



**MINUTES OF THE MEETING
February 23, 2012**

RHODE ISLAND BOARD OF GOVERNORS FOR HIGHER EDUCATION

A special meeting of the Rhode Island Board of Governors for Higher Education was held on Thursday, February 23, 2012, at the Community College of Rhode Island, Warwick, Rhode Island. Vice Chair Michael Tikoian declared a quorum present and called the meeting to order at 5:06 p.m.

Present: Antonio Barajas, William Maaia, Eva-Marie Mancuso, Thomas Rockett, Jane Sherman, Michael Tikoian and John Walsh

Absent: Lorne Adrain, Joan Abrams, Amy Berretta, George Caruolo, Tessa Constant, and Joseph White

1. ACCEPTANCE OF THE AGENDA

On a motion duly made by Jane Sherman and seconded by Eva-Marie Mancuso it was

VOTED: That the Board of Governors for Higher Education accept the revised agenda for the meeting of February 23, 2012.

Vote: 7 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Antonio Barajas, William Maaia, Eva-Marie Mancuso, Thomas Rockett, Jane Sherman, Michael Tikoian, and John Walsh

NAYS: 0

2. NEW BUSINESS

a. Approval of the University Retirement Incentive Program

Vice Chair Tikoian introduced Item 2a, the request for approval of the University's Retirement Incentive Program. This program was recommended for approval by the Facilities, Finance and Management Committee at their February 20, 2012 meeting. At this time, Vice Chair Tikoian recognized President Dooley for a history of this program.

President Dooley thanked Vice Chair Tikoian and the members of the Board for their willingness to come together today for this special meeting to discuss this plan. He thanked everyone for their interest and help in working with the University to draft a plan that would meet with wide approval. As a brief reminder, the plan as it now stands has been revised from what

was first presented to you. The eligibility criteria are now an age of 62 with ten years of service by July 1, 2012. The effective date for notification of those faculty and staff who elect to participate in this voluntary plan has been moved to March 19, 2012. The number of eligible employees as the plan stands now is 251. Under the old plan, with the criteria being 60 years of age and ten years of services, eligible employees equaled roughly 340.

Vice Chair Tikoian offered an opportunity for the Board to address President Dooley with any questions they may have at this time.

Governor Maaia asked whether a calculation has been made as to how many employees will take advantage of the plan versus how many are actually eligible.

Dr. Dooley responded that the University looked at the plan from various angles, breaking down the eligible employees into several different age ranges, looking at the individuals who would potentially be eligible and tried to ascertain based on a couple of factors what was a good estimate of the likelihood of people in that particular category exercising the option. Back in 2008, the University offered a similar plan which resulted in a participation of approximately 70%. President Dooley explained that the current participation estimate is roughly 50% of the eligible employees, more or less.

In response to Governor Maaia's inquiry on the estimated cost savings calculated by the University regarding this plan, President Dooley explained that cost savings accrue for two reasons. The largest amount of savings is associated with the fact that the plan is offered to the University's most senior, longest serving employees, who are at the higher compensation levels. The University's strategy when hiring new faculty and staff is that offers will be made heavily at the University's entry level compensation scale.

President Dooley indicated that the University has devised a strategy that a percentage of any monies raised will be re-invested back into the institution to make those hires. This strategy explicitly entails using some of the savings generated by those exercising the option to retire for general budget relief at the Institution. Besides restructuring the University's faculty and staff, this plan will also enable the institution to restructure the University's personnel costs by the percentage of those who participate, not only immediately after the implementation of the plan, but going forward in the future.

Governor Maaia asked what the average senior faculty salary is currently; and whether the University was looking to rehire individuals at an estimated compensation of roughly \$90,000 or would the University increase the number of faculty rehired?

President Dooley confirmed with Provost DeHayes that the current average compensation for senior faculty is \$165,000 with benefits. The University is looking to reinvest approximately 75% of the savings on the faculty side in the new hires. This may in fact end up with merely as many FTEs than the number of faculty who chose to retire, more or less. On the staff side, the University's goal is to reinvest 50% of the savings, while taking into consideration their plan to strategically rehire staff and faculty where needed which may result in a lower number of staff rehired. President Dooley added that should there be an enthusiastic individual who is exemplary to a certain position, it is possible that the University would rehire at a higher salary than is currently being paid for that position.

On a separate note, Governor Walsh asked that Commissioner Di Pasquale update the Board on CCRI and RIC's decision to also offer a retirement incentive plan at their respective institutions.

The Commissioner indicated that CCRI and RIC were looking to have the University proceed and then, if requested by the Board, provide a proposal to offer a retirement incentive plan as well. Upon the Board's request, both Rhode Island College and the Community College are prepared to come forward with a proposal for Board review.

On a motion duly made by Eva-Marie Mancuso and William Maaia and seconded by Thomas Rockett it was

VOTED: That the Board of Governors for Higher Education approves the recommendation regarding the University's retirement incentive plan.

Vote: 7 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Antonio Barajas, William Maaia, Eva-Marie Mancuso, Thomas Rockett, Jane Sherman, Michael Tikoian, and John Walsh

NAYS: 0

b. Approval of Updates to the Board of Governors' Procurement Regulations

Vice Chair Tikoian indicated that the updates to the Board's Procurement Regulations first came before the Board at their January 23, 2012 meeting for notice. It is now before the Board for deliberation adoption.

Susan LaPanne, Associate Commissioner for Finance & Management recalled that the amendment to the 2006 Board of Governors' Procurement Regulations was first introduced at a Board meeting upon recommendation from Facilities, Finance and Management Committee on the 5th of December. At that time, the Board sent the amendments back to the Facilities, Finance and Management Committee for some clarification with respect to various definitions and language changes proposed by the Committee. The Committee reviewed all items in question, determined that the definitions had been adequately revised, discussed and accepted the amendments to the language as proposed, and sent it forward once again to the Board for consideration.

The University's Purchasing, Capital Projects and General Counsel had originally sent these proposals forward for consideration. The amendments are reflective of statutory changes to the state purchasing regulations themselves. These amendments create a parallel language between the Board of Governors Procurement Regulations with the State statutes for purchasing. The areas that contain amendments include some language that pertains to construction projects, delegated purchasing authority limitation changes, some changes to the selection process for architectural engineering and consultant services in excess of \$20,000 as well as changes in public copy requirements related to Public Works Projects.

Revisions to the Board of Governors' Procurement Regulations were presented to the Board as a Facilities, Finance and Management Committee item at the Board meeting of January 23, 2012.

On a motion duly made by Jane Sherman and seconded by John Walsh and Thomas Rockett it was

VOTED: That the Board of Governors for Higher Education approves and adopts the proposed amendments to the Board of Governors' Procurement Regulations as presented.

Vote: 7 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Antonio Barajas, William Maaia, Eva-Marie Mancuso, Thomas Rockett, Jane Sherman, Michael Tikoian, and John Walsh

NAYS: 0

3. EXECUTIVE SESSION

Vice Chair Tikoian indicated that he would entertain a motion to enter into executive session to discuss potential litigation regarding the Institute for International Sport pursuant to R.I.G.L. §42-46-5(a)(2).

General Counsel Cavallaro explained that the Rhode Island Open Meetings Act provides exceptions that allow a public meeting to be held in executive session. One such exception is R.I.G.L. §42-46-5(A)(2) which speaks to sessions pertaining to collective bargaining or litigation or work sessions pertaining to collective bargaining or litigation. The Attorney General's office issues decisions or opinions on the application of this statute. In the Pallasch v. Town of Tiverton, the Attorney General's Office noted that the Open Meeting Act permits close session discussion, not only to discuss pending litigation but also to discuss reasonably anticipated litigation and strategy. Later, in a case which is entitled Jannetta and Bolger v. Jamestown Town Council, the Attorney General's office indicated that "we observe that this department's past time must demonstrate that the executive session may be convened pursuant to R.I.G.L. §42-46-5(a)(2) when the discussions concern threatened litigation or strategy or when the public body is receiving frank appraisals from its attorney.

In another case, Langseth v. Rhode Island Airport Corporation, the Attorney General's Office also added some additional language. It stated, "further, it is true that this office has recognized instances when discussions are appropriate for executive session pursuant to the litigation exception provided pursuant to §42-46-5(a)(2). On these occasions we had stated that this exception is appropriately relied upon even for potential litigation when discussions concern threatened litigation or strategy or when the public body is receiving frank appraisals from its attorney."

Based on these findings as well as the statute itself, the stated rationale for the Board to go into executive session, potential litigation, comes under those exceptions and the Attorney General's interpretation of the exceptions as noted.

On a motion duly made by William Maaia and seconded by Eva-Marie Mancuso 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 reason set forth above.

Vote: 7 members voted in the affirmative, and 0 members voted in the negative as follows:

YEAS: Antonio Barajas, William Maaia, Eva-Marie Mancuso, Thomas Rockett, Jane Sherman, Michael Tikoian, and John Walsh

NAYS: 0

An individual in the audience, Ms. Gina Macris of the Providence Journal, indicated that she objected to the Board entering into executive session.

The Board convened in Executive Session at 5:45 p.m.

All non-Board members in the audience were excused with the exception of Ray M. Di Pasquale, Commissioner; University of Rhode Island President David M. Dooley; Vice President for Administration for the University, Robert Weygand and Ronald Cavallaro, General Counsel for the Board. Governor Jane Sherman recused herself from participation in the Executive Session.

The Board reconvened in open session at 6:50 p.m.

Governor Jane Sherman rejoined the meeting at this time.

On a motion duly made by Eva-Marie Mancuso and seconded by William Maaia it was

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

Vote: 7 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Antonio Barajas, William Maaia, Eva-Marie Mancuso, Thomas Rockett, Jane Sherman, Michael Tikoian, and John Walsh

NAYS: 0

4. NEXT MEETING

Monday, March 19, 2012, 5:30 p.m. at the University of Rhode Island, Coastal Institute, Narragansett

5. ADJOURNMENT:

On a motion duly made by John Walsh and seconded by Thomas Rockett it was

VOTED:

THAT the Board of Governors for Higher Education adjourn.

Vote: 7 members voted in the affirmative, and 0 members voted in the negative as follows:

YEAS: Antonio Barajas, William Maaia, Eva-Marie Mancuso, Thomas Rockett, Jane Sherman, Michael Tikoian, and John Walsh

NAYS: 0

The meeting was adjourned at 6:51 p.m.

Respectfully submitted,

Jane Sherman, Secretary