



The following is the text of remarks made by UVI President Dr. LaVerne E. Ragster before the Finance Committee of the Virgin Islands Legislature on Friday, July 16, 2004.

Good morning. The Honorable Adlah "Foncie" Donastorg, Jr., Chair of the Finance Committee, members of the Committee, and other members of the 25th Legislature, the University of the Virgin Islands welcomes the opportunity to appear before you to present our budget request for FY2004-2005 and to hear your comments. We will be happy to answer any questions you may have.

The University of the Virgin Islands understands the unique and pivotal role it plays in the social and economic development of the Territory. It is not hyperbole or an exaggeration to say that UVI has *reinvented itself* since it was first established in 1962. During its first three decades, the College was seen solely as a provider of higher education degrees for the people of the Territory and region. However, in more recent years, the University has worked vigorously to become much, much more than just a provider of undergraduate degrees. Like many other public universities, UVI understands that as a public institution, it *must* be an *active partner* with the Government and the private sector to address the needs and challenges of a 21st century society. UVI is an *essential partner* in finding the solutions that will address the issues facing the Territory.

In the *2000-2005 Strategic Plan*, the University of the Virgin Islands broadened its vision and initiated a set of strategic thrusts and performance criteria expanding its mandate to become a more publicly engaged university exemplifying exceptional instruction, research and public service to the Community. This is a major strategy which facilitates and enhances the social and economic development of the U.S. Virgin Islands. As President, I acknowledge and embrace the fact that UVI is an *institution of place*, committed to the development of the Territory.

For 43 years, the University of the Virgin Islands has been a beacon of light in the Territory, and an exemplary steward of the resources within its trust. Yet, in spite of the financial hardships resulting from recent cuts in our appropriations for critical operations, UVI has worked steadfastly to absorb these cuts in creative and very often painful ways, while continuing to provide for the educational, training, professional development, public service, and research needs of the Territory. However, Senators, I must tell you, that the University has *now* reached the point where it can no longer absorb further reductions in its appropriations without negatively affecting institutional quality, effectiveness and performance. This is an unacceptable position for the University, and should be unacceptable for the Virgin Islands Community. Therefore, I urge the Finance Committee, the Legislature, and the Executive branch to be far-sighted and not continue *underfunding* the University of the Virgin Islands.

Senators, the University of the Virgin Islands is asking this Committee, the Legislature and the Executive branch to fully fund UVI's request for \$35.1 million for

fiscal year 2004-2005, in support of the University's ongoing investment in the development of the Territory's human capital across every sector of this Community.

Senators, tough times require tough choices. Therefore, I *must* remind this Committee that the progress and future of the U.S. Virgin Islands is inescapably linked to the success and funding of UVI. As President, I understand the complexity of the problems confronting the Virgin Islands and the University, and I welcome opportunities to collaborate with the VI Government to find strategic and creative solutions to the problems confronting the Territory, leveraging our expertise to make a positive difference in the U.S. Virgin Islands.

As this Committee, the Legislature, and the Governor, and *indeed all of us*, consider the appropriate steps required to revitalize the economy of the Virgin Islands, I believe, we can *all agree*, that investing in the development of the Territory's human capital by allocating more public financing for Pre-K-16 education is *critical*, and is the best investment strategy when resources are limited. By investing in education, the Government makes it possible for Virgin Islanders to supplement their educational training to acquire new workforce skills to get better jobs, start their own businesses, and gain the professional and technical training needed to improve their standard of living and quality of life. However, for this to happen, the VI Government *must* prioritize and allocate more resources towards higher education.

Senators, I stand before you today, fully confident that *UVI is the best vehicle and partner* for helping the Community to achieve solutions to its problems. The University *cannot* do everything, but it has an essential and significant role to play. The Government also cannot do everything by itself. But together, working as partners with the private sector, *we can get the job done!*

Over the last five years, UVI has been fully engaged as a public institution – vigorously and tirelessly – working to respond to the needs and demands of the people of the U.S. Virgin Islands. Allow me to take a few minutes to showcase some recent examples of the exciting ways UVI is impacting the Community and serving as a catalyst for positive change in the Territory:

- UVI has experienced a 21% growth in students enrolled in courses leading to undergraduate and graduate degrees since Fall 2000. Ninety-four percent of this growth has come from working adults and students graduating from VI public high schools who are seeking associates, baccalaureate and Masters degrees, improving their basic math, English and reading skills, or taking courses just for fun and lifelong learning. This impressive enrollment growth has produced 233 teachers, 100 nurses, 70 pre-med students, and another 1200 graduates with advanced professional and technical training, most of whom are living and working here in the Territory as productive citizens.

- For the past five summers, UVI has hosted more than 3000 students from our elementary and junior/senior high schools in a variety of summer camps, and science and math enrichment programs on St. Croix and St. Thomas. These programs, funded primarily through federal grants, are thriving and offer rewarding learning experiences for our children that broaden their perspective about the world around them, and to help them become contributing members of society. These programs also provide employment for counselors, teachers and student mentors.

Senators, UVI's enrollment growth has become a double-edged sword for the University. On the positive side, the growth affirms the public's confidence in the high quality programs offered by our dedicated faculty and staff. However, on the negative side, UVI has had to absorb this growth without any additional funding, causing additional stress on our institutional capacity

In the area of public service, UVI has partnered with a number of companies and governmental agencies to address specific problems and to find satisfactory solutions.

- I am proud to inform you that all of the first seven (7) students, who graduated from our new Applied Science in Process Technology program on the St. Croix campus, were recently employed by HOVENSA. This program, developed in collaboration with HOVENSA, was established to help HOVENSA meet its demand for highly skilled technicians to monitor, operate and maintain equipment used to convert raw materials into marketable manufactured products. In August, fifty (50) more students will be entering the program, and upon graduation will be employed at HOVENSA. The technical skills these graduates gain are also marketable to WAPA and the Renaissance Group as well as pharmaceutical companies and wastewater treatment plants in the Territory and elsewhere in the Caribbean region.
- One of our most active partnerships is with the Department of Education. The Commissioner of Education, Dr. Noreen Michael, sees our critical partnership with the Department as a win-win association for the Territory. UVI is playing a major role in assisting the Department of Education to meet the mandates outlined in the Compliance Agreement between the U.S. Department of Education and the Virgin Islands Government. With the help of Brown University, UVI is developing the VI State Accountability and School Improvement Plan which is on schedule. Furthermore, UVI has also been contracted to serve as the fiscal agent for the Department's school-wide plans; and our Education Division is training School Psychologists and assisting the Territory to meet the PRAXIS requirements for teacher performance mandated by Title II-B. We are extremely proud to be a part of this significant undertaking that will bring about holistic, positive changes in public education in the Territory; and facilitate the Territory's implementation of the *No Child Left Behind Act*.
- Another partnership demonstrating the University's engagement with the Community is the work being done with a newly formed Health & Human Services Task Force

that is addressing the shortage of trained health care workers in the Territory. Through its newly created Community Engagement and Lifelong Learning unit (UVICELL), the University is taking the lead to develop training modules for the inaugural program. In just two and a half years, UVICELL has had remarkable success addressing the workforce training needs of the Territory. Since its inception in 2000, UVICELL has trained more than 550 Virgin Islanders in courses ranging from computer technology and real estate certification to OSHA (Office of Safety & Health Administration) compliance and professional development. Additionally, UVICELL is the only authorized agent to offer American Management Association (AMA) certification courses in the Caribbean; and in May, UVICELL was awarded an \$81,000 contract by VI Office of Homeland Security to provide *Security Awareness* training to 500 first-responders by year-end. To date, all training classes are completely filled.

This phenomenal growth of UVICELL is another strong indication of the public's recognition of the University as a high quality, responsive, and reliable resource for workforce training in the Territory.

- The Small Business Development Center (SBDC) located on St. Croix and St. Thomas is helping to diversify the economy of the Virgin Islands by encouraging the development of entrepreneurs and small businesses. Over the past four years, the SBDC has counseled more than 300 aspiring entrepreneurs, conducted 235 training workshops for more than 4800 participants, helped individuals to create 175 jobs, secured \$4.2 million in loans for startup businesses, and helped generate \$11.5 million in sales and tax revenues for the VI economy through its service to the Community.
- On St. Croix, the Cooperative Extension Service has trained thirty local farmers in the use of computer technology and record-keeping to help improve the productivity, efficiency and sustainability of their farm operations.
- Through the Virgin Islands Center for Excellence in Developmental Disabilities (VIUCEDD), Dr. Yegin Habtes and his team have served more than 6000 students, parents, teachers, service-providers and private and governmental agencies. In addition, the University and Banco Popular have developed a program to provide disabled people with low interest loans to purchase assistive technology services – another example of the critical role UVI is playing in this Community.

In the area of research, the University continues to execute projects that add-value to the community and the Territory.

- UVI is extremely proud of the recent publication profiling juvenile violence in the Territory authored by the Eastern Caribbean Center. The data and results of this research regarding juvenile offenders is alarming and should be read by all public leaders in the Territory.

- In January 2004, UVI on behalf of the VI Government was awarded a \$4.5 million Experimental Program to Stimulate Competitive Research (EPSCoR) grant from the National Science Foundation, for four years, to build the Virgin Islands economy through research, technology and development. UVI, in consultation with the local community-based governing committee, will focus its research on our marine environment which will provide new jobs and countless benefits for the fishing, boating and tourism industries, so critical to our economy.

Senators, being designated as an EPSCoR state has served as an economic magnet for sparsely populated states like Montana and Alaska, which had very limited research and technological capacity before receiving their first EPSCoR grant. As President, I am enormously proud to report that the U.S. Virgin Islands is the smallest jurisdiction to receive an EPSCoR grant; and UVI is the only Historically Black College or University to successfully compete for this prestigious award. Over the next 10-20 years, the Territory and the University could receive as much as \$20-\$30 million for research projects that will create new jobs and generate additional revenues for the VI economy.

Finally,

- UVI recently received a *Triple BBB* investment grade bond rating of from Standard and Poor's which will allow the University to sell \$15-18M in bonds for construction and modernization projects on both campuses. These capital projects will allow the University to build new classrooms, modernize existing facilities, upgrade our telecommunications network, expand videoconferencing, and offer more on-line courses to meet the enrollment growth and increased demand for our programs and services. Senators, these construction funds are not for operating expenditures.

Senators, achieving this investment rating is a significant accomplishment for UVI that reflects our institutional maturity and outstanding capabilities. This milestone achievement will *now* require higher funding levels to implement more sophisticated systems and to hire specialized personnel to enhance the University's capabilities to meet increased demands for excellence, accountability, and compliance and auditing requirements mandated by financial markets and federal agencies.

Senators, these are just a few examples of the significant contributions the University of the Virgin Islands continues to make towards the social and economic transformation of the U.S. Virgin Islands. As President, I am proud of the outstanding contributions that UVI – its students, faculty, staff, administrators and Trustees – are making in service to this Community. And, I hasten to add, without equivocation, that the University of the Virgin Islands is a Territorial asset that enhances the economic opportunities within the U.S. Virgin Islands and for its citizens.

Mister Chairman, on behalf of University of the Virgin Islands, I am asking this Committee and the 25th Legislature to *renew its commitment* to help UVI to:

- Train more students;
- Expand its workforce training capacity;
- Establish new degree programs to capitalize on student demand for curricula such as journalism-broadcasting and corporate communications;
- Strengthen its teacher education, business, nursing and information technology programs;
- Enhance institutional capacity in Development, Alumni Affairs, and Public Relations to maximize private sector resources;
- Recruit and retain qualified faculty and staff;
- Maintain UVI's physical plant; and
- Serve the Virgin Islands community more vigorously.

To accomplish these and other operational initiatives, I urge the Legislature and the Executive branch to appropriate \$35.1 million to UVI for Fiscal Year 2004-2005. This request represents the minimum funding level required from the VI Government in support of the University of the Virgin Islands. The details of our request are outlined in your budget package.

I commend the Legislature for its continuing support of the University during these demanding fiscal times. The University again thanks the Legislature for funding the UVI Research and Technology Park. The release of the \$1.5 million appropriated for the Park's start-up operations has provided sufficient working capital that will be used to finance administrative operations for the next two years. The Park Office is now open for business on the St. Croix campus. Thank you for your continuing support.

Last year, as in prior years, I informed this Committee and the Legislature that UVI faculty and staff salaries were woefully non-competitive compared to other Masters level II institutions, particularly in the highly competitive fields of information technology and business. This fact is still true. Until the University can address these salary disparities, the quality of UVI's instructional programs will suffer and employee turnover rates of 35% - 40% will continue. Most importantly, our students will be disadvantaged because the University will not be able to compete for outstanding faculty and staff, in an escalating salary market.

Each year, the VI Government does not fully fund the University's budget request, it exacerbates UVI's efforts to recruit and retain qualified professionals; it adversely affects employee morale; and is a major reason cited by faculty for recent efforts to organize a collective bargaining unit. Senators, I urge you to address this critical issue by funding UVI's budget request.

In this year's request for \$35.1 million, the University is again seeking funds for plant and equipment renewals and replacements to address mounting deferred

maintenance of our aging facilities. With proceeds from our 1999 bond sale, UVI upgraded the overall quality of its classrooms, faculty offices, student dormitories, assembly halls, and faculty residences from *fair* to *good*, and in some facilities to very good. However, the current estimate of deferred maintenance is \$5 - 8 million. Senators, in order for UVI to be competitive, and continue to grow its enrollment, the University's facilities must be comparable to its peers. If not, then more Virgin Islanders will leave the Territory looking for better educational opportunities and facilities. Therefore, I urge the Legislature to fund our deferred maintenance request.

In addition to maintaining adequate program and operational levels, the University is beginning to prepare for its spring 2006 re-accreditation visit by the Middle States Commission of Higher Education, which is critical to the University's future. To earn re-accreditation, UVI must be able to demonstrate that it has successfully met the *Characteristics of Excellence* accreditation standards mandated by Middle States. These standards include evidence of improved institutional accountability, enhanced student learning outcomes, effective teaching, and enhanced institutional performance.

In preparation for re-accreditation, the University will need assistance from a variety of sources to help with program review, process reengineering, and the implementation of systems (both administrative and financial) to meet increasing federal mandates and compliance reporting requirements. The Territory must have an accredited University, and we need additional funding from the VI Government to meet Middle States accreditation standards.

Senators, as you deliberate the budget requirements for Fiscal Year 2004-2005 and make the tough financial decisions that will stimulate the Territory's economic recovery, I am asking you and your colleagues in the Legislature and the Executive branch to fully fund the University of the Virgin Islands' request for \$35.1 million. By supporting our request, you will be affirming the value of UVI to the Territory, and your renewed commitment to build a stronger, more competitive University.

The future prosperity and success of this *Territory* and *its people* depend, in countless ways, on the University of the Virgin Islands – an *institution of place* where we *specialize in futures*.

On behalf of the University of the Virgin Islands – its students, faculty, staff, Trustees, thousands of Alumni, and supporters – I want to thank each of you for the time and attention you have given to our budget request.