

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

Authorizing the University to use up to \$1.5M from the Quasi-Endowment Fund which would assist with the provision of funds to offset the \$2.2M reduction in Government of the Virgin Islands appropriations.

WHEREAS, Act No. 6538 (Bill No. 24-0266) enacted by the Twenty-fourth Legislature of the Virgin Islands of the United States authorized the appropriation of \$29,050,600 to the University of the Virgin Islands for Fiscal Year ending September 30, 2003; and

WHEREAS, on or about February 6, 2003, the University of the Virgin Islands received communication that based on a five-percent (5%) reduction in allotments, the revised allotment amount for Fiscal Year ending September 30, 2003 was \$27,598,070; and

WHEREAS, the Executive Budget of the Government of the Virgin Islands recommends the amount of \$25,342,414 for the University of the Virgin Islands for Fiscal Year ending September 30, 2004; and

WHEREAS, the reduction of \$2,255,656 (\$27,598,070-\$25,342,414) represents an eight-percent (8%) reduction in the University's operating funds; and

WHEREAS, in recognition of the projected reduction, the University has developed strategies that would produce approximately \$1,232,500 from various sources of funds as referenced in Schedule I (attached); and

WHEREAS, the University has determined that \$500,000 is needed to provide seed funding for various cost-reduction strategies, and when added to the reduction of \$2,255,656 produces a gap in funding for Fiscal Year 2004 in the amount of \$2,755,656; and

WHEREAS, the University needs approximately \$1.5M (\$2,755,656-\$1,232,500) to close the gap in funding for Fiscal Year 2004; and

WHEREAS, Fiscal Year 2004 is the third consecutive year that the faculty and staff of the University will not receive a pay increase; and

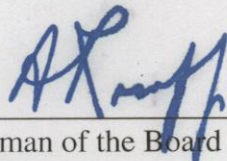
WHEREAS, the inability of the University to pay annual merit increases harms the University's ability to retain faculty and staff members with a record of good job performance.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF THE VIRGIN ISLANDS:

- Section 1: That the Board of Trustees hereby authorizes the University to use up to \$1.5M from the Quasi-Endowment Fund for the purpose of supplementing the University's operating funds for Fiscal Year 2004.
- Section 2: That the administration of the University shall prepare a plan for the review and approval of the Board of Trustees to pay a salary increase, or at a minimum, a bonus, to faculty and staff of the University in Fiscal Year 2005.
- Section 3: That the Board of Trustees authorizes the President and Acting Vice-President of Administration and Finance of the University of the Virgin Islands to take the necessary actions to implement this resolution.
- Section 4: That this resolution shall be in full force and effect from and after its adoption.

CERTIFICATION

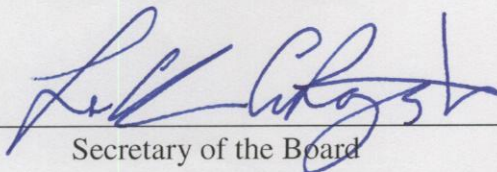
The undersigned hereby certify that the foregoing is a true and exact representation of a resolution of the Board of Trustees of the University of the Virgin Islands and adopted at a special meeting on Saturday, November 8, 2003 as recorded in the minutes of said meeting.



Chairman of the Board

11-20-03

Date



Secretary of the Board

Nov. 20, 2003

Date

**University of the Virgin Islands
Projected Funding by Fiscal Year**

Sources of Funds	Additional Funding			Total Year 1 + Year 2
	Year 1 Fiscal Year 2004	Year 2 Fiscal Year 2005		
Tuition	230,000	230,000		460,000
Fees	225,000	225,000		450,000
Annual Giving	240,000	360,000		600,000
Workforce Training	35,000	65,000		100,000
Process Redesign	120,000	180,000		300,000
Campus Restructuring	100,000	400,000		500,000
Reduction in Auxiliaries subsidies	282,500	282,500		565,000
Grand Total	\$ 1,232,500	\$ 1,742,500	\$	2,975,000