforce Board. CELL’s unrestricted fund has an operating balance of -\$15,061 as of December 31, 2011. This is expected to improve during the second quarter of FY2012 as a result of recently acquired agreements and the expansion of online offerings and test center capabilities.

D. Reichhold Center Budget to Actual Performance through December 31, 2011

The Reichhold Center’s Net Operating Position (NOP) as of December 31, 2011 was -\$50,118. Total revenues received through December 31, 2011 were \$203,330. Actual expenditures of \$253,448 were below the amount budgeted of \$340,750. Corporate sponsorship revenues of \$47,500 are in excess of the amount budgeted \$21,375. The Center is realizing cost savings in the areas of salaries and benefits and maintenance of plant; however, challenges continue in the areas of direct expenditures and contracted services.

E. Quarterly Grants and Contracts Report through September 30, 2011

In the fourth quarter of FY2011, UVI submitted thirteen proposals totaling \$7,053,245 and was awarded twenty grants totaling \$10,203,846. Compared to the corresponding quarter of the previous fiscal year, proposal dollar volume decreased by 28%, while the dollar volume of grants awarded increased by 33%. Also, in the period October 2010-September 2011, UVI submitted \$31,922,480 in proposals, and was awarded \$17,289,075, an increase of 7% in awards received over the previous fiscal year.

F. Power Purchase Agreement Update

The Administration updated the Committee on its efforts to secure a power purchase agreement with a vendor to provide solar energy to the University via a photovoltaic system.

G. FY2013 Budget Development Process

The Administration presented the budget development process for Fiscal Year 2013 which is different from that of the previous fiscal year.

H. Quasi-Endowment Fund Status

The University presented a report on the status of the Board of Trustees’ Quasi-Endowment Fund.

A. Update on UVI Strategic Planning Process

The President gave an overview on what has been done thus far as part of the strategic planning process for 2012-2017 with respect to adopting guiding principles, creating a timeline, getting organized, gathering data and engagement, making sense of the issues, convening a vision and goals conferences, implementation, and pre-mortem. He laid out the plan by which the University intends to proceed. A task force is in place to reach out to stakeholders. Public forums will also be held to get community-wide input.

B. VISION 2012: 2011-2012 Update Report

VISION 2012 is in its final year with 50 active measures of accomplishments. This is a larger number than in previous years due to the carryover from those years. Six of the measures are presently listed as achieved, 15 are greater than 50% achieved, two are delayed, and 27 are less than 50% achieved. A decision will be made as to which measures will continue to be active and which ones will be taken off the active list or tabled.

C. Administration’s Preliminary Response to High Level Risks Identified at UVI

The President reported on the risks identified as priority by the administration. He detailed the progress made in addressing each of the risks and the plans for further addressing these risks.