

MEETING OF THE BOARD OF TRUSTEES

June 2, 2018

**UNIVERSITY OF THE VIRGIN ISLANDS
ADMINISTRATION AND CONFERENCE CENTER, THIRD FLOOR
ST. THOMAS CAMPUS
ALBERT A. SHEEN CAMPUS
BY TELECONFERENCE FROM VARIOUS POINTS
9:00 A.M.**

ACTION AGENDA

Regular Session

1. Call to Order
2. **GOVERNANCE COMMITTEE**

The Election of Officers
(Presentation/Discussion/Action)

The Governance Committee normally conducts its annual meeting for nominations as outlined in the Nomination Process adopted by the Board of Trustees. Unfortunately, because the Committee did not meet, a slate was not developed.

The Chair will propose an alternative for the Board's consideration.

Action required.

3. Approval of Minutes March 3, 2018 Meeting
Matters arising from the Minutes
4. Old Business
5. New Business
6. Approval of Consent Agenda
7. President's Report
8. Chairman's Comments
9. Research and Technology Park Update Report
10. Board Committee Items

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

- A. Bachelor of Science degree program in Maritime Management
(Presentation/Discussion/Action)

Dr. Glenn Metts, Professor in the School of Business, presented the proposal for the Bachelor of Science degree program in Maritime Management (BSMM). The BSMM is designed to provide expanded career opportunities in the maritime industry, including positions in ship management, port management, logistics management, brokering, and other maritime trade and sales positions. It is a “partnering program” designed to partner with existing maritime academies or institutes. This flexibility allows the University to market the program to multiple customers, specifically academies or institutes with two year programs. The BSMM program does not require any new courses in the School of Business nor does it require any special scheduling constraints.

The ARSA committee voted unanimously to approve the Bachelor of Science degree program in Maritime Management. The recommendation is being forwarded to the full Board for review and action at its meeting on June 2, 2018.

Action required.

**B. Proposal to Change the Minimum Number of Total Credits required for any BBA
(Presentation/Discussion/Action)**

The School of Business proposed a change in the minimum number of total credit hours required for any Bachelor of Business Administration (BBA) degree. The initial major under the BBA degree was Hospitality and Tourism Management, which required 122-123 credit hours to complete the major. The BBA, like other baccalaureate degrees on a semester basis, should require, at a minimum, 120 credit hours to be competitive with degrees offered at other universities. While most of the School of Business majors within the BBA may require more than 120 credit hours, the standard should be set at the recognized minimum number of credit hours to accommodate new majors and changes within existing majors. The proposal was approved by the School of Business and the Faculty.

The ARSA Committee voted unanimously to accept the proposal to change the minimum number of total credit hours required for any Bachelor of Business Administration (BBA) degree from 123 to 120 credit hours. The recommendation is being forwarded to the full Board for review and action at its meeting on June 2, 2018.

Action required.

BUILDINGS AND GROUNDS COMMITTEE.....Mr. Alexander Moorhead

Request for Proposals (RFP) for Construction/Installation and Operation of Two Off-Grid Power Generating/Producing Facilities

(Presentation/Discussion/Action)

The Buildings and Grounds Committee voted to recommend to the Board of Trustees that the University be authorized to request competitive Requests for Proposals (RFPs) for the construction and or installation and operation of two off-grid power generating/producing facilities, one on each campus.

Action required.

A. Fiscal Year 2018 Operating Budget Revision Number 1

(Presentation/Discussion/Action)

Budget Adjustments Assumptions

Revenue Adjustments

1. The University assumes a tuition revenue adjustment of **\$12,885** for Level Playing Field's partnership with UVI to provide online courses effective March 2018. The budget projects a total revenues of \$222,275. The Fiscal Year 2018 original operating budget approved on October 21, 2017 included \$209,390, therefore an adjustment of \$12,885 is proposed.
2. After Hurricanes Irma and Maria, the University made assumptions that the Sports & Fitness Center (SFC) would not be available for its use since it was designated for recovery operations by FEMA. The lease with FEMA was since cancelled and the University has regained occupancy and resumed regular activities to include leasing the facility to organizations to generate revenues. The amount of **\$320,038** is projected as the revenue amount to be generated by the SFC during the remainder of FY2018.

Expenditures Adjustments

1. The University projects an expenditure adjustment of **\$134,939** for Level Playing Field's partnership with UVI to provide online courses effective March 2018. The budget projects total expenditures of \$280,364. The Fiscal Year 2018 original operating budget approved on October 21, 2017 did not include an expenditure amount.
2. The University's property insurance premium increased from \$799,500 to \$1,660,950 effective January 2018, all of which is due and payable in FY2018. Therefore an adjustment of **\$861,450** is proposed to cover the increase.
3. After Hurricanes Irma and Maria, the University made an assumption that the Sports & Fitness Center (SFC) would not be available for its use since it was designated for recovery operations by FEMA. The lease with FEMA was since cancelled and the University has regained occupancy and resumed regular activities to include leasing the facility to organizations to generate revenues. The amount of **\$320,038** is projected as the expenditure amount associated with operating and maintaining the SFC for FY2018.
4. The original FY2018 Operating Budget approved October 21, 2017 included a reduction amount of \$4,607,272 to be distributed across all component units estimated at 10.9% of each unit's budget; however, a residual amount of **\$169,327** was not distributed due to a miscalculation. Allocations for the Reichhold Center and SFC were included; however, since they were taken offline the amounts should not have been included. Additionally, due to the above-mentioned expenditure adjustments, primarily the increase in the property insurance premium, an expenditure reduction of **\$983,504** is proposed to be covered by salary and benefit savings from vacant positions. As of April 24, 2018, the University is projecting unencumbered vacant position salary savings of \$2,125,492.

The Finance and Budget Committee voted to recommend to the Board of Trustees, that for the purpose of carrying out the operations of the University for the fiscal year, which began October 1, 2017 and ends September 30, 2018, the revision number one of the operating budget proposed by the Administration be approved. The total projected operating revenues and expenditures in the Fiscal Year 2017-2018 Operating Budget Revision Number One are total

revenues of \$45,124,750 and total expenditures and transfers of \$45,124,750 with net operating position of \$0.00.

Action required.

B. Investment Proposal for Quasi-Endowment Fund

(Presentation/Discussion/Action)

The investment landscape has been changing in recent times due to the steady increase in the Federal Reserve Federal Funds rate. The despite the funds’ recent good returns, they are not guaranteed and remain subject to market risk. The University is allowed by Title 7 Section 304 of the US Code to invest funds received through the Land Grant program to the extent that the funds “so invested or loaned shall constitute a perpetual fund, the capital of which shall remain forever undiminished, and the interest of which shall be inviolably appropriated”.

Mr. Tom VanZant, investment fund manager with Commonfund where the Quasi-Endowment funds are managed for investment purposes by the Foundation for the University of the Virgin Islands (FUVI), shared his thoughts on this recent development and some options to consider going forward.

The Finance and Budget Committee voted to recommend to the Board of Trustees the approval of FUVI’s recommendation that the Land Grant funds, which are part of the University’s Quasi Endowment that is presently managed by FUVI, be transferred from the High Quality Bond fund to either the State Street Institutional US Government Money Market Fund, or the Multi-Strategy Bond Fund, or a similarly, safe bond fund.

Action required.

C. Telecommuting Policy

(Presentation/Discussion/Action)

The Administration presented the draft Telecommuting Policy which would support telecommuting when opportunities for improved employee productivity and performance, and improved employees’ work-life balance or university savings exist. Telecommuting grants employees authorized by UVI the opportunity to work from an alternate work location outside the central workplace for one or more days a week on a routine basis. The policy would be used in a limited manner and with the approval of managers and the President. Only in compelling and rare situations would the policy be applied on a full time basis.

The Finance and Budget Committee voted to recommend to the Board of Trustees the approval of the Telecommuting Policy as recommended by the Administration with the recommended changes.

Action required.

PLANNING COMMITTEE.....Mrs. Oran C. Bowry

A. Key Performance Indicators/Pathways to Greatness

(Presentation/Discussion)

The Committee received a report on the Key Performance Indicators as linked to the Institution's Strategic Plan, Pathways to Greatness. The report focused primarily on Skill Class Enrollment, Retention Rates first to second year, Six Year Graduation Rates, Degrees Awarded by Level as well as by Discipline with Peer Comparison, Students participating in Study Away Programs, and Development contributions from October 1, 2017 through April 13, 2018.

No action required.

11. Other Business

12. Executive Session

13. Adjournment