

**MEETING OF THE BOARD OF TRUSTEES  
June 24, 2023**

**UNIVERSITY OF THE VIRGIN ISLANDS  
BY ZOOM  
9:00A.M.**

**CONSENT AGENDA**

**Academic, Research, and Student Affairs..... Dr. John A Quelch**

**Provost's Report**

The Provost's Report provided a comprehensive report on the Provost's Component's actions and initiatives from January to May 2023. The report highlighted new employees, student outreach activities, new academic programs and several public service and community engagement programs. In addition, it highlighted several student and staff accomplishments, including publications, presentations, and other intellectual activities, as well as an analysis of registration and enrolment for the spring 2023 and projections for the fall 2023 semester.

**Audit Committee.....John P. de Jongh**

**Update from External Auditors**

The Committee received an update from the External auditors regarding the FY2020 and 2021 audit. It included its progress to date on the audit outstanding matters re UVI, FRCA and FUVI. It also included a report on the financial statements and the single audit timeline. The University's audited financial statements for the year ended September 30, 2020, were issued May 31, 2023, and released on June 2, 2023. The FY21 audit is expected to begin within 45 days, allowing the lessons learned from the 2020 audit to be implemented in the FY21 engagement and work papers.

**Building and Grounds.....Henry C. Smock**

**1. Campus Projects Update**

**a. ALBERT A. SHEEN (AAS) ST. CROIX CAMPUS PROJECTS:**

- Sheep Farm Facilities – Construction activities at the new location of the Sheep Farm structures continued. Architect provided contractor with punch list outlining critical work needed to complete the project. Anticipated completion June 30, 2023
- Aquaculture Facilities Reconstruction – Construction activities at the Aquaculture Facility were mobilized on March 14, 2022. Architect provided contractor with punch list outlining critical work needed to complete the project. Anticipated completion: June 30, 2023
- Childcare Facility Renovation –The contractor completed preparation of the playground surface and installed SolidPlay Rubber Playground flooring tiles. Completed April 3, 2023. Currently in full use.

**Albert A. Sheen Campus (AAS) Capital Projects**

- UVI STX Wind Retrofit Design (A&E) – 85% completed; Phase I completion: June 2022. FEMA is requesting that the design be changed to cover a wind requirement of up to 175 mph winds.

- School of Nursing Building: New Construction – Architectural drawings were completed and RFP was issued February 2023. The University received bids from eleven companies. The issuance of the contract is delayed pending the approval of financing.

### **Albert A. Sheen (AAS) Hurricane Recovery Projects**

**FEMA Project Listing** - several projects throughout campus have been completed or are near completion. Reimbursement received to date from expended funds for those projects total \$1,034,369.00. Additionally, funding for reconstruction activities include insurance proceeds received for damages sustained during hurricane Maria. A total of \$5,424,683.24 has been collected between FY18-FY22.

#### **Albert A. Sheen Campus Air Conditioning Status & Repairs**

Several air conditioning systems and units are in need of repairs or replacement. Two large units were rented to provide temporary cooling. Replacement systems and parts are on order.

### **b. ORVILLE E. KEAN (OEK) ST. THOMAS CAMPUS REPORTS:**

#### **Hurricane Restoration Projects**

The US Department of Education (DOE) Funded Restoration Projects:

- MacLean Marine Science Center Complete Renovation Project – In progress; scheduled completion July 2023
- Quarters B –A& E Process: scheduled completion: scheduled completion – February 2023

#### **Wind Retrofit Grant Award**

The University of the Virgin Islands through the Facilities Management Department submitted an application for a Wind Retrofit Grant to subsidize Mitigation Projects on several campus facilities. The facilities include the Residence Halls (South, Middle, North, and East Hall) and the Paiewonsky Library. The Scope of Work includes but is not limited to roofs, windows, walls, and equipment replacement. On April 13, 2020, the University was awarded \$4,123,164.00 for the Wind Retrofit Grant.

Caribbean Professional Consultants was selected through an extensive IFB process to do the Architectural and Engineering (A&E) phase of the project and completed the construction drawings for the selected residence halls and library. The Purchasing Department is in the process of sending out the projects for preliminary bids to be sent to FEMA.

#### **Hurricane Restoration Expenses**

There are several hurricane restoration expenses for various areas of the OEK campus totaling \$49,238,400.35. Some expenses include but are not limited to A & E services, storage container, lighting upgrade, replacement furniture, gutter repairs, water heaters, painting, roof repairs, vehicle glass repair and other hurricane restoration related expenses.

FEMA Payments for Submitted Projects - A total of \$14,717,623 has been paid by FEMA for submitted projects.

#### **Campus Restoration Projects:**

- Campus Roads and Sidewalk Project – Engineering phase: completed May 2023
- Campus Water System Improvements – Engineering phase: scheduled completion – October 2023
- Electrical Distribution System Upgrade – Engineering phase: scheduled completion – December 2023
- President’s Guest House – In progress; scheduled completion - July 2023

- Reichhold Center - Custom Builders was selected to complete the improvements to the building. However, the work was suspended by FEMA to satisfy their project requirements.
- Tennis Court Project – Completed February 2023

**Other Campus Projects -- STT Campus**

- ADA Compliant Lifts – the installation of the lifts for the Business and Nursing buildings is scheduled to be completed July 2023.
- AC Unit Cage Guards – installation of the cage guard units around the air conditioning units throughout the campus is projected to be completed June 2023.

**Physical Plant Other Projects – STT Campus**

- ADCON Monthly HVAC Filter Change Out – ongoing monthly services; scheduled completion – July 2023
- Sports and Fitness Center Elevator Repairs - In progress; scheduled completion – July 2023
- Smart Metering Upgrade – Procurement phase; scheduled completion July 2023
- Orville E Kean Campus Commencement – the Physical Plant unit prepared the campus and the EW Blake Sports and Fitness Center for the annual commencement exercises.

**c. Medical School Facilities Update**

- i. Medical Simulation Center (AAS Campus) – The installation of the cabinetry and counters throughout the facility was completed. The installation and commissioning and training of the fire alarm and fire pump systems was also completed. There are critical items still pending to include the purchase and installation of medical booms and the generator/transfer switch which carry long lead times. The project is delayed and scheduled for substantial completion by June 2023.
- ii. Medical Research and Training Center (OEK Campus) – AT Construction Solutions LLC is making progress on the two buildings with the existing building 95% completed and slated for completion in June 2023. Construction of the Biomedical building (annex) is slated to be substantially completed October 2023. Furniture, Fixture and Equipment (FF&E) for both buildings will commence within the next month. Additional grant funding to cover this cost is being actively sourced from various agencies.

**IV. Update on Development of Research and Business Innovation Center (West Bay Facility)**

Construction of the Center was completed November 2022 and installation of the FF&E was completed April 2023 to accommodate the grand opening on April 17, 2023. The Center houses several entities including the SBDC, Culinary Arts program and Wild Sage restaurant. The Center is slated to welcome 2-3 new tenants on the 1<sup>st</sup> floor and one on the 4<sup>th</sup> floor. Leases are still being finalized and plans are in place to hire a building manager to handle leases, management and maintenance concerns.

**Development Committee.....Erica Johnson Creamer.**

**Status Report on Annual Fund**

**1. Update on the Local Government Appropriation – Fiscal Years 2023 and 2024**

- As of May 30, 2023, the University received a total of \$23,037,396.75 in allotments from the V.I. Government for Fiscal Year 2023. This represents approximately 55% of the \$42,027,963.49 appropriated for the fiscal year.
- On May 30, 2023, Governor Albert Bryan submitted the Executive Budget for fiscal years 2024 and 2025. The submission included a bill for appropriations totaling \$36,751,293 for salaries and expenses for the University, which is the same amount as appropriated for fiscal year 2023. Also included under the Miscellaneous section was \$3,000,000 for Tuition Subsidy and \$1,000,000 for Medical Debt Service.

**2. COVID-19 Financial Update and Opportunities as of May 26, 2023**

<b>DESCRIPTION</b>	<b>Award Amount</b>	<b>Amount Expended as of May 26, 2023</b>	<b>Available Balance as of May 26, 2023</b>
CARES ACT FOR STUDENTS a(1)	\$4,554,658.00	\$4,400,492.00	\$154,166.00
CARES ACT HIGHER ED EMERGENCY RELIEF a(2)	\$12,226,144.00	\$12,226,144.00	\$0.00
CARES ACT INSTITUTIONAL a(1)	\$5,926,637.00	\$5,926,637.00	\$0.00
<b>TOTALS</b>	<b>\$22,707,439.00</b>	<b>\$22,553,273.00</b>	<b>\$154,166.00</b>

**3. (a) Review of Unrestricted Operating Budget to Actual Performance through March 31, 2023**

Total actual revenues through the period ended March 31, 2023 was \$23,379,020 representing 88% of the budgeted amount of \$26,447,289. Actual expenditures of \$20,968,556 represent 78% of the amount budgeted of \$26,788,990. The University’s Net Operating Position (NOP), which is the difference between year-to-date revenues and year-to-date expenditures at the end of March, was \$2,410,464. Tuition and fees were 89% of the budget, primarily due to lower than projected enrollment. An increase in facilities rentals and concession sales contributed to the 102% realized in auxiliary revenues. With respect to expenditures, expenses associated with Research reached 72 percent of budgeted amounts due to minimal incurred costs for travel, supplies, and equipment for CMES, ECC Research Centers, and Sponsored Programs. In addition, the University realized additional savings as a result of budgeted, yet vacant, positions, along with less incurred costs for travel and campus related activities.

**3 (b) Review of Unrestricted Operating Actual to Actual Performance through March 31, 2023**

Total actual revenues and total actual expenditures were \$27,708,406 and \$26,040,528, respectively, for the period ended March 31, 2022. Total revenues decreased by approximately 16% from the prior year

since the University received an additional \$3.7M from the Government of the Virgin Islands in FY2022 for the 8% salary repayment. Total expenditures decreased by 20% compared to the same period of the year before as a direct result of the 8% salary repayment that was made in FY2022.

#### 4. Review of Restricted Current Funds Expenditures through March 31, 2023

For the period October 1, 2022 through March 31, 2023, the University's restricted current funds performed as follows:

Category	October 1, 2022 Fund Balance	Revenues	Expenditures	March 31, 2023 Fund Balance
<b>Federal Grants</b>	\$(6,862,980)	\$24,953,810	\$14,863,804	\$3,227,026
<b>Local Grants and Contracts</b>	\$(5,130,949)	\$2,088,006	\$1,677,685	\$(4,720,629)
<b>VI Legislature</b>	\$13,943,636	\$4,085,110	\$2,432,945	\$15,595,801
<b>Private Grants and Contracts</b>	\$4,410,137	\$888,180	\$1,225,398	\$4,072,919
<b>Other</b>	\$(2,845,181)	\$2,031,585	\$2,018,501	\$(2,832,098)
<b>Total</b>	<b>\$3,514,663</b>	<b>\$34,096,690</b>	<b>\$22,218,334</b>	<b>\$15,343,019</b>

#### 5. Review of CELL Budget to Actual Performance through March 31, 2023

In the second quarter of FY23, UVI CELL was awarded grants and contracts through the following programs:

- Federal Aviation Administration (FAA) Aircraft Pilots Workforce Development Grant Program. This program will certify high school students as private pilots and drone pilots. Grant includes simulation equipment and drones for both campuses, \$499,301.00
- Department of Human Services, sponsorship of Level Up event (replacing Man Up, includes male and female high school students), event to be held St. Croix in April 2023 and St. Thomas and St. Croix in FY24 during Homecoming Week, \$35,000.00
- Bureau of Corrections, Residential Substance Abuse Treatment (RSAT) for State Prisoners Program; implement in-facility and post-release Re-entry Program including Thinking for a Change (T4C) cognitive-behavioral curriculum developed by the National Institute of Corrections, \$100,017.00
- Bureau of Corrections, Contract Extension for Adult Education and Career and Technical Education Programs, \$100,000.00

Description	Budget	Actual Revenues 03-31-2023	Actual Expenditures 03-31-2023	Net Operating Position (Actual Revenues – Actual Expenditures)
Unrestricted Account				
CELL Operating	\$373,630	\$198,316.55	\$264,694.28	(\$66,377.73)
Restricted Accounts				
OSHA Consultation Program	\$380,100	\$103,964.95	\$83,065.78	\$20,899.17
Legislative Appropriation	\$100,000.00	\$57,267.41	\$76,136.23	(\$18,868.82)
EDA University Center	\$27,975.99, (plus \$26,000.00 match req.)	\$32,668.58	\$32,668.58	\$0
ICF Skills for Today Training	\$159,700.00	\$53,777.21	\$45,762.24	\$8,014.97
AEFLA	\$180,352.81	\$64,963.17	\$34,807.50	\$30,155.67
Bureau of Corrections	\$100,000.00	\$25,664.99	\$31,420.27	(\$5,755.28)
Culinary Arts Center - Legislative Appropriation Hospitality Program	\$100,000.00	\$57,416.66	\$166,625.75	(\$109,209.09)
UVI CELL Surveyor Program	\$250,000.00	\$62,499.99	\$0	\$62,499.99
UVI CELL Appraisers Program	\$100,000.00	\$24,999.99	\$0	\$24,999.99
FAA Aviation Fund	\$499,301.00	\$7,638.82	\$7,638.82	\$0
CTE Instructor Certification PD	\$50,000.00	\$1,594.00	\$0	\$1,594.00
<b>Combined Net Operating Position</b>	<b>\$2,321,059.80</b>	<b>\$690,772.32</b>	<b>\$742,819.45</b>	<b>(\$52,047.13)</b>

#### 6. Review of Reichhold Center Budget to Actual Performance through March 31, 2023

	BUDGET Oct 1, 2022 – March 31, 2023	ACTUAL Oct 1, 2022 – March 31, 2023
<b>REVENUES &amp; EXPENDITURES</b>		
REVENUES:		
RCA Foundation Grant	\$125,000	\$125,000
Private Grants & Corporate Sponsorship	0.00	15,000.00
Total Revenues	\$125,000.00	\$140,000.00
EXPENDITURES:		
Salaries and Fringe Benefits	111,000.00	100,417.84
Direct Expenditures: Season/Projects	9,000.00	8,922.62
Direct Expenditures: Other	5,000.00	4,579.06
Total Expenditures	\$125,000.00	\$113,919.52
<b>Net Operating Position</b>	<b>\$0.00</b>	<b>\$26,080.48</b>

**7. Quarterly Report of Proposals Submitted and Awards Received through March 31, 2023**

Fiscal Year Quarter 2 I & 2 Comparison – 2022 & 2023					
Fiscal Year	Quarters I & 2	Proposal #	Proposal Amount	Award #	Award Amount
FY2022	October - March	55	\$17,468,923	39	\$7,391,670
		58	\$40,241,963	42	\$15,533,240
FY2023		3	\$22,773,040	3	\$8,141,570
Changes (FY22-FY23)					

**8. Quasi-Endowment Fund Balance as of March 31, 2023**

Description	March 2023	December 2022	Variance
Seslia Title III Endowment	198,092.24	194,714.92	\$ 3,377.32
Common Fund Term Endowment	468,224.37	443,371.93	\$ 24,852.44
Common Fund National Guard Assistance	373,825.47	353,983.14	\$ 19,842.33
Common Fund Veterans Tuition Assistance	739,758.28	700,493.13	\$ 39,265.15
Common Fund Scholarship Fund	166,498.79	157,660.85	\$ 8,837.94
Common Fund Quasi Endowment	6,299,574.13	5,997,734.29	\$ 301,839.84
Common Fund SOM Sustainability Fund	4,567,738.49	4,495,977.40	\$ 71,761.09
Common Fund Sustainability Fund I	1,417,377.13	1,395,109.54	\$ 22,267.59
Common Fund Sustainability Fund II	533,684.97	527,941.98	\$ 5,742.99
Common Fund TOPA Scholarship Endowment	2,425,191.90	2,296,465.30	\$ 128,726.60
Common Fund UVI HBCU Reserve Fund	6,222,726.13	5,892,439.09	\$ 330,287.04
<b>Total</b>	<b>\$ 23,412,691.90</b>	<b>\$ 22,455,891.57</b>	<b>\$ 956,800.33</b>

**9. Status of Audit for the year ended September 30, 2020 as of June 14, 2023**

- The University's audited financial statements for the year ended September 30, 2020, were issued May 31, 2023, and released on June 2, 2023. The report was issued with an unqualified opinion, with an emphasis of matter on the default of debt covenant, going concern, and net deficit of the central government. None of the emphasized matters resulted in modification of the audit opinion.

- The University's audited report on the Uniform Guidance and data collection form, which provides an audit opinion on the institution's federal grants, is expected to be issued on June 15<sup>th</sup>, 2023.
- The FY21 audit is expected to begin within 45 days, allowing the lessons learned from the 2020 audit to be implemented in the FY21 engagement and work papers.

**Governance Committee.....Henry C. Smock**

The Committee received an report on potential persons recommended for membership to the Board of Trustees. The Chair reported that he would be receiving additional follow-up from the Governor and will report back to the committee.