

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

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

**MINUTES
REGULAR SESSION**

MEMBERS PRESENT

Ms. Charnele Burton, Student Trustee (by telephone – STX Provost Conference Room)
Mr. Marthious Clavier, Alumni Trustee
Mrs. Carol Fulp
Dr. David Hall, President
Mrs. Winona Hendricks
Mrs. Luz Suarez de Highfield
Mr. Alexander A. Moorhead, Chair
Mrs. Jennifer Nugent-Hill
Attorney Henry C. Smock, Vice Chair
Hon. Patricia D. Steele
Mr. Edward Thomas
Dr. Yvonne E. L. Thraen
Dr. Teresa Turner, Faculty Trustee
Mr. Sinclair L. Wilkinson
Rev. Wesley S. Williams, Jr. (portion of the meeting)

MEMBER ABSENT

Mr. S. Donald Sussman (*excused*)
Dr. La Verne Terry (*excused*)

OTHERS PRESENT

Mr. Luis Sylvester, representing Honorable John P. deJongh, Governor of the U.S. Virgin Islands
Dr. Judith Edwin, Vice Provost for Access and Enrollment Services
Mrs. Dionne Jackson, VP for Institutional Advancement
Mrs. Tina Koopmans, Chief Information Officer
Mrs. Peggy Smith, Controller
Dr. Noreen Michael, President's Chief of Staff
Dr. Karl Wright, Provost
Attorney Marie ThomasGriffith, UVI Legal Counsel

CALL TO ORDER

A quorum being present, the Chair, Mr. Alexander Moorhead, called the Regular Session of the meeting to order at 9:10a.m.

APPROVAL OF THE MINUTES

A motion by Trustee Jennifer Nugent-Hill, which was seconded by Trustee Henry Smock, was made to approve the Minutes of the February 16, 2012 Special Meeting of the Board. The vote on the motion was unanimous by the members present.

APPROVAL OF THE CONSENT AGENDA

A motion by Trustee Wesley Williams, which was seconded by Trustee Edward Thomas, was made to approve the Consent Agenda of March 10, 2012. The vote on the motion was unanimous by the members present.

PRESIDENT'S REPORT

President Hall offered highlights from the written President's report, updates, and information on new developments at the University that were not included in his written report that was presented to the Board. They included the following:

- Upcoming events to include Afternoon on the Green and Charter Day Celebration, to include the rededication of the Ralph M. Paiewonsky Library
- Highlights and contributions of faculty and students at local and national events
- Update on facilities including the Residence Hall Project on the St. Thomas Campus and the Soccer Field on the Albert Sheen Campus
- Update on the financial challenges that UVI is facing
- 2nd Annual Man-Up Conference

PRESIDENT'S AWARD

President Hall reminded the members of the statement he made in the past that at each Board meeting he would recognize a particular component or unit for its important contributions during the period between board meetings. He further stated that this was done to make board members aware of the hard work that was going on within the various components and units at the University.

For this period, he recognized the School of Nursing under the leadership of Dean Cheryl Franklin. He offered reasons why he was recognizing the School of Nursing:

1. There was 100% pass rate for the graduates of the school who took the nurse licensure Examination.
2. The School of Nursing has been through 2 accreditation processes and has been re-accredited both times.

Members of the Board offered commendations on the President's report and congratulations to the School of Nursing. On behalf of Dr. Cheryl Franklin, Dean of the School of Nursing, who was on the mainland representing the University at a conference, Dr. Maxine Nunez accepted the award.

CHAIRMAN'S COMMENTS

Chairman Moorhead reminded members of the upcoming Annual Board Retreat to be held in June on St. Croix. He added that major topics to be discussed would be the Strategic Plan and ways of addressing the Financial Challenges that the University was currently facing.

RESEARCH AND TECHNOLOGY PARK

At the invitation of the Chair, Executive Director of the RTPark, David Zumwalt, gave a brief update report highlighting developments regarding the Park since the last meeting of the Board of Trustees. Highlights from the report included milestones and materials update, RTPark Tenant/Protected Cell Update, as well as other related activities. Mr. Zumwalt also noted the tenant base at the Park was growing. There were currently 19 tenants that were in the application process stage.

COMMITTEE ACTION ITEMS

EXECUTIVE COMMITTEE..... Alexander A. Moorhead

Ratification of action taken by the Executive Committee on behalf of the Board of Trustees since the last meeting of the Board of Trustees, which was on October 29, 2011.

A resolution was presented to ratify the following action taken by the Executive Committee of the Board since the last meeting of the UVI Board of Trustees:

On the recommendation of the Finance and Budget Committee, the Executive Committee, at its meeting of February 22, 2012, approved a resolution authorizing the University to submit an appropriation request for operating expenses, debt service and mandated programs for Fiscal Year 2012-2013.

A motion was made by Trustee Thomas, which was seconded by Trustee Smock, to approve the resolution ratifying the action taken by the Executive Committee to approve a resolution authorizing the University to submit an appropriation request for operating expenses, debt service and mandated programs for Fiscal Year 2012-2013. The vote on the motion was unanimous by the members present. The resolution is appended to the Minutes.

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

Fiscal Year 2012 Operating Budget Revision No. 1

Trustee Edward Thomas, Chair of the Finance and Budget Committee, reported that the University was proposing a revision to the Fiscal Year 2012 Operating Budget in light of the projected decline in tuition and fees revenues and an increase in FY2012 appropriations from the Government of the Virgin Islands. The University was proposing total operating revenues of \$48,013,019 and expenditures and transfers of \$47,866,656 creating a projected net operating position of \$146,363.

A motion was made by Trustee Wesley Williams, which was seconded by Trustee Smock, to approve the Fiscal Year 2011-2012 Operating Budget, Revision Number One for the University of the Virgin Islands. The vote on the motion was unanimous by the members present. The resolution is appended to the Minutes.

PLANNING COMMITTEE.....Sinclair L. Wilkinson

Key Performance Indicators Mid-Year Report

The Provost reported on the key performance indicators for spring 2012 that focused on enrollment, financial, research and development indicators. The overall enrollment headcount showed a slight decline; however, there was an increase in the male enrollment. The financial indicators showed that gifts and net investment income increased significantly for 2010 as compared to the same period in 2009, but VI Government support and UVI revenues from operations for FY 2011 decreased. UVI ranked second among its peers in the amount of money received in federal grants. There was an overall decrease in total contributions to the University when compared to the same period last year.

In order to keep a clerical commitment at his congregation, Trustee Wesley Williams left the meeting at 10:00 a.m. during the presentation of the Key Performance Indicators.

There being no other business to be conducted in the Regular Session, a motion was made by Trustee Nugent-Hill, which was seconded by Trustee Steele, to go into Executive Session to discuss the following:

- Draft Minutes of the Executive Session of the meeting of the Board on February 16, 2012;
- A resolution to ratify the actions taken by the Executive Committee in Executive Session since the last meeting of the Board of Trustees
- A report from the President on personnel issues;
- Update on Legal Matters.

The Executive Session convened at 10:55 a.m..

RETURN TO REGULAR SESSION

Upon return to the Regular Session of the meeting at 12:15 p.m., the Chairman reported the following: In the Executive Session, the Board had

- Approved the Executive Session Minutes of February 16, 2012;
- Approved a resolution ratifying the action taken by the Executive Committee of the Board in Executive Session since the last meeting of the Board of Trustees regarding the TIAA-CREF employer contribution;
- Approved a resolution ratifying the action taken by the Executive Committee of the Board in Executive Session since the last meeting of the Board of Trustees regarding the continued use of the Budget Reduction Principles;
- Approved a Gift Agreement but will not identify the donor until they have been notified of the approval;
- Received an update on personnel matters from the President; and
- Received an update on legal matters from UVI's Legal Counsel.

ADJOURNMENT

There being no other business, a motion was made by Trustee Smock, which was seconded by Trustee Steele, to adjourn the meeting. The motion was approved unanimously. The meeting was adjourned at 12:17 p.m.

Resolutions appear below:

**UNIVERSITY OF THE VIRGIN ISLANDS
RESOLUTION OF THE BOARD OF TRUSTEES**

To ratify the actions taken by the Executive Committee of the Board of Trustees of the University of the Virgin Islands (“the Executive Committee”) on behalf of the Board of Trustees

WHEREAS, Article VI, Section 1 (a) of the Bylaws of the University of the Virgin Islands (“the University”) states in part, “The Executive Committee may act for the Board between Board meetings, in the event of emergencies requiring Board action;” and

WHEREAS, that section of the Bylaws further states, “The Executive Committee shall report to the Board at its next meeting on all actions taken by it, and the Board shall ratify or revoke such actions;” and

WHEREAS, the last meeting of the Board was on October 29, 2011; and

WHEREAS, President David Hall was notified by the Director of the Office of Management and Budget of the Government of the Virgin Islands, in a letter dated February 13, 2012, that “the General Fund Expenditure Ceiling [for the University in Fiscal Year 2012-2013] is set at \$28,104,581” and that an appropriation-request for that fiscal year must be submitted not later than March 2, 2012; and

WHEREAS, during a meeting on February 22, 2012, the Executive Committee was made aware of this letter and, on the recommendation of the Finance and Budget Committee, the Executive Committee acted on behalf of the Board by adopting a resolution authorizing the University to submit an appropriation-request of \$28,104,581 for Fiscal Year 2012-2013 to the Office of Management and Budget of the Government of the Virgin Islands by March 2nd;

NOW THEREFORE BE IT RESOLVED BY THE BOARD:

The attached resolution, with Exhibit A incorporated therein, which was adopted by the Executive Committee of the Board of Trustees during a meeting on February 22, 2012, is hereby ratified.

CERTIFICATION

The undersigned does hereby certify that the foregoing is a true and exact copy of a resolution approved by the Board of Trustees of the University of the Virgin Islands at a meeting on Saturday, March 10, 2012 as recorded in the minutes of that meeting.

Secretary of the Board

Date

**UNIVERSITY OF THE VIRGIN ISLANDS
APPROPRIATION REQUEST RESOLUTION
FISCAL YEAR 2012-2013**

Authorizing submission of the FY 2013 appropriation-request for operating expenses, debt service and mandated programs.

WHEREAS, the Government of Virgin Islands’ appropriation to the University of the Virgin Islands (“the University”) for FY 2011-2012 was as follows:

Regular Operating Appropriation	\$26,412,808
Debt Service Appropriation	3,992,205
SBDC Appropriation	300,000
Senior Citizens Tuition	87,773
Valedictorian and Salutatorian Scholarships	400,966
Community Engagement and Lifelong Learning (CELL).....	100,000
Green Technology Program.....	200,000
Hotel Management Program.....	100,000
John Brewers Beach Bathroom Maintenance	\$15,000
Implementation of Act 7261 (Retirement Incentive).....	<u>\$10,000</u>
Total	<u>\$31,618,752</u>

WHEREAS, that level of appropriation enabled the University to fund the following:

- (a) The cost of employee-salaries and benefits, equipment, supplies, incidental expenses, and other expenses related to the operations of the University;
- (b) The cost of servicing the University’s debt for capital projects;
- (c) The cost to provide legislatively mandated programs for senior citizens, valedictorians, salutatorians, SBDC local match, and CELL;
- (d) Operating expenses for the Green Technology Program pursuant to Act No. 7222;
- (e) The implementation of the Hotel Management Program;
- (f) Maintenance of the bathroom facility at John Brewers Beach; and
- (g) Implementation of the retirement incentive as per Act 7261.

WHEREAS, the Finance and Budget Committee of the Board of Trustees of the University has recommended an appropriation-request of \$28,104,581 for FY2012-2013 based on the General Fund Expenditure Ceiling set by the Office of Management and Budget of the Government of the Virgin Islands as communicated by the Director of the Office in a letter dated February 13, 2012.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

Section 1. The University is authorized to request a FY 2012-2013 appropriation of \$28,104,581 to cover salaries, benefits, equipment, supplies, incidental expenses of the University for its operations and programs as detailed in Exhibit “A”.

Section 2. For the purpose of financing the operations of the University, meeting debt service requirements, funding Legislatively Mandated Programs, and providing for other purposes, the President and the Vice President for

Administration and Finance are authorized to prepare, and present for Legislative consideration, the following appropriation-request:

Regular Operating Appropriation	\$22,908,637
Debt Service Appropriation	3,992,205
SBDC Appropriation	300,000
Senior Citizens Tuition	87,773
Valedictorian and Salutatorian Scholarships	400,966
Community Engagement and Lifelong Learning	100,000
Green Technology Program	200,000
Hotel Management Program	100,000
John Brewers Beach Bathroom Maintenance	<u>\$15,000</u>
Total	<u>\$28,104,581</u>

CERTIFICATION

The undersigned does hereby certify that the foregoing is a true and exact copy of a resolution approved by the Executive Committee of the Board of Trustees of the University of the Virgin Islands at a meeting on Wednesday, February 22, 2012 as recorded in the minutes of that meeting.

Secretary of the Board

Date

**UNIVERSITY OF THE VIRGIN ISLANDS
FY2013 PROPOSED APPROPRIATION REQUEST**

Appropriation Requirements	FY2012 REQUEST	FY2012 ACTUAL APPROPRIATION - ACT NO. 7312	FY2013 PROPOSED REQUEST	VARIANCE (FY2013-FY2012)
General Operating Requirements	\$28,111,687	\$26,412,808	\$22,908,637	(\$3,504,171)
Debt Service	\$3,992,205	\$3,992,205	\$3,992,205	\$0
SBDC Local Matching Requirements	\$300,000	\$300,000	\$300,000	\$0
Veterans Tuition Requirements	\$0	\$0	\$0	\$0
Senior Citizens Tuition Requirements	\$87,773	\$87,773	\$87,773	\$0
National Guard Tuition Requirements	\$0	\$0	\$0	\$0
Valedictorian & Salutatorian Scholarships	\$400,966	\$400,966	\$400,966	\$0
Academic & Cultural Awards Endowment	\$0	\$0	\$0	\$0
Community Engagement and Lifelong Learning	\$100,000	\$100,000	\$100,000	\$0
Green Technology	\$200,000	\$200,000	\$200,000	\$0
Hotel Management Program		\$100,000	\$100,000	\$0
John Brewers Beach Bathroom Maintenance		\$15,000	\$15,000	\$0
Implementation of Act 7261 (Retirement Incentive)		\$10,000	\$0	(\$10,000)
Total Operating Requirements	\$33,192,631	\$31,618,752	\$28,104,581	(\$3,514,171)

Fiscal Year 2012-2013 Appropriation Request Assumptions

1. The University's Fiscal Year 2012-2013 appropriation request is \$28,104,581 based on the ceiling established by the Director of the Office of Management and Budget of the Government of the Virgin Islands as communicated via letter dated February 13, 2012.
2. The General Operating Requirements amount of \$22,908,637 is \$3,504,171 less than the amount appropriated in Fiscal Year 2012 due to the reduction in the FY2013 ceiling.
3. The amount for debt service will remain at \$3,992,205 as appropriated in Fiscal Year 2012.
4. The matching requirement for SBDC will remain at \$300,000 as appropriated in Fiscal Year 2012.
5. The University will use the Veterans Tuition Requirements fund balance for the Veterans Tuition Requirements in Fiscal Year 2013.
6. The Senior Citizens Tuition Requirements of \$87,773 will remain as appropriated in Fiscal Year 2012.

7. The University will use the National Guard Tuition Requirements fund balance for the National Guard Tuition Requirements in Fiscal Year 2013.
8. The Valedictorian and Salutatorian Scholarships amount of \$400,966 will remain the same as appropriated in Fiscal Year 2012.
9. The University will use the Academic & Cultural Awards Endowment fund balance for the Academic and Cultural awards in Fiscal Year 2013.
10. The Community Engagement and Lifelong Learning amount will remain at \$100,000 as appropriated in Fiscal Year 2012.
11. The amount for the Green Technology program will remain at \$200,000 as appropriated in Fiscal Year 2012.
12. The amount for the Hotel Management program will remain at \$100,000 as appropriated in Fiscal Year 2012.
13. The amount for the maintenance of the John Brewers Beach bathroom will remain at \$15,000 as appropriated in Fiscal Year 2012.

**BOARD OF TRUSTEES
UNIVERSITY OF THE VIRGIN ISLANDS
OPERATING BUDGET RESOLUTION
FISCAL YEAR 2011-2012
REVISION NO. 1**

Resolution approving the Fiscal Year 2011-2012 Operating Budget, Revision Number One for the University of the Virgin Islands

WHEREAS, on January 24, 2011, the University Budget Committee voted to recommend to the President of the University of the Virgin Islands (“University”) an operating budget of \$51,695,632 for Fiscal Year 2011-2012 based on the assumption that the University would receive total appropriations of \$29,599,464 from the Government of the Virgin Islands for operations in that fiscal year; and

WHEREAS, via letter dated March 1, 2011 from the Office of Management and Budget of the Government of the Virgin Islands, the University was informed that the Fiscal Year 2012 expenditure ceiling would be \$33,192,631, which is \$1,487,777 less than the University’s anticipated appropriations for Fiscal Year 2012; and

WHEREAS, during the months of March and April 2011, the President engaged the University’s administration in a series of budget reduction exercises utilizing the Budget Reduction Guiding Principles approved by the Board of Trustees; and

WHEREAS, the President shared the outcome of the budget reduction exercises with the Cabinet and the University Budget Committee on May 3, 2011 and May 4, 2011, respectively; and

WHEREAS, on May 19, 2011, the Finance and Budget Committee of the Board of Trustees voted to recommend to the Board of Trustees the approval of an operating budget consisting of revenues of \$50,207,855 and expenditures and transfers of \$50,204,551 for Fiscal Year 2012, and

WHEREAS, in his June 10, 2011 submission of the Fiscal Year 2012 Executive Budget to the Legislature of the Virgin Islands, Governor John P. deJongh, Jr. recommended an appropriation of \$30,910,079 to the University; and

WHEREAS, the Administration of the University reviewed and revised its proposed operation budget for Fiscal Year 2012 in light of this information; and

WHEREAS, on August 10, 2011 the Finance and Budget Committee of the Board of Trustees voted to recommend to the Board of Trustees the approval of an operating budget consisting of revenues of \$47,925,303 and expenditures and transfers of \$47,866,657 for Fiscal Year 2012; and

WHEREAS, on August 16, 2011, the Executive Committee of the Board of Trustees approved Fiscal Year 2012 Operating Budget consisting of revenues of \$47,925,303 and expenditures and transfers of \$47,866,657 for Fiscal Year 2012; and

WHEREAS, on September 20, 2011 Act Number 7312, which became law without the Governor's signature as prescribed by Section 9(d) of the Revised Organic Act of the Virgin Islands, appropriated \$31,618,752 to the University for Fiscal Year 2012; and

WHEREAS, due to the decline in tuition and fees revenues as a result of a decline in enrollment and the increase in appropriations for FY2012, the Administration reviewed and proposed revising the revenues and expenditures and transfers for FY2012; and

WHEREAS, on January 26, 2012, the Finance and Budget Committee of the Board of Trustees reviewed the proposed revised revenues of \$48,013,019 and expenditures and transfers of \$47,866,656 and voted to recommend to the Board of Trustees for approval the Fiscal Year 2012 Operating Budget Revision Number One as incorporated into this resolution as "Exhibit A."

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

- A. That, for the purpose of carrying out the operations of the University for the fiscal year, which began October 1, 2011 and ends September 30, 2012, the operating budget proposed by the Administration, a copy of which is incorporated into this resolution as Exhibit "A", is hereby approved. The total projected operating revenues and expenditures in the Fiscal Year 2011-2012 Operating Budget Revision Number One are as follows:
- i) Total revenues of \$48,013,019; and
 - ii) Total expenditures and transfers of \$47,866,656 and a residual balance of \$146,363.
- B. That the President and Vice-President for Administration and Finance are authorized to take such actions as are necessary and proper to implement this resolution.

CERTIFICATION

The Undersigned does hereby certify that the foregoing is a true and exact copy of a resolution of the Board of Trustees of the University of the Virgin Islands adopted at a meeting on Saturday, March 10, 2012 as recorded in the minutes of said meeting.

Secretary of the Board

Date

EXHIBIT A
UNIVERSITY OF THE VIRGIN ISLANDS
FISCALYEAR 2011-2012 Operating Budget Revision Number One

REVENUES	FY2012 Approved Budget	Adjustments	FY2012 Revision No. 1
Tuition & Fees	\$13,450,561	-\$495,957	\$12,954,604
Appropriations	\$25,829,135	\$583,673	\$26,412,808
Government Grants & Contracts	\$970,000		\$970,000
Private Grants & Contracts	\$1,040,447		\$1,040,447
Investments	\$250,000		\$250,000
Sales & Services Education	\$4,000		\$4,000
Sales & Services Auxiliary	\$6,076,908		\$6,076,908
Other Revenues	\$304,252		\$304,252
Total Revenues	\$47,925,303	\$87,716	\$48,013,019
EXPENDITURES	FY2012 Approved Budget	Adjustments	FY2012 Revision No. 1
Instruction	\$11,865,798		\$11,865,798
Research	\$652,601		\$652,601
Public Service	\$960,298		\$960,298
Academic Support	\$3,215,443		\$3,215,443
Student Services	\$3,748,393		\$3,748,393
Institutional Support	\$11,502,528		\$11,502,528
Operations/Maintenance of Plant	\$8,070,181		\$8,070,181
Student Aid	\$546,350		\$546,350
Auxiliary Enterprises	\$5,855,709		\$5,855,709
Transfers	\$1,449,355		\$1,449,355
Total Expenditures & Transfers	\$47,866,656	\$0	\$47,866,656
Net Operating Position	\$58,647	\$87,716	\$146,363