



**TESTIMONY OF
PRESIDENT DAVID HALL
UNIVERSITY OF THE VIRGIN ISLANDS**

**BEFORE THE
COMMITTEE ON FINANCE
31ST LEGISLATURE OF THE VIRGIN ISLANDS**

**EARLE B. OTTLEY LEGISLATIVE HALL
ST. THOMAS, U.S. VIRGIN ISLANDS**

AUGUST 24, 2015

Good morning, Chairman Graham and other members of the Committee on Finance, other members of the 31st Legislature present, other testifiers, members of the press, persons in the viewing and listening audiences, ladies and gentlemen. My name is David Hall, President of the University of the Virgin Islands, and it is indeed an honor for me to appear before this distinguished body to present the University's budget request for FY2015-2016 and respond to your questions.

To assist with today's presentation are Dr. Camille McKayle, Provost and Vice President for Academic Affairs; Ms. Shirley Lake-King, CFO and Vice President for Administration and Finance; and Mr. Mitchell Neaves, Vice President for Institutional Advancement. Also present in the audience are members of my Cabinet, key support personnel, Directors of various programs, and Deans of the various Schools and Colleges within the University.

I am pleased to present to you the University's Fiscal Year 2015-2016 budget appropriation request. We are very appreciative of the Legislature's consistent support of the University's past requests and we look forward to your continued support.

ACCOMPLISHMENTS AND HIGHLIGHTS FOR FISCAL YEAR 2014-2015

During the present fiscal year, there have been many significant accomplishments at UVI. Time will not permit me to describe all that our students, faculty and staff have achieved since I was with you last year, but I hope the following examples provide you with some understanding of how we have been good stewards of the precious resources that this body has invested in the University.

Our recruitment efforts and success have been a highlight of the year. Access & Enrollment Services has partnered with Royall & Company, a leading enrollment management consulting firm based in Richmond, VA, to enhance our recruitment, admission, and enrollment efforts. Our tentative results indicate that this partnership has been successful. Compared to the same point in time last year, we have noticed a significant increase of +133% in freshman applications, a +50% increase in freshman acceptances (+338 students), and a +71% increase in deposits from freshman admits (319 freshmen who have deposited versus 187 last year). In regards to new transfers, the number of applications received has increased +20%; the number of acceptances has increased +21% (+38 students); and the number of accepted transfers who have deposited has increased +15%. We will not have final results for a couple of weeks, but we are in a much stronger position this year than last, and last year was a good year for us in regard to freshman recruitment and enrollment.

We are extremely proud that our School of Education received national accreditation from the National Council for Accreditation of Teacher Education (NCATE) this past October. Our Elementary Education Program was also granted approval by its national Specialized Professional Association, the ACEI (Association for Childhood Education International). Our School of Education is also working on acquiring national approval of all programs to include the Early Childhood and Graduate programs. The School of Education developed this year a certificate in English as a Second Language (ESL). Courses developed for this program will be offered in Fall 2015. The ESL certificate will be valuable for pre-service and in-service teachers. The V.I. Board of Education has mandated that teachers of students whose first language is not English must take these courses.

UVI's School of Medicine (UVISOM) submitted accreditation materials and planning self-study documents to the Liaison Committee on Medical Education (LCME) for consideration in November 2014. These documents were submitted to the LCME as background for the medical education program's request to be granted a survey visit to assess the program's readiness for preliminary accreditation. The LCME reviewed the accreditation documents from UVI and voted to authorize a preliminary accreditation survey visit and grant the School of Medicine the status of "candidate school."

UVI hosted a preliminary accreditation survey visit by the LCME on May 31-June 4, 2015. A team of four people representing the LCME examined the School of Medicine educational programs, leadership, facilities and faculty. They also examined and toured the school's clinical affiliates – the Roy L. Schneider Hospital and the East End Medical Center on St. Thomas, and the Juan F. Luis Hospital and the Frederiksted Health Care, Inc. on St. Croix. While in the Territory, Senate President Neville James, Chair of the Senate Committee for Health Hospital and Human Services Senator Kurt Vialet, and leaders from Governor Mapp's administration also had the opportunity to meet with the LCME team. In addition, the site visit team met with close to 60 physicians, PhDs, UVI faculty, staff and administrators. They will submit their report findings to the LCME Board, which meets in October 2015. The granting of the site visit is a significant milestone and brings UVI closer to being the only LCME-accredited English-speaking medical school in the Caribbean.

Consistent with our new strategic plan, "Pathways to Greatness," we have developed our first PhD program. The University's first doctoral degree will be in Creative Leadership for Innovation and Change. The curriculum has been developed and approved by the Graduate Council and presented to the Academic, Research and Student Affairs (ARSA) Committee of the Board. It will be presented this Fall to the faculty and Board of Trustees for their approval. The PhD program seeks to prepare adult learners through extensive study of relevant leadership knowledge, research, and practice.

Based on a Board of Trustees mandate, the University is in the midst of a two-year process of reviewing all existing academic and administrative programs. The UVINext Taskforce is charged with overseeing and implementing the Board approved recommendations aimed at maximizing the efficiencies of the University, prioritizing programs, and generating savings through the elimination, merger or redesign of existing programs so that identified resources can be used for salary increases for staff and faculty.

Our work with young males in the Territory continues, and we secured the participation of Chris Gardner as the featured speaker for the fifth annual Man-Up Male Empowerment Conference. Millionaire entrepreneur, New York Times best-selling author, and philanthropist, Gardner is best known as the subject of the 2006 movie “The Pursuit of Happyness,” starring actor Will Smith. The young men who attend continue to be inspired and we hope that in the near future we can transform the Man-Up program into a Man-Up Academy that works with young males throughout the year.

Due to our tremendous community outreach efforts, the University received the prestigious Community Engagement Classification award from the Carnegie Foundation. This honor is in recognition of excellent alignment among campus mission, culture, leadership, resources, and practices that support exemplary community engagement. UVI is one of only 361 institutions nationwide who have received this designation since the inception of the program. This prestigious designation demonstrates our integrated and sustained commitment to responsive community service, outreach, and partnerships that strengthen the bonds with our community partners to address issues impacting our society and provide meaningful outcomes in our community.

Not wanting to rest on our laurels, UVI implemented two Community Service Days where employees and students had the opportunity to participate in community outreach projects. On St. Thomas, UVI partnered with Family Resource Center and My Brother’s Workshop. On St. Croix, we partnered with the Department of Education and the Queen Louise Home for Children. With the support of several corporate partners and donors, UVI enhanced and beautified the Family Resource Center’s therapeutic serenity garden. With the leadership of My Brother’s Workshop, the UVI volunteer team assisted with painting benches and flower boxes at Addelita Cancryn Junior High School. At the Alexander Henderson Elementary School in Frederiksted, UVI volunteers painted and beautified the school entrance, installed soap dispensers in the restrooms and provided a new refrigerator for the teachers’ lounge. UVI also partnered with Queen Louise Home for Children on a “Backpacks for Success” initiative. Many of our students and employees provided school, educational and related supplies for the children in the Home so that they can start the school year with everything they need to be successful. We were delighted that Senator Violet joined with us in the “Backpack for Success” initiative.

The University was awarded a highly competitive Research Infrastructure Improvement Track-1 grant award of \$20 million from the National Science Foundation's (NSF) Experimental Program to Stimulate Competitive Research (EPSCoR). This grant, which is the largest grant ever received by VI-EPSCoR, will have a significant impact on the development of research, technology and economic development in the U.S. Virgin Islands.

As part of a White House initiative to create a Cybersecurity Workforce Pipeline among Historically Black Colleges and Universities (HBCUs) and strengthen cybersecurity expertise in the nation, UVI was awarded \$1.3 million of a five-year grant from the U.S. Department of Energy’s National Nuclear Security Administration. That will permit us to create summer programs and academic offerings in one of the most critical needs facing this nation.

UVI also received a National Aeronautics and Space Administration (NASA) grant valued at \$2.7M over the course of five years. The award promotes STEM (Science, Technology, Engineering and Mathematics) literacy and enhance and sustain the capability of institutions to perform NASA-related research and education. The goals of the program are to expand the nation's base for aerospace research and development, increase participation by faculty and students at minority serving institutions, and increase the number of undergraduate and graduate degrees in NASA-related fields awarded to students from minority serving institutions. This major accomplishment brings UVI closer to having a vibrant, sustainable, and expanding astrophysics program. This grant will also provide the necessary teaching and research capacity to move ahead with the development of a Bachelor's of Science degree in Physics. These and other grant projects propelled UVI to number 9 among HBCUs in 2013 Research and Development expenditures (as reflected in an August 4, 2015 article at hbcumoney.com).

The University of the Virgin Islands was selected by the Middle States Commission on Higher Education (MSCHE) to participate in a Collaborative Implementation Project. This honor that was bestowed by MSCHE on UVI was the result of the Commission's high level of satisfaction with the manner in which UVI managed the 14 quality standards of higher education by which its institutions are judged. UVI will work closely with MSCHE and play a leadership role in shaping the accreditation standards, helping to prepare for full implementation by all member institutions.

HBCU Money, a publication that ranks HBCUs according to the size of their endowment, placed UVI in the top ten for the first time. UVI's endowment investment returns for this past year was the highest of all HBCUs.

UVI entered into a strategic alliance with the University of St. Martin for the establishment of a UVI Extension Campus in St. Maarten to be known as UVI at USM. Beginning in Fall 2015, UVI will offer degree programs at the bachelor's and master's levels in business and education, respectively. These will be followed in the spring of 2016 with additional programs from the colleges and schools of the University. This initiative will allow the Virgin Islands to become a stronger educational force within the broader Caribbean.

On the Albert A. Sheen Campus, we now have an intercollegiate association league-approved soccer field that can host home games. Our soccer program is achieving great success and we only see it expanding and becoming more competitive in years to come.

As a result of Bill No. 30-0020 sponsored by Senator O'Reilly and passed by the 30th Legislature, UVI was successful in signing an agreement with Learning Counts to address academic credit for prior learning. We believe that this program will attract more students, especially adults who have earned experiences in the workplace that will translate into academic credits. Likewise, as a result of Bill No. 30-0011 sponsored by Senator Nelson, we launched our pilot dual enrollment program with high schools. We had 11 students who enrolled in the Spring, and that number has increased to 20 students this Fall.

UVI held its first annual Hackathon where students competed for cash prizes for developing innovative solutions and creating new products and tools to innovate and improve the Virgin

Islands community and the world. Hackathons are events in which computer programmers, software developers and innovators collaborate on software projects.

The University continues to contribute to the enhancement and professional development of the central government and various governmental agencies. Some examples of this partnership includes the hiring of key University personnel who now serve in critical positions and lead important agencies. We also graduated over 40 public mid-level managers last August from our Certified Public Manager Program, and a new cohort, representing various governmental agencies, was launched this Spring.

As I hope you can see from these accomplishments, UVI is on a pathway to achieving great things for the Virgin Islands. I hope you also appreciate that we have used the resources that this body has entrusted to us in meaningful and productive ways. New and creative programs and initiatives have been launched, because of your leadership and partnership with the University. We certainly still have challenges that must be addressed, yet there is an opportunity for us to build upon and expand this partnership between UVI and the 31st Legislature that will not only help us address these challenges must move us further along this pathway to greatness.

CREATING A HIGHER EDUCATIONAL LEGACY AS WE CREATE A GREAT UNIVERSITY

The University has made enormous strides in the past fifty-three years and we are poised to reach even greater heights. What is key to our success is that we have not reached these critical milestones of success by ourselves. The Legislature of the Virgin Islands and the Executive branch have consistently been our partners and have helped to fuel our dreams of “greatness.” It has become clear to me that the 31st Legislature and Governor Kenneth Mapp can continue this tradition, and will create a higher educational legacy that will surpass other legislative and executive bodies. I say that because of actions you have already undertaken and matters that are presently before you.

First, it is very encouraging that the consistent downward trend in the appropriation to the University has not been continued in the 2015-2016 proposed budget submitted by Governor Kenneth Mapp. This is critical because the University is not able to sustain continuous reductions in our budget at a time after years of staff reductions and other critical services. We hope that this proposed budget becomes a stable floor upon which we can build. Your reaffirmation of the 30th Legislature’s support for the medical school and your decision to increase the funding is a major milestone in this legacy.

The 31st Legislature is already creating its legacy by assisting the University to become a leader in key areas. Working collaboratively with Senator Sanes, the University developed, secured Board approval and is in the process of implementing one of the most comprehensive and progressive sexual misconduct policies. The policy shifts the paradigm from “no means no”, to “yes means yes” or affirmative consent. The policy's definition of consent creates a higher standard, consistent with our peers nationally, and will ultimately make our employees and students free from these unwarranted abuses.

This legacy of which I speak is clearly within your grasp. The 31st Legislature through actions of various members will create this bold statement about the priority of higher education to the future of the Virgin Islands. For years we all have been concerned that there is an Associate program in Nursing on St. Croix, but not a Bachelor degree program. Senator Vialet has taken up this charge and is working with the University to address this concern. Producing more highly qualified nurses is critical to the healthcare and economic needs of the Territory and I hope that the Committee on Education and Workforce Development and this body as a whole will support Bill No. 31-0138.

We have also for years been concerned that our Science and Mathematics majors from St. Croix cannot complete their degrees on the Albert A. Sheen Campus, and we cannot attract St. Thomas students who major in the sciences to come to St. Croix to pursue their studies. We have been working with Senator Vialet to design a plan to offer all of our science and mathematics majors on the Albert A. Sheen Campus. Science and Technology are the future of this economy and the world. We need highly skilled technology-trained graduates throughout the Virgin Islands. With the existence of the Research and Technology Park and the soon-to-be Medical School Simulation Center on our Albert A. Sheen Campus, it is even more critical that we have a vibrant science and mathematics academic program on that campus.

Another critical challenge confronting the Territory and the University is how do we create a pipeline of students interested in technology education. This is the wave of the future, and we must be willing to expand our present offerings and create partnerships with our school systems and industry. The University has been in discussions with Governor Mapp about how we can play a critical role in providing more technical training to citizens of the Virgin Islands. Working with our Research & Technology Park (RTPark), we have developed a tentative draft that has been submitted to the Governor for discussion. Once it is more fully developed, I am sure we will need the support of this body. We are also in conversations with the Virgin Islands Next Generation Network (viNGN) to create a “technology academy” for K-12 students, so that the Virgin Islands will be prepared to usher in a technology economy.

The maritime industry is critical to the economic development of the Virgin Islands. Yet we do not have an academic or technical training program to develop the skilled workforce to sustain the existing maritime needs, and to expand our presence in this field. The University is in discussions with the Northeast Maritime Institute of Massachusetts, Port Authority, the West Indian Company Limited (WICO) and other governmental entities to create a maritime academy in the Virgin Islands. In order for this long overdue program to become a reality, we will need the support of this body.

We are working with Senator Jackson to create stability for, and to expand, our Virgin Islands and Caribbean Cultural Center (VICCC). We were able to start the VICCC based on a grant which will run out this year. This Center has helped to foster a greater sensitivity to Virgin Islands culture and has worked very closely with the Legislature on various cultural projects and programs.

We will also need your assistance, as other agencies will, to address infrastructure needs, especially the multi-purpose center on St. Croix, and salary needs across the University. We understand that all of these challenges and opportunities cannot be addressed at once, but if we work together consistently and creatively, you will set in motion a process that will change the face of this Territory.

A legacy is not a slogan or a plague. We create legacies by making difficult choices based on principles we embrace, which ultimately make a difference in the life of people and a community. Your understanding of the critical importance of education, and especially higher education, to the future of the Virgin Islands, and your willingness to make key investments in the future during a time when the needs are great and the resources are tight, create the atmosphere for legacy creation. I am convinced, based on my interactions and conversations with various members of this body and Governor Mapp, that you are poised to meet this challenge.

FISCAL YEAR 2015-2016 BUDGET REQUEST

The 2016 budget submitted by Governor Kenneth Mapp to this body provides for stable funding for the University in comparison to our present 2015 budget. For this we are very grateful since we realize that there are critical needs within the Territory. It is an important indication that if we want to expand and diversify the economy of the Virgin Islands, then we must invest in education, especially higher education.

There are a few additional requests that we would like to put before you and I know there are others that Senators will be presenting to this body that will enhance the University. The breakdown of the University's FY2015-2016 budget request, as submitted by the Governor, is as follows:

1. General Operating Appropriation	\$23,902,208
2. Debt Service Requirements	3,992,205
3. SBDC Local Matching Requirements	300,000
4. Senior Citizen's Tuition Requirements	87,773
5. Valedictorian and Salutatorian Scholarships	400,966
6. Community Engagement and Lifelong Learning	100,000
7. Green Technology Program	200,000
8. Hotel Management Program	100,000
9. John Brewers Beach Bathhouse Maintenance	15,000
10. University Bound Program	355,901
11. Distinguished Professorship in International Relations & Diplomacy – Ambassador Terence A. Todman	100,000
12. Senior Reserve Officers' Training Corps. (SROTC)	<u>100,000</u>
Total Operating Requirements	<u>\$29,654,053</u>

Except for the addition of the Distinguished Professorship in International Relations & Diplomacy Ambassador Terence A. Todman program which was funded in FY2013-2014 but not in FY2014-2015, our budget request for funding the following programs should remain as the FY2014-2015 level: Debt Service; Small Business Development Center (SBDC) match; Valedictorian and Salutatorian Scholarships; Community Engagement and Lifelong Learning (CELL); Green Technology Program; Hotel Management Program; maintenance of the John Brewers Beach Bathhouse; University Bound Program and the Senior Reserve Officers' Training Corps. (SROTC).

The general operating appropriation of **\$23,902,208** will be used to support salaries and fringe benefits for the University's faculty and staff, books, equipment, supplies, laboratories, professional services, and other expenses of the University. **Appendix I** provides details of the University's Fiscal Year 2014-2015 operating budget inclusive of revenues and expenditures as of July 31, 2015.

We are seeking a \$75,000 increase for our Senior Citizens Tuition Assistance Fund. There has been a substantial increase in the number of senior citizens who take advantage of this opportunity and therefore the Fund has exceeded its capacity. We need additional support to avoid turning away senior citizens who want to pursue higher education. We are also seeking \$100,000 for the Virgin Islands and Caribbean Cultural Center (VICCC) to ensure the continuing existence and expansion of the VICCC, which has become a vital resource for cultural preservation at the University and throughout the Territory. In addition, the increased debt service for the Medical School Simulation Center from the Internal Revenue Matching Fund should be transferred to our debt service line in the annual appropriation to the University at the appropriate time.

We are honored that the 30th Legislature allocated one-time funding for us to establish a Distinguished Professorship in International Relations and Diplomacy that enshrines the legacy and work of the Honorable Ambassador Terence A. Todman. A search is presently underway to fill this position. However, this body needs to place the \$100,000 into our recurring budget or the person we hire to ensure that this legacy program is established will only be with us for one year. That would be a great disservice to a truly honorable Virgin Islander.

Though I realize it would be difficult to fund, I want to remind you of the request we have placed before this body for the last few years in regards to the Multi-Purpose Facility on the Albert A. Sheen Campus on St. Croix. We estimate that we need an additional \$600,000 in our debt service line. As I mentioned at last year's hearing, a multi-purpose facility would not only attract sporting events and activities to St. Croix but could also host conferences and other similar large events, and thus contribute to the economic development of the island. Furthermore, our commencement ceremony, Man-Up male empowerment conference, Red Ribbon Week program and other activities that attract thousands of students and others to our campus are forced to be held outdoors because there is no indoor facility that can accommodate these events on campus.

We ask that you approve funding for all of the requests that the Governor and the University have now placed before you, because in so doing you will permit the University of the Virgin Islands to carry out its mission and empower you to create a higher education legacy that will live on long after you leave this august body.

In Conclusion,

I thank you for the support you have already provided to the University of the Virgin Islands and for providing me with the opportunity to share my thoughts, concerns and the accomplishments of this special University. I look forward to working closely with you to further create a great University of which each of you would be justly proud. I look forward to your questions and discussions.

Thank You.

University of the Virgin Islands

UNIVERSITY OF THE VIRGIN ISLANDS		
APPROVED OPERATING BUDGET		
FISCAL YEAR 2014--2015		
REVENUES	Budget	Actual as of 07.31.15
Tuition & Fees	\$13,474,684	\$10,776,354
Appropriations	\$24,503,311	\$18,145,587
Government Grants & Contracts	\$970,000	\$980,627
Private Grants & Contracts	\$1,040,447	\$2,247,130
Investments	\$250,000	\$7,267
Sales & Services Education	\$4,000	\$7,488
Sales & Services Auxiliary	\$6,357,948	\$5,152,611
Other Revenues	\$304,252	\$151,443
Total Revenues	\$46,904,642	\$37,468,507
EXPENDITURES	Budget	Actual as of 07.31.15
Instruction	\$12,070,539	\$10,302,795
Research	\$655,572	\$493,506
Public Service	\$924,885	\$644,787
Academic Support	\$3,499,867	\$2,459,489
Student Services	\$3,703,246	\$2,871,125
Institutional Support	\$11,129,733	\$9,814,366
Operations/Maintenance of Plant	\$6,646,701	\$5,902,445
Student Aid	\$534,650	\$360,695
Auxiliary Enterprises	\$6,590,094	\$4,952,599
Transfers	\$1,149,355	\$56,246
Total Expenditures & Transfers	\$46,904,642	\$37,858,053
Net Operating Position	\$0	-\$389,545