



**RHODE ISLAND BOARD OF GOVERNORS FOR HIGHER EDUCATION**

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A regular meeting of the Rhode Island Board of Governors for Higher Education was held on Friday, October 15, 2010, at the University of Rhode Island, Ryan Center, Kingston, Rhode Island. Vice Chair Michael Ryan declared a quorum present and called the meeting to order at 5:14 p.m.

**Present:** Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

**Absent:** Frank Caprio, Solomon A. Solomon, Joseph Hagan

**1. ACCEPTANCE OF THE AGENDA**

On a motion duly made by Thomas Rockett and seconded by Pierre LaPerriere it was

**VOTED:** That the Board of Governors for Higher Education accept the revised agenda for the meeting of October 15, 2010.

Vote: 8 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

NAYS: 0

**2. APPROVAL OF MINUTES**

On a motion duly made by Daniel Ryan and seconded by Thomas Rockett it was

**VOTED:** That the Board of Governors for Higher Education approve the minutes of the August 30, 2010 meeting.

Vote: 8 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

NAYS: 0

**3. COMMUNICATIONS/ANNOUNCEMENTS**

None.

**4. REPORT OF THE CHAIR**

Vice Chair Ryan thanked everyone for their presence. He noted the absence of Governor Solomon and added that this was the first meeting Governor Solomon has ever missed for as long as he has been on the Board. Governor Solomon's sister passed away earlier in the week. Governor Solomon wanted everyone to know that he appreciates all the good wishes that have come his way and apologized for not being here.

Vice Chair Ryan thanked the University and President Dooley for their hospitality this evening.

**5. OPEN FORUM**

No one signed up for open forum.

**6. REPORT OF THE COMMISSIONER**

Commissioner Di Pasquale began his report with what he feels is the most serious issue before the Board, the review and approval of the FY 2012 budget. The Office of Higher Education has communicated with the State Budget Office about the fact that the budget submission report was due on October 1<sup>st</sup>. They have agreed to receive the budget after the review and consideration of the vote this evening. It is important to know that two budget scenarios are being submitted, the traditional CSL (Current Service Level) budget as well as the target scenario budget that was requested by State Budget Office which calls for a 15% reduction. Commissioner Di Pasquale has asked each president to give a report about what that 15% reduction would mean for their budgets. In addition, he also asked the presidents to talk about enrollment in relationship to budgetary issues, tuition increases, and all of the factors that go into the budget issues that are being presented this evening.

The proposed CSL budget is being recommended for approval this evening. This budget is approximately \$29 million above the current year's enacted budget for FY 2011. As the Board is aware, and the Commissioner stated, the State has consistently reduced funding for higher education since 2007. At that time, higher education's appropriation was \$182.3 million. Since then, state appropriations for higher education have fallen to \$141.9 million, a decline of just over \$40 million or 23% over the last five years.

Meanwhile, as state support has declined, student enrollment has increased by more than ten percent, approximately 5,000 students. Tuition and fee increases are what has kept higher education together.

This evening's budget discussion assumes an enrollment growth of 1.5%. It also assumes no tuition and fee increase for the academic year beginning 2012. With the exception of a few fee increases, this will be the first time in many years that there is no recommendation for a tuition and fee increase.

The Commissioner pointed out the supplemental handout that Dr. Susan LaPanne will introduce for the budget presentation. These handouts include budget comparisons for several years.

In addition, at the request of the Facilities and Finance & Management Committees, the Board will be asked to vote on the sale of a land parcel at the URI Bay Campus. There will also be updates on the higher education bond referendum package.

Lastly, the Commissioner called everyone's attention to a new publication of the Office of Higher Education entitled *College People*. This publication focuses on a number of famous people, highlighting where they went to college, what they studied in college, and how using their education has helped them in their careers. The publication will be used by OHE in their visits to middle schools and high schools around the state.

## 7. NEW BUSINESS

### a. Adoption of Revised Resolution Regarding URI's Facility Clearance

President Dooley indicated that the work the University of Rhode Island does with the Naval Undersea Warfare Center with a number of its faculty and research staff requires the possession of security clearances in order for the University to be a partner with that organization. The normal clearance procedure would require the Board of Governors to go through the security process. However, the alternative would be for the Board to delegate that responsibility to the administration at the University of Rhode Island. This will require Dr. Dooley and others who will be directly involved to go through the security clearance process, and the University would thereafter assume that responsibility on behalf of the Board.

On a motion duly made by Pierre LaPerriere and seconded by Brandon Brown it was

<b>VOTED:</b>	That	the Board of Governors adopts the revised resolution which delegates authority over user agency contracts to a managerial team at the University of Rhode Island.
	Vote:	8 members voted in the affirmative and 0 members voted in the negative as follows:
	YEAS:	Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown
	NAYS:	0

**8. [Agenda Item No. 11b]**

11b. FY 2012 Budget Updates for URI, RIC and CCRI

Dr. Dooley indicated that this particular targeted reduction comes on at the end of a prolonged period of declining state support that has been offset only in part by tuition increases. At the University there are a number of positions that have been vacant for a number of years as a cost cutting measure. A number of other things have been done over those years as well, in order to reduce expenditures and keep our budget balanced during this period of declining state support. As shown on the handout provided by Dr. LaPanne, the difference between the targeted budget and the current services level budget would be a \$22 million reduction to the University's budget if that was not offset by tuition increases. Dr. Dooley provided examples of what those reductions would compare to:

- Compensation and fringe benefits for 250 employees
- The entire utilities budget (gas, electric, etc.)
- Equivalent of all the student aid awarded to RI students
- Entire budgets of three to four of the University's colleges

He believes that it is quite impossible to prepare a reasonable budget for the University at the targeted level. At this time, the University is unable to come up with any type of scenario for a \$22.5 million shortfall. Dr. Dooley commented that if this proposal was brought to the table as a 15% reduction five years ago, when URI received approximately \$80 million dollars from the State, it may have been a manageable proposition but not now. With the current budget, the University receives sufficient state funding to educate roughly 4,400 Rhode Island students. The University has 7,700 Rhode Island undergraduate students, 8,500 counting the graduate students. The University has seen a significant increase in the number of Rhode Island students enrolled in 2010 compared to 2007, the same time that funding by the State has been reduced by approximately \$26 million.

Dr. Carriuolo began with the FY 2012 current service level request and indicated that the changes from FY 2011 are basically quite modest in nature due to the inclusion of a 3% COLA for non-classified staff as well as for potential wage/salary increases associated with collective bargaining agreements. An additional 17 FTEs for new faculty are also included. Given the growth of the College over the last few years and the relatively limited resources that it has had, the overall budget increase simply represents the College's plan to maintain existing programming at a quality level without increases in tuition or fees.

As for the FY 2012 target submission of the 15% reduction in state appropriation, it would be roughly \$11.5 million for the College. This coupled with no tuition and fee increases would prompt reductions in personnel services, which have already been reduced significantly over the last couple of years. In turn, this would potentially affect the number of students the College would be able to serve. A funding reduction of this magnitude would disrupt the organization both in the long and short term. Holding tuition and fees and state support constant is important because a flat cost of attendance might encourage students to enroll, to stay in college and to join the educated labor pool. The effect of increased tuition and diminishing state appropriation will result in a downward spiral from which state public higher education might never recover. A reduction in state appropriation and an increase in tuition to fill the gap would truly cause many of RIC's students, many of whom work 2 or 3 jobs to pay their tuition and fees, to either drop out or stop out. Fewer enrolled students will in turn generate less revenue and additional budget increases will be required. If this phenomenon continued for several years and resulted in the continuing downward spiral it would potentially harm a whole generation of students. Any

severe reduction in state appropriation represents a danger not only to Rhode Island College but to the overall state of higher education in Rhode Island. While the public colleges and universities have been charged with increasing the number of Rhode Island citizens with a bachelor's degree, this kind of reduction in state appropriation will actually decrease the numbers who enroll and stay enrolled to the point of getting a degree. In addition, it would negatively affect those students at CCRI who aspire to transfer to RIC to complete their baccalaureate education as well as those who hope to pursue graduate programs at URI. As we have seen, reduction in state appropriation also prevents the institutions from participating in federal funding through a lack of maintenance of effort. Loss of potential federal dollars simply sends the institution into more of a tail spin.

Lastly, the New England Association of Schools and Colleges will visit Rhode Island College for its comprehensive ten year accreditation next October. If at that time the College is in a budget crisis, the College's accreditation status could be in jeopardy, and again this could further hasten a downward spiral that we all want to avoid for the sake of the students.

President Di Pasquale gave the Board a sense of the Community College's standing in terms of how much of the College's budget is dependent on tuition and fees. The national average for a two year or four year public college in tuition and fee dependency for providing revenue is roughly 36%. For the Community College roughly 53% of the budget comes from tuition and fees, from the burden of students. Tuition growth throughout the nation has been approximately 6% for colleges. For CCRI, tuition increases have gone up 98%. The Community College has increased our enrollment by more than 2,100 students while state appropriation continues to go down. The impact of the 2012 budget would mean \$5.4 million less than the current fiscal year. The state target funding of \$37 million would be equivalent to what it was 10 years ago. He asked the Board to consider the result of this: 2,100 additional students, a fourth campus (Newport) and funding at the level it was ten years ago. The College has also been cut 50 FTE positions which remain vacant.

In addition, President Di Pasquale indicated that the impact would touch everything including contract negotiations, fringe benefits, academic programs and facilities. This budget does not address the issues faced by CCRI, including the extremely serious issues it faces with its facilities. The bottom line for the College is that its burden would hurt everything from the amount of courses we can offer, the availability of faculty and staff, the availability to recruit, and the ability to keep the level of quality at the same level that it has been. At this level, we would have to accept fewer students. This year, the College had to turn away over 2,000 students for their inability to pay. Also, for the first time, we found that more students are taking part-time courses than ever before. When we began to look into the increase in part-time students, we began to see the College was not able to offer all of the classes in which the students wanted to enroll. The seriousness of these cuts is significant. When you add the possible \$18 million cut to the \$40 million already cut from the system, you would be looking at a \$58 million cut in 5 years. Any further reduction in state support would also impact the ability of the students to transfer. President Di Pasquale also reiterated Dr. Dooley's notation that the State is 48<sup>th</sup> in the nation for funding.

President Di Pasquale acknowledged that the Board has a very difficult task of passing a budget that clearly impacts the quality of education for all of our three public institutions. He thanked Vice Chair Ryan and all present for their time.

Vice Chair Ryan opened the discussion for questions.

Governor Flanders inquired whether the deficit shown on the Current Service Level/Target Level budget coversheet should be compared, in terms of the total budget, to the total system budget.

Associate Commissioner LaPanne responded that yes, it is the total budget.

According to Governor Flanders' calculations, if the target level budget were enacted, the deficit for URI would be roughly 3% of the total budget; the deficit for RIC would be roughly 8%; and the deficit for CCRI would be roughly 10% of their total system budget. He commented that it is interesting to note that the target level budget has different impacts on the three institutions depending on their overall budget. It appears that as severe as it is for all of them, it is most severe at CCRI.

Governor LaPerriere added that he was puzzled at the disproportionate investment between the K-12 system and the higher education system, and wondered what accounts for that difference, besides the funding mechanism. Why the difference in priorities?

Dr. Dooley provided his thoughts on this issue. He noted that the analysis is one not unusual in the sense that when looking nationally, you see that in state after state there is a systematic disinvestment in public higher education by state government. Although there are many different factors, one common theme that has emerged from those who have looked at this, is the increasing tendency of state government to look upon higher education as a more discretionary part of the state budget than it looks upon health and human services or K-12 education. State legislators look at the higher education budget and know that if they reduce state support, the institutions have another revenue stream available to them that other parts of state government do not have. They can pass along these reductions directly to the students and their families in the form of increases in tuition and fees. In this regard, Rhode Island is close to leading the nation. The fact is that state revenues have been tightly squeezed by the growth in many mandatory programs, particularly soaring contributions towards health care. Under those circumstances, increases in health care costs and other essential human services, particularly public safety, incarceration and prison expenses have been looked at as absolute necessities, and state support for higher education has been looked at as something that is more discretionary.

President Di Pasquale echoed Dr. Dooley's comments. He added that every time higher education goes before the legislators, they clearly know that the institutions are able to raise tuition, and as seen by the impact, tuition has been raised every year. As an example, President Di Pasquale noted that if the College is to cover this year the amount that is suggested they be cut, it would cost the Community College students another \$500. The students clearly could not afford it. The impact is going to be tremendous. If we continue to raise tuition, enrollment is going to go down. If we are not putting the money into our facilities and our academic programs word begins to get out and it will affect our ability to attract students going forward. We need to be very careful to protect that for the future of our institutions.

Vice Chair Ryan joined the discussion pointing out that higher education has raised tuition every year. They have tried to be judicious about it, but is now at a tipping point. As a Board, he felt a statement needs to be made. Tonight's vote is really a statement, and a plea. The institutions are at a point now where they cannot continue to cut and at the same time raise tuition and fees for the students for the very reasons the Presidents have laid out. Vice Chair Ryan is hopeful that the Board will support the Current Service Level budget in this evening's vote, and send a message to all involved. If the investments are not made now, higher education's economic shape will continue to worsen.

**9. [Agenda Item No. 8]**

**BOG COMMITTEE REPORTS and RELATED CONSENT AGENDA**

**a. Finance**

**1. Approval of the Unrestricted and Restricted Budget Requests, Tuition and Fee Rates, and Tables of Organization for FY 2012; Budget Estimate for FY 2013; and the Unrestricted and Restricted Budget Allocations for FY 2011**

Vice Chair Ryan stated that the System of Higher Education’s budget request for the 2012 fiscal year includes the FY 2011 allocation along with the budget projection for FY 2013. The FY 2006 Appropriation Act delineated the state appropriation funding by institution for Higher Education. However, the Board still maintains the authority and responsibility to produce a system budget request, make funding recommendations, and establish tuition and fee rates.

There are two budget scenarios requested by the State Budget Office. The FY 2012 budget package presents a Current Service Level (CSL) request which is recommended for Board approval. This budget is \$29.1 million above the current year’s enacted budget for 2011. Traditionally, it is the Current Service Level budget that the Finance Committee reviews and recommends to the Board for final approval by the Board of Governors. However, an FY 2012 budget target (15% decrease in state appropriation from current fiscal year) has also been compiled with the guidelines directed by the State Budget Office. The FY 2012 state appropriation Target Request of \$125 million (net of GO debt service of \$19.5 million) is \$18.8 million less than the current year’s enacted budget of \$144 million. It is important to note that this scenario reflects significant deficits by each institution for the first time in our history.

As you are aware, the State has consistently reduced funding to higher education since FY 2007. The decline in support since FY 2007 is as follows:

	State Appropriation (net of GO Debt)	Reduction in State Support	% Decline
FY 2008	\$ 174,971,682	\$ (7,371,862)	-4.0%
FY 2009	\$ 153,507,791	\$ (21,463,891)	-12.3%
FY 2010	\$143,814,089	\$ (9,693,702)	-6.3%
FY 2011	\$141,870,726	\$ (1,943,363)	-1.4%
Total four year reduction		\$ (40,472,818)	-23.1%

The Board has consistently pursued its mission of maintaining the balance of providing an affordable public education as the state support of the System has sharply declined over the past four years. Tuition and fee increases have been necessary in order to continue to provide the excellent education that Rhode Islanders deserve even with declining state support. The tuition and fee increases over the past four years have averaged as follows:

	URI	RIC	CCRI
FY 2008	6.0%	6.0%	6.0%
FY 2009	9.1%	13.6%	15.6%
FY 2010	6.7%	5.8%	2.6%
FY 2011	9.9%	9.0%	8.2%

However, at the direction of the Board, the institutions have compiled budget scenarios for FY 2012 that include no increases in tuition and very nominal and specific increases in fees as follows:

At the University of Rhode Island, an \$80 increase for a New Technology Fee.

The Community College of Rhode Island is requesting the following:

- A new commuter parking fee of \$24 annually beginning in the spring semester 2011 which will assist in funding the re-establishment of the discounted RIPTA fare program along with the improvement of parking systems on each campus.
- An increase in the Applied Music fee from \$175 to \$350 to cover costs relative to one-on-one instructor time.
- An increase in the fee for the Comprehensive Review program required of registered nursing students. The fee is directly charged back to the students and will increase from \$84 to \$93 effective spring semester 2011.
- An amendment to the Summer Session fee structure to only charge on a per credit basis as do the other institutions. The Summer Session discounted rates would be \$145 for in-state students, \$218 for Metropolitan students and \$431 for out-of-state students.

This budget assumes enrollment growth of 1.5% system wide. However, the target scenario required by the State Budget Office requires a reduction of an additional \$18.8 million for FY 2012. Further reductions made to the institutions' budgets cannot be achieved without devastating results for the students and the institutions. As state support has declined by 23% over the past four years, student enrollment has increased by 10%. Further tuition and fee increases to fill the gap created by deteriorating state support will be an additional burden on students already struggling under difficult current economic conditions.

The System is at a crossroads in trying to balance the budget under these parameters while continuing to provide a public higher education that is both affordable and accessible. The FY 2012 Target Budget scenario being submitted to the State Budget Office clearly depicts the effect of a further significant reduction in state support. This combined with the Board's goal to avoid further tuition and fee increases for FY 2012 translates to a \$46 million deficit for the System which will have a devastating impact on the institutions. This is the first time in history that higher education has submitted a budget to the Governor that is not balanced.

However, the FY 2012 CSL budget that is recommended for approval by the Facilities and Finance & Management Committees requires a significant increase in state support. Even at this requested level, the State will be supporting less than one-third of the system's general and educational budget. State support of our public higher education system is critical to the Board's mission that is "designed to improve the overall educational attainment of Rhode Islanders and thereby enrich the intellectual, economic, social and cultural life of its state, its residents and its communities."

The FY 2012 Restricted Budget Request includes the RI Capital Fund, auxiliaries, research, federal and financial aid, and totals \$441.6 million, an increase of \$3.3 million or 0.7%. System-wide this includes increases in sponsored research of \$7.4 million and external student aid of \$13.1 million. No funding is allocated in FY 2012 for federal stabilization funds as that program concluded in FY 2011.

The FY 2011 allocations submitted by all institutions is based upon the FY 2011 enacted state appropriation and is reflective of updated enrollment information.

Further detailed System information and individual institutional information is included in the budget package presented to the Facilities and Finance and Management Committees and forwarded to all Board members.

At the request of Vice Chair Ryan, Associate Commissioner Susan LaPanne provided a page by page overview of the six-page supplemental handout she distributed to the Board containing additional information on prior year budgets:

Pages 1 & 2 The FY 2012 budget package presents a Current Service Level (CSL) request which is recommended for Board approval. This budget is \$29.1M above the current year's enacted budget for 2011.

The chart shows the full budget which includes:

- State appropriations
- Total unrestricted and
- Total restricted budgets
- Overall budgets for the system - \$1.027B

Also included in the FY 2012 Budget Target (15% state appropriation reduction from current fiscal year) compiled within the guidelines directed by the State Budget Office.

The FY 2012 state appropriation Target Request of \$125 million (net of GO debt service of \$19.5 million) is \$18.8 million less than the current year's enacted budget of \$144 million (net of GO debt service of \$19.5 million).

Page 3 Comparison of FY 2011 Budget with the prior year demonstrating the reduction in the annual appropriation from its 2007 level to its FY 2011 level – with a decrease in the annual appropriation of \$40,472,818.

The charts express this decrease as a function of the absolute dollars and as a function of FTE students.

This is a more dramatic downturn as the enrollment has increased by 10% in the same period in which the state appropriation has decreased by 23.1%, giving this reduction a net of 29.1%.

Page 4 These charts show the reductions of the state appropriation to the individual institutions.

Page 5 These charts restate the decline in state appropriations by FTE student for each institution individually.

Page 6 This chart addresses the issue of the perception that our budgets are “ever increasing” over prior years.

Associate Commissioner LaPanne explained that while the reports provided to the Finance & Management Committee and then to the Board always measure the CSL budget as an increase over a currently enacted budget, the reality is that the budget requests have also needed to be reduced as the appropriations are reduced.

On a motion duly made by Daniel Ryan and seconded by the entire Board it was

**VOTED:** That the Board of Governors approves the Public Higher Education System’s budget request for FY 2012 as presented, and further

That the Board of Governors approves the Public Higher Education System’s tuition, mandatory fees, and auxiliary enterprise fees for FY 2012 fiscal year as presented, and further

That the Board of Governors approves the Public Higher Education System’s Tables of Organization for 2012 as presented, and further

That the Board of Governors approves the Public Higher Education System’s budget allocation for FY 2012 as presented.

Vote: 8 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

NAYS: 0

**b. Facilities**

**1. Approval of the Sale of a Land Parcel to DeWAL Industries in Narragansett**

Item 8b1 was presented by Vice Chair Michael Ryan.

The subject parcel of this proposed transaction is a portion of Lot 6-A, Plat NC within the South Ferry Industrial Park in the Town of Narragansett. It was obtained by the Board of Governors from the former South Ferry Industrial Development Corporation (SFIDC) in 1969. The 34,000-square-foot portion of the Board’s 20.8-acre undeveloped lot is not useable or developable by the University.

However, it is uniquely suitable and of value to DeWAL Industries, a manufacturer of thin films and special tapes. DeWAL employs over 150 people at its South Ferry Industrial Park location and is in need of additional parking for its expanded production facilities and its growing workforce.

A recent appraisal obtained by the University has set a value of \$65,000 for the lot. Both parties have agreed to this price along with additional conditions, contained in attachments sent to the Board prior to the Facilities Committee meeting. Those attachments also included a copy of the appraisal along with images of the parcel's location as well as a draft Purchase and Sale Agreement.

On a motion duly made by Pierre LaPerriere and seconded by Robert Flanders, Jr. it was

**VOTED:** That the Board of Governors for Higher Education approves the proposed sale of the land parcel to DeWAL Industries in Narragansett, Rhode Island subject to review and approval by the Board's Legal Counsel as well as the State Properties Committee thereafter.

Vote: 8 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

NAYS: 0

## 10. [Agenda Item No. 9]

### ADDITIONAL CONSENT AGENDA

#### a. Request of the Personnel Review Committee

Anne Marie Coleman, Director of Labor Relations, presented the Personnel Review Committee's three recommendations.

At Rhode Island College, there is a request for a change in a job description/educational qualification and a request to establish a new classification for a third party funded position which has been established for one year and is contingent upon additional funding.

After a reorganization within the Division of Research and Economic Development, the University is requesting an upgrade in compensation in a research position to reflect the original agreement.

On a motion moved by Pierre LaPerriere and seconded by Brandon Brown and Kathryn Belliveau it was

**VOTED:  
(Item 9a)**

That

the Board of Governors for Higher Education approves the Personnel Review Committee's recommendations as follows:

**At Rhode Island College:**

1. **Change in Educational Requirement Qualifications for Dean, Office of Professional Studies and Continuing Education from a "Ph.D. or Ed.D." to a "Master's degree in an appropriate discipline" (BOG, Grade 20)**
2. **Establish a new classification, Orientation and Mobility Instructor for Children who are Blind or Visually Impaired, (BOG, Grade 9) (\$40,000 - \$50,000)**

**At the University of Rhode Island:**

- **Change in Title, Job Description and Grade: Director, Sponsored Research, Office of Sponsored Projects (OSP) (PSA, grade 14) to Director, Sponsored Projects, Office of Sponsored Projects (OSP) (PSA, grade 16).**

Vote: 8 members voted in the affirmative, and 0 members voted in the negative as follows:

YEAS: Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

NAYS: 0

**11. [Agenda Item No. 10]**

**PRESIDENTS' REPORTS**

**a. Community College of Rhode Island**

President Di Pasquale included in his enrollment report (Item 11 under Unfinished Business) with his presidential report. He advised that final enrollment for the Community College this year was 17,775 total students, comprised of roughly 35% full-time and 65% part-time. Again, the Community College has begun to see a trend in more part-timers and is researching its impact.

With respect to distance learning courses, President Di Pasquale reported that there has been an increase of 16%. There seems to be a strong trend toward "the more courses being offered, the more students want to take them."

The majority of the students, 96%, come from Rhode Island. There was also a significant increase in minority population to 26%. It is important to note that each campus has significant enrollments: Lincoln - 6,221; Providence - 3,672; Warwick - 8,343 and Newport - 1,761.

The impact of the increased enrollment continues to bode well for the Community College. Even with these tough economic times, students continue to enroll. The ability for the Community College to maintain that level of enrollment will be tested by the budget.

Lastly, President Di Pasquale made a few announcements:

With the retirement of Dennis Moore, Mr. Richard Coren has been hired as the new Director of Marketing and Communications. Mr. Coren will be formally introduced at the next Board meeting.

Finally, the Community College is part of the vets success pilot program, one of eight in the nation. This gives GI's an opportunity to have a home base to come to get veteran services for the future. CCRI is very proud to be a part of the program.

#### **b. University of Rhode Island**

President Dooley also included an enrollment update in his report. He noted that research at URI has reached high levels. He added that this is very important for the state's economic development. This kind of activity ultimately generates new intellectual property, and when transferred to the private sector it can generate new businesses and new employers.

As part of the work that the University has done with respect to the campaign for "Yes on 2," the University has learned some important things on what Rhode Island voters think:

- 76% believe that higher education is important to creating jobs;
- 66% believe that higher education is important to economic recovery;
- 74% believe that higher education is very important to supporting local industries and businesses; and
- 76% believe that higher education is very important to keeping educated young people from leaving Rhode Island.

President Dooley feels that this data suggests that there is a pretty broad understanding across Rhode Island that higher education is in fact critical to the state's future; that it is vitally important to creating/recreating a new economy for Rhode Island; and that higher education is essential to providing the kind of future opportunities for young people in the state that they are so actively seeking.

This good news shows that the work of the University is highly valued by the people of Rhode Island. Despite the reduction in state support that has occurred, the institutions have done a superb job during these times of maintaining quality and providing the kind of education that is vitally important.

President Dooley stated that the future with even more dramatic cuts is what is problematic. He feels the University and the other institutions have served the state very well. This is also reflected in the University's enrollment. This year the University will have the

second highest enrollment ever, 16,294 students. There are about 150 more Rhode Island students as of this year compared to last year. The University has 244 more students of color, and has increased the percentage of students of color from 14.5 to 16%. Currently, over ten thousand of the University's students are Rhode Islanders, about 63%.

**c. Rhode Island College**

President Carriuolo provided the Board with a short version of her written report.

She was pleased to report that the College has been getting some help from friends at other institutions:

- NEIT's President graciously agreed to President Carriuolo's request that they design, engineer and construct a new bus shelter for RIC. Three different classes of NEIT students will be working on the project.
- Roger Williams University has assigned one of their architects to donate time to designing the interior renovation of the Yellow Cottage on campus for classroom use.
- Bob DiMuccio, President of Amica, has offered his Director of Facilities to provide RIC with some professional development on best tips for maintaining facilities.

President Carriuolo has reviewed the system vision plan with the VP's and with the executive committee of the College's Council. They had a few small suggestions, which she will share with the Commissioner.

The College held a "green-up clean up" day on September 25<sup>th</sup>. The event attracted over 100 people and was very successful.

The previous week, the College held a conference on the topic of using the radio to bring peace to Guinea – Bissau, a Portuguese-speaking nation. The conference was attended by the former first lady of Portugal, Dr. Soares, who is now head of a foundation.

The College's homecoming was a big success, over 1,300 alums participated in various events.

President Carriuolo provided the Board with an update on the College's enrollment. She stated that enrollment continues to be at record levels. The current FTE enrollment is at the second highest level at the College's 156 year history. There are 7,196 full-time students, 12% higher than 10 years ago. Last year was the all time high at RIC, but the College had some difficulty maintaining that level of students due to the fact that there were not enough class sessions. President Carriuolo indicated that she approached the faculty union to relax contractual size limits for the year, which they agreed to do. There was also a shortage of class capacity, classrooms, general education sections, advisors, and tutors. The College also added an additional parking lot.

In anticipation of the State fiscal constraints deepening for this year, the College planned accordingly to avoid accepting more students than can be provided with a high quality experience. The college intentionally planned a slightly smaller incoming class and was able to

slightly reduce enrollment by just less than one percent, a total of only 66 students. This reduction gave the College the relief needed in terms of coming back in compliance with the Union contracts.

President Carriuolo stated that the College continues to serve Rhode Island. Eighty-eight percent of the total enrollment are Rhode Islanders, compared to 91% ten years ago. The College is slightly more geographically diverse today because of the Board's approval in 2008 of the Metropolitan Tuition Plan and the 2007 opening of the residence hall. There is greater diversity among the undergraduates, 19% self-identified as racial or ethnic minorities, where ten years ago it was 11%. The College has seen a significant increase in undergraduate degree program enrollment. In the past ten years, enrollment in degree programs increased from 92% of the undergraduate total to 95% today. This increase represents 934 more undergraduate degree students enrolled this year than ten years ago.

As a special note, President Carriuolo stated that ten years ago in FY 2002, the state appropriation for Rhode Island College was just under \$44 million. This year, FY 2011, the College's appropriation is \$6 million less.

Governor Flanders noted that in the past in response to dwindling state appropriations, there have been increases in enrollment. He asked the Presidents how close their institutions are to capacity and how viable is that option this time given where the institutions are? Is it possible to increase enrollment further without incurring the additional expenses that you have to do so to get there? Is increasing enrollment still an option to deal with the dwindling state appropriation?

As for the University of Rhode Island, Dr. Dooley indicated that he does not believe that significant increases in enrollment above the current level of around 16,300 would be advisable. He does not feel that it would be possible to significantly increase enrollment and continue to provide the quality education that the students need in order to be successful and competitive in the 21<sup>st</sup> Century environment where they will be asked to work and to live. On the contrary, there may be some parts of the University where enrollment growth can occur at modest levels while maintaining quality or even enhancing quality. Over the next few years, the University may be looking to expand the number of graduate students in selected programs. It may seek to add more international students as part of a very desirable and very strategic priority to globalize and internationalize the experience at the University in order to provide a higher quality of education for all of the students. Beyond seeking diversity, enhancements, etc., the University does not envision that significant enrollment growth would be in the best interest of the education that we offer for the students. Without dramatic new enhancements to facilities and growth in the faculty, which are very expensive propositions, the University cannot grow undergraduate or graduate enrollment substantially beyond where they are now without compromising quality.

Dr. Carriuolo addressed increasing enrollment in part of her presidential report. She added that the College's facilities are so constrained that without a renovation and at least an expansion of some of the facilities, she does not believe the College would be able to increase enrollment.

President Di Pasquale responded that other than the Newport Campus which still may have some room for growth, the other three campuses do not have the ability to increase enrollment.

**12. [Agenda Item No. 11]**

**UNFINISHED BUSINESS**

a. Bond Referendum Update

Associate Commissioner Steven Maurano provided the Board with an update on "Question 2." The University conducted a poll where individuals were asked whether they were planning on supporting "Question 2." The first time the question was asked without any further information, 60% of the respondents stated they would be voting in favor or were leaning toward voting in favor. After information was provided about the projects that are contained in the question, the percentage increased to about 66%.

The University has been taking the lead in the "Question 2" campaign statewide. All of the information indicated that the chemistry building was a stronger sell with voters because of the immediate connection with jobs. The College is also active in the campaign and is focusing on their constituencies, their faculty, staff, students, alumni and the arts community.

We are optimistic that people understand the need to support public higher education because of what it means for the state. The voters in the state have been very generous in supporting virtually every higher education bond referendum, and we are very hopeful that they will continue to support this one as well.

b. See No. 8

c. Academic Year 2010-2011 Enrollment Updates for URI, RIC and CCRI

Enrollment updates for all three institutions were provided by the Presidents as a part of their reports.

**13. [Agenda Item No. 12]**

**EXECUTIVE SESSION**

Vice Chair Ryan indicated that he would entertain a motion to enter into executive session to discuss an update on pending litigation and collective bargaining, pursuant to R.I.G.L. §42-46-5(a)(2), and to receive a report from the Personnel Committee on annual evaluations and to discuss the Contract Renewal Evaluation of President Nancy Carriuolo pursuant to R.I.G.L. §42-46-5(a)(1);

On a motion duly made by Kathrin Belliveau and seconded by Brandon Brown it was

**VOTED:** That the Board of Governors for Higher Education convene in executive session pursuant to R.I.G.L. §42-46-5(a)(2) for the reasons set forth above.

Vote: 8 members voted in the affirmative, and 0 members voted in the negative as follows:

YEAS: Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

NAYS: 0

After a short break, the Board convened in Executive Session at 6:40 p.m.

All non-Board members in the audience were excused with the exception of Ray M. Di Pasquale, Commissioner and President of the Community College of Rhode Island; University of Rhode Island President David M. Dooley; Rhode Island College President Nancy Carriuolo; Ronald Cavallaro, General Counsel for the Board; Anne Marie Coleman, Director of Labor Relations; Steven Maurano, Associate Commissioner for External Affairs; Susan LaPanne, Associate Commissioner for Finance & Management; and Deborah Grossman-Garber, Associate Commissioner for Academic Planning and Policy.

The Board reconvened in open session at 7:15 p.m.

On a motion duly made by Daniel Ryan and seconded by the full Board it was

**VOTED:** That The Board of Governors for Higher Education extend President Carriuolo's contract for an additional three (3) year period (from July 1, 2011 through June 30, 2014), and further

That the Chair of the Personnel Committee be authorized with the involvement of the Commissioner, to negotiate the terms of the contract with President Carriuolo subject to subsequent ratification by the Board.

Vote: 8 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

NAYS: 0

On a motion unanimously made by the full Board it was

**VOTED:** That the Board of Governors for Higher Education seal the minutes of the executive session held this evening.

Vote: 8 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

NAYS: 0

**14. [Agenda Item No. 13]**

**NEXT MEETINGS**

Monday, November 8, 2010, 5:00 p.m. at Rhode Island College, Student Union Ballroom, Providence, Rhode Island.

Monday, December 6, 2010, 5:00 p.m. at Community College of Rhode Island, Board Room 4090, Warwick, Rhode Island.

**15. ADJOURNMENT:**

On a motion duly made by Kenneth Aurecchia and seconded by Brandon Brown it was

**VOTED:** That the Board of Governors for Higher Education adjourn.

Vote: 8 members voted in the affirmative, and 0 members voted in the negative as follows:

YEAS: Michael Ryan, Daniel Ryan, Pierre LaPerriere, Kenneth Aurecchia, Robert Flanders, Jr., Thomas Rockett, Kathrin Belliveau and Brandon Brown

NAYS: 0

The meeting was adjourned at 7:18 p.m.

***Respectfully submitted,***

***Kenneth Aurecchia, Secretary***