

MEETING OF THE BOARD OF TRUSTEES

June 2, 2018

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

CONSENT AGENDA

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

Provost’s Report

The Provost’s Report included an extensive update on the activities and initiatives in the Provost’s Component during the period of January through April 2018. The report highlighted activities in Student Affairs on both campuses; research and public service; community outreach activities; and an extensive number of student and faculty achievements, including publications, presentations, and other service activities.

Concerns regarding recruitment efforts on the local and national level were raised by the Chairman of the Board during the Provost’s presentation. The Interim Vice Provost for Access and Enrollment Services (ACES) discussed some of the recruitment challenges that the University has been faced with, including split sessions and the absence of direct communication with parents. Notwithstanding, the Vice Provost discussed ongoing efforts to reach students that are admissible regardless of their intentions to attend UVI for one year or four years. He also discussed building a more robust communications strategy that is inclusive of value proposition talking points about the institution and developing a recruitment plan that targets students in their junior year of high school.

In addition, there has been an aggressive effort by ACES to work on its suspension file in order to actively reach students that started an application but did not complete one. On the national level, the Vice Provost spoke about developing a strategy that utilizes existing staff and/or alumni across the mainland to represent the University at various college fairs.

BUILDING AND GROUNDS COMMITTEE.....Mr. Alexander Moorhead

1. Hurricane Recovery and Rebuilding Plan – St. Thomas and St. John Properties

The University’s facilities and grounds were severely damaged by two major category 5 hurricanes Irma on September 6, and Maria on September 19, 2017. Two separate claims were submitted to the insurance company; one for each campus based on the determination that Hurricane Irma severely impacted the University’s properties on St. Thomas and St. John, and Hurricane Maria severely impacted the Albert A. Sheen (AAS) St. Croix campus. An Architectural and Engineering (A&E) firm, The Bourne Group, was hired to assist with the facilities assessment for the St. Thomas and St. John properties. A town hall meeting was held March 27, 2018 to apprise the UVI community of the assessment and pending reconstruction changes.

RESTORATION/MITIGATION

- + Universal Campus Upgrades
 - o All 2018 Code Compliance Upgrades
 - o ADA Compliance
 - o Landscape and Environmental Restoration
 - o Wayfinding – Digital/ Signage
- + Indoor Air Quality
 - o Mold Remediation – Phase One Buildings
 - o Mold Testing every building
 - o Post System Start Up Testing
 - o Mold Resistant Materials
- + Resiliency
 - o Systematic replacement of windows
 - o Evaluate Hurricane Shutters where applicable
 - o Research and Evaluate Mold Resistant Drywall, Paint and other coatings

IMPROVEMENTS

- + Campus Database
 - o Facilitate Research
 - o Improve Scheduling and Planning
 - o Provide Maintenance Standardization
 - o Develop a Proactive Maintenance
- + Create Quality Learning Environments
 - o Automated Systems
 - o Climate Control
 - o Digital Classrooms and Controls
- + Improvements mechanical resistance
 - o Sea side resistant coatings
 - o Improved equipment mounting requirements
 - o Low profile hot water heaters.
 - o Improve directing of water

TOTAL RESTORATION COST – ST. THOMAS AND ST. JOHN PROPERTIES	
Mold	\$2,573,080
Restoration Cost	\$29,417,874
Resiliency Improvements	\$8,202,256
Mitigation Improvements	\$4,412,680
Fixtures, Furnishings and Equipment	\$1,931,691
TOTAL ESTIMATED RESTORATION COST	\$46,539,581

2. Albert A. Sheen (AAS) Campus Reports

The AAS campus report covered three (3) campus projects and one (1) compliance issue for the reporting period February 2018 through April 2018.

Campus Projects

- Emergency Protective Measures – Safety (Light Towers) 100% completed.
- Repairs: Outdoor Athletic Courts (phase I of III) - 100% completed.
- UVI HVAC Upgrade Project (AAS): Research Extension Center: 3% completed; expected completion date September 2022.

Compliance Activity Report

The Office of Compliance organized the relocation of twelve cabinets from the Research and Technology Park, College of Science and Mathematics laboratories to campus facilities in order to provide proper storage and access for instructional and on-going research purposes.

Campus Hurricane Recovery and Restoration Update

University of the Virgin Islands

Albert A. Sheen Campus

Recovery, Repairs and Reconstruction Estimates

PHASE 1

Sum of Amount		Type of Work							
Bldg	Bldg Name	Debris	Structure	Electrical	Mechanical	FFE	Pro Measures	Other	Grand Total
Bldg A	Great House		\$8,500.00				\$1,500.00		\$10,000.00
Bldg B	Physical Plant		\$2,300.00			\$2,500.00			\$4,800.00
CELL	CELL	\$7,500.00							\$7,500.00
Courts	Outdoor Basketball & Tennis Courts							\$16,500.00	\$16,500.00
EVC	Evans Center		\$18,413.84				\$4,200.00		\$22,613.84
Grounds	Campus Grounds	\$75,375.00							\$75,375.00
Kiosk	Information Gazebo			\$5,200.00					\$5,200.00
REC	Research Extension Center						\$3,100.00		\$3,100.00
Res Halls 1	Dorsch Complex, Bldg 1					\$675.00			\$675.00
Res Halls 2	Dorsch Complex, Bldg 2						\$1,500.00		\$1,500.00
	Dorsch Complex, Bldgs 2 & 4		\$152,215.28				\$8,800.00		\$161,015.28
RTP	College of Science & Math	\$2,600.00				\$3,400.00	\$11,200.00		\$17,200.00
SBDC	SBDC	\$11,000.00							\$11,000.00
Utility	Campus -Wide			\$2,600.00	\$23,000.00		\$23,000.00		\$48,600.00
	Campus -Wide						\$572,000.00		\$572,000.00
Vehicles	Campus							\$2,500.00	\$2,500.00
VIUCEDD	VIUCEDD	\$8,000.00					\$1,500.00		\$9,500.00
Grand Total		\$104,475.00	\$181,429.12	\$7,800.00	\$23,000.00	\$6,575.00	\$626,800.00	\$19,000.00	\$969,079.12

PHASE 2

Sum of Amount		Type of Work							
Bldg	Bldg Name	Debris	Structure	Electrical	FFE	Pro Measures	Other	Grand Total	
Bldg A	Great House		\$32,000.00		\$9,000.00			\$41,000.00	
Bldg B	Physical Plant		\$1,600.00				\$500.00	\$2,100.00	
Bldg B-2	Caribbean Writer		\$1,500.00					\$1,500.00	
Bldg D	Cooperative Extension Services		\$2,700.00					\$2,700.00	
Bldg E	Agricultural Experiment Station		\$55,500.00					\$55,500.00	
Bldg M	AES Aquaculture Facilities						\$50,000.00	\$50,000.00	
	Agricultural Experiment Station - Storage		\$7,500.00					\$7,500.00	
Bldg N	Student Center		\$43,700.00		\$10,500.00			\$54,200.00	
Bldg P	School of Nursing		\$5,000.00					\$5,000.00	
Bldg Q	School of Nursing		\$4,500.00					\$4,500.00	
Bldg R	School of Nursing		\$4,000.00					\$4,000.00	
Bldg S	School of Nursing		\$4,000.00					\$4,000.00	
Bldg T	School of Nursing		\$4,000.00					\$4,000.00	
Bldg U	School of Nursing		\$4,000.00					\$4,000.00	
CELL	CELL				\$40,000.00			\$40,000.00	
Courts	Outdoor Basketball & Tennis Courts						\$56,000.00	\$56,000.00	
EVC	Evans Center		\$1,527,600.00		\$18,700.00	\$3,100.00		\$1,549,400.00	
Field	AES Field		\$460,000.00				\$45,000.00	\$505,000.00	
Grounds	Campus Grounds	\$2,500.00						\$2,500.00	
MDB	Modular Building		\$175.00					\$175.00	
NWW	Northwest Wing		\$26,250.00					\$26,250.00	
REC	Research Extension Center		\$55,411.00			\$9,500.00		\$64,911.00	
Res Halls 1	Dorsch Complex, Bldg 1		\$23,000.00					\$23,000.00	
Res Halls 2	Dorsch Complex, Bldgs 2 & 4		\$846,760.00					\$846,760.00	
Res Halls 3	Dorsch Complex, Bldg 3		\$3,500.00					\$3,500.00	
Res Halls 4	Dorsch Complex, Bldg 4				\$45,000.00			\$45,000.00	
RTP	College of Science & Mathematics					\$5,250.00		\$5,250.00	
SBDC	SBDC				\$60,000.00			\$60,000.00	
Sugden House	Sugden House - Not In Use	\$7,500.00						\$7,500.00	
Utility	Campus -Wide			\$580,000.00				\$580,000.00	
VIUCEDD	VIUCEDD				\$45,000.00			\$45,000.00	
Grand Total		\$10,000.00	\$3,112,696.00	\$580,000.00	\$228,200.00	\$17,850.00	\$151,500.00	\$4,100,246.00	

PHASE 3

Sum of Amount		Type of Work				Grand Total
Bldg	Bldg Name	Structure	Electrical	FFE	Other	
Bldg A	Great House	\$26,500.00				\$26,500.00
Bldg B	Physical Plant	\$6,800.00				\$6,800.00
Bldg B-2	Caribbean Writer	\$2,500.00				\$2,500.00
Bldg C	University Bound	\$7,500.00				\$7,500.00
Bldg D	Cooperative Extension Se	\$15,000.00		\$3,200.00		\$18,200.00
Bldg N	Student Center	\$83,128.21				\$83,128.21
Bldg P	School of Nursing				\$7,300.00	\$7,300.00
EVC	Evans Center			\$151,500.00	\$22,000.00	\$173,500.00
Field	AES Field				\$32,500.00	\$32,500.00
Kiosk	Information Gazebo				\$3,000.00	\$3,000.00
NWW	Northwest Wing	\$52,600.00				\$52,600.00
Pavilion	Pavilion	\$3,500.00				\$3,500.00
Res Halls 1	Dorsch Complex, Bldg 1			\$81,500.00		\$81,500.00
Res Halls 2	Dorsch Complex, Bldgs 2	\$115,000.00				\$115,000.00
Utility	Campus -Wide		\$70,000.00			\$70,000.00
Grand Total		\$312,528.21	\$70,000.00	\$236,200.00	\$64,800.00	\$683,528.21

PHASE 4

Sum of Amount		Type of Work			Grand Total
Bldg	Bldg Name	Structure	FFE	Road Infrastr	
Grounds	Campus Roads			\$39,700.00	\$39,700.00
RTP	College of Science & Matl	\$1,500,000.00	\$250,000.00		\$1,750,000.00
Grand Total		\$1,500,000.00	\$250,000.00	\$39,700.00	\$1,789,700.00

3. UVI Medical School Simulation Center (AAS)

During this reporting period, Springboard Construction poured all building footings, stem walls, reflection-pool bottom slab and reflection pool walls. The foundation backfilling and the cistern were also completed. Work in progress includes the utility rough-in and slab on grade prep and forming. According to the revised schedule, the project is on schedule. Construction of the building is proceeding as originally designed to include the tissue, wet-lab program requirements.

4. St. Thomas (STT) Campus Projects Report

The STT campus report for the period February 2018 through April 2018 covered projects related to the restoration of the facilities and grounds post-hurricanes.

✚ West Residence Hall Restoration

The immediate task for the West Residence Hall is the remediation of mold in the facility. On-Site Environmental Inc. was selected and started the project on May 2, 2018. In addition, Scopes of Work (SOW) have been prepared for the Roof Repairs and Mitigation, Interior Dry Wall Replacement, Interior and Exterior Painting and HVAC Equipment. The furniture order is being finalized with University Loft for a shipment and receipt date of early July to accommodate the semester opening.

✚ Other Phase I Facilities

Other facilities are being scheduled for group programming and repairs focusing on the Phase 1 facilities which sustained major structural damages such as CMES, Reichhold Center, Quarters B, Business Administration, Geo Tech/Old Business Office, Faculty West 9&10.

- ✚ Exterior Lighting Project
- ✚ Emergency Power Restoration
- ✚ Child Day Care Center
- ✚ Fleet Repairs
- ✚ Information Kiosk Roof Repairs
- ✚ Classroom Administration Building Little Theatre Sub-Roof Repairs

5. UVI Medical School Classroom Building (STT)

Within this reporting period, negotiations continued with our Insurance Carrier AIG for the claim relative to the Builder’s Risk Policy for the construction site for the School of Medicine. A number of disparities are being negotiated to finalize the insurance settlement amount so that the project can proceed. We hope that within the month of May, final settlement will be reached so that the project will resume towards a successful completion.

6. Energy Management Report

The hurricanes caused an interruption in the electrical service provided by WAPA resulting in loss of power for approximately seventy (70) days on the Albert A Sheen campus and thirty-four (34) days on the St. Thomas campus. Both campuses were on emergency generator power during the period. Additionally, the University was billed for the energy consumed during the months of September 2017 through March 2018 in one bill for the Albert A Sheen St. Croix campus and the period September 2017 through February 2017 for the St. Thomas campus.

Due to the 147-day billing cycle following the hurricanes, as well as the reduced electric load due to unoccupied and damaged buildings, the months of September 20017 through February 2018 would appear to have inflated savings percentages. Based n this information the University realized overall savings of 42% over the rolling 13-month period of March 2017 through March 2018 with a total energy reduction relative to the baseline year of 4,284,968 kWh and an associated dollar savings of \$1,500,060.

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

Meeting on Tuesday, May 29,2018

FINANCE AND BUDGET COMMITTEE.....Mr. Alexander Moorhead

1. Update on the Local Government Appropriation – Fiscal Year 2018

For Fiscal Year 2018, Hurricanes Irma and Maria interrupted the Virgin Islands Government’s Budget Process. As a result, the Legislature was unable to pass the required appropriation bill to establish the budget for FY2018. In Fiscal Year 2017 the University’s Operating Budget was appropriated at \$32,246,750 as authorized by Act No. 7920 (Bill No. 31-0427), therefore, as provided by the Revised Organic Act of 1954, the FY2017 budget was rolled over into FY2018. However, the Office of Management and Budget (OMB) notified the University via a

memorandum dated September 29, 2017 that the allotment ceiling level was reduced by 12.5% or \$4,030,844. This reduction has lowered the University's allotment level to \$28,215,906.

As of March 31, 2018, the University received a total of \$14,107,953 in allotments from the V.I. Government for Fiscal Year 2018. This represents 100% of the \$14,107,953 requested through March 2018. The University has since requested and received the allotment for the month of April 2018 in the amount of \$2,351,325.50, bringing the total received through April 30, 2018 to \$16,459,278.50.

2. (a) Review of Unrestricted Operating Budget to Actual Performance through March 31, 2018

Total actual revenues through the period ended March 31, 2018 was \$23,733,957 representing 106.8% of the budgeted amount of \$22,555,933. Actual expenditures of \$19,340,940 represent 87% of the amount budgeted of \$22,227,844. The net operating position as of the second quarter ended March 31, 2018 is \$4,392,657. During this reporting period we experienced a 16% increase over budget in tuition and fees due to the change in the extended semester as a result of the hurricanes which interrupted the academic calendar. The impact of this change resulted in a higher percentage of days for the semester occurring during the October-December 2017 period. In other words, the number of academic days lost during the period September 6-September 30, 2017 were recovered in the period October-December 2017. As a result, 84% of the tuition revenues for the Fall 2017 semester were deferred to FY18, instead of the original projection of 58%. The hurricanes also contributed to the delays and decline in gifts, grants and contracts made to the University for the reporting period, which resulted in a decline in indirect cost revenues, which are included in Miscellaneous revenues. The overall decline of 13% in program expenditures was directly related to the decline in activity as a result of the impact of the hurricanes. Unfilled vacant positions contributed to the low percentage in student services, institutional support and operations/maintenance of plant.

3. (b) Review of Unrestricted Operating Actual to Actual Performance through March 31, 2018

Total actual revenues and total actual expenditures were \$27,553,314 and \$24,016,781, respectively, for the period ended March 31, 2017. Total revenues decreased by 13.8% from last year and total expenditures decreased by 19.5% compared to the same period of the year before.

The highlights in the period to period comparison include:

- 16.5% decrease in tuition and fees revenues due to lower enrollment in FY2018 than in FY2017
- 13.4% decrease in government appropriations due to an OMB imposed reduction in allotments
- 19.5% decrease in auxiliary revenues as a result of severe hurricane damages to Reichhold Center which was taken off-line and other auxiliaries.
- Overall, the University saw a 19.5% decrease in expenditures primarily due to the limited activity post-hurricanes as well as the reduction in allotments from the GVI.

4. Review of Restricted Current Funds Expenditures through March 31, 2018

For the period October 1, 2017 through March 31, 2018, the University's restricted current funds performed as follows:

Category	October 1, 2017 Fund Balance	Revenues	Expenditures	March 31, 2018 Fund Balance
Federal Grants	\$256,813	\$10,916,412	\$7,520,851	\$3,652,374
Local Grants and Contracts	\$892,392	\$553,019	\$266,518	\$1,178,893
VI Legislature	\$1,669,670	\$2,308,516	\$946,194	\$3,031,992
Private Grants and Contracts	\$1,161,853	\$1,177,271	\$93,042	\$1,404,082
Other*	-\$1,219,594	\$2,594,318	\$1,575,602	-\$200,878
Total	\$2,761,134	\$17,549,536	\$11,244,207	\$9,066,463

5. Review of CELL Budget to Actual Performance through March 31, 2018

During the reporting period CELL negotiated and secured agreements with Terminix, Department of Tourism, Diageo, the Virgin Islands Housing Authority and the Virgin Islands Government Employees Retirement System. CELL was also featured on the national website for Occupational Safety and Health programs for collaborations and efforts in post-hurricane recovery. Revenues totaling \$215,509 and expenditures totaling \$149,584 were generated in the Unrestricted Fund creating an operating surplus of \$65,925. The restricted programs funded primarily through OSHA and VI Government performed positively during the reporting period. CELL is continuing to seek new and creative ways to generate revenues to end the fiscal year in a positive net operating position.

6. Quarterly Report of Proposals Submitted and Awards Received for the period January 1, 2018 through March 31, 2018

In the second quarter of fiscal year 2018, UVI submitted nine (9) proposals totaling \$4,047,740 and was awarded thirteen (13) grants totaling \$758,272. Compared to the corresponding quarter of the previous fiscal year, nineteen (19) proposals, amounting to a decrease of 10, were submitted and the dollar volume of grants awarded also decreased by \$178,278.

7. Review of Reichhold Center Budget to Actual Performance through December 31, 2017

The Reichhold Center is reporting revenues at and exceeding projections in the categories of Foundation Grant, private grants, individual gifts, facility and equipment rentals and concessions for the reporting period. Donations totaling \$2,700 were received from a few annual supporters and efforts made after the hurricanes through the Mobile Cause fundraising portal. Actual expenditures exceeded the budget by 4.5% for the period, primarily in the area of direct expenditures associated with postponing the production of “Frenemies. The Center’s workforce was significantly reduced due to the cancelation of the 39th season. However the remaining staff, which consists of two fulltime and one temporary employees, has been engaged in numerous activities mainly in support of University events as detailed on the supplemental report. The net operating position of the Center through March 31, 2018 is \$19,748.96.

8. Quasi-Endowment Fund Balance as of March 31, 2018

University of the Virgin Islands
Endowment Funds
Comparison Periods Ended March 31, 2018 and December 31, 2017

Description	March 2018	Dec 2017	Variance
Seslia Title III Endowment	\$ 230,432.28	\$ 229,030.68	\$1,401.60
Common Fund Term Endowment	\$ 351,714.46	\$ 354,894.25	(\$3,179.79)
Common Fund National Guard Assistance	\$ 447,030.76	\$ 451,139.20	(\$4,108.44)
Common Fund Veterans Tuition Assistance	\$ 742,697.96	\$ 749,385.55	(\$6,687.59)
Common Fund Scholarship fund	\$ 152,579.20	\$ 152,590.39	(\$11.19)
Common Fund Quasi Endowment	\$ 5,177,680.76	\$ 5,236,866.25	(\$59,185.49)
Common Fund School of Medicine Endowment	\$ 24,271,344.34	\$ 24,462,349.92	(\$191,005.58)
Total	\$ 31,373,479.76	\$ 31,636,256.24	(\$262,776.48)

* The stock market fluctuated in the 2nd quarter of 2018. The value of the stocks decreased causing the change for this quarter of -\$262,776.

9. **Status of Audit for the year ended September 30, 2017**

In April, 2017, the University engaged the audit firm of Deloitte to perform the audit of fiscal year ended September 30, 2017. The auditors commenced preliminary audit procedures in June of 2017, prior to the audit year end. Deloitte abruptly resigned in November of 2017, without any notice to the University.

In January of 2018, the University procured the services of BDO Puerto Rico, to serve as the University's external auditors for the period ending September 30, 2017. The auditors commenced their planning procedures on March 5th, 2018, working remotely from Puerto Rico. The auditors arrived on St. Thomas on the week of April 2nd, 2018.

Current Status:

As of April 30, 2018, the auditors have completed the planning phase of their audit and are currently in the process of performing fieldwork (substantive) testing. The auditors have estimated the Financial Statement report is on schedule to be completed on May 31, 2018. This deadline has been deemed suitable for the fulfillment of the University's obligations to financial institutions as well as the Government of the Virgin Islands.

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

Update on Risk Assessment

The Committee was presented with a change on two items from the Risk Assessment list that had been presented previously. (1) Because of the challenges experienced with a drop in enrollment after the two hurricanes, the Institution wanted to raise the level of this risk. The firm of McGuire and Associates was contracted in this effort, and a very extensive report of their findings was presented which will be used for admissions and financial aid going forward. (2) The issue of redundancy on one primary internet service provider (ISP) will be addressed in order to move the database and insure that it is available in case of any destruction at the Institution.