

BOARD OF GOVERNORS FOR HIGHER EDUCATION  
PERSONNEL COMMITTEE  
MINUTES OF MEETING - Open Session

June 13, 2006

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A meeting of the Personnel Committee was held on June 13, 2006 at the Office of Higher Education, 301 Promenade Street, Providence, Rhode Island. Committee Chair, Daniel Ryan, declared a quorum present and called the meeting to order at 4:08 p.m.

Present: Daniel Ryan, Pierre LaPerriere, and Solomon A. Solomon.

Absent: None

Others present: Commissioner Warner, Sandra Lanni, and Anne Marie Coleman

**1. Approval of Minutes**

On a motion made by Governor LaPerriere and seconded by Governor Solomon, it was

VOTED: THAT The Personnel Committee approve the minutes of the May 3, 2006 meeting and the May 15, 2006 meeting.

YEAS: Daniel Ryan, Pierre LaPerriere and Solomon A. Solomon

NAYS: 0

All in favor. None opposed.

**2. Discussion of Retirement Incentive Program**

Commissioner Warner indicated that when the Personnel Committee last met there was informal discussion on standardizing the retirement incentive program for all three institutions and the Rhode Island Office of Higher Education before sun setting the program with a proposed December deadline. Since the last meeting of the Personnel Committee, the Commissioner has spoken with each of the presidents and has gathered additional information. URI performed a cost analysis and concluded that the University cannot afford to offer the enhanced incentive offered by the other institutions and the Rhode Island Office of Higher Education between now and December. Currently, URI offers \$7,000 as a retirement incentive. The other institutions and the Rhode Island Office of Higher Education offer 40% of salary. Since URI cannot afford this change, even for a few months, the proposal previously discussed by the committee is not an option.

The issue before the committee today for discussion is whether or not to recommend continuance of the existing programs or the sun setting of those programs. If the Board decides to end these programs, the presidents concur that June 30, 2007 would be preferable to December 31, 2006. Sun setting these plans on June 30, 2007 would allow the institutions more time to plan.

Faculty and staff would be required to provide a notice of their intent to accept the retirement incentive by January 1, 2007, thereby providing six months notice to the Board. Employees would be allowed to change their mind after that date and elect not to retire, with a later deadline for a final decision.

The committee reviewed the memo prepared by Sandra Lanni, which provided a brief analysis from CCRI as to how sun setting the retirement incentive program would impact various departments. Commissioner Warner believes that even though CCRI has 372 employees who would be eligible to accept the retirement incentive, the incentive is so low that phasing it out would have minimal, if any, impact on the institution. In reviewing the CCRI data, the only department that warrants concern is nursing. Under the current rules, however, retired faculty can return and teach part-time. The nursing deans have indicated that when a retired nurse comes back and teaches part time in clinical courses, this is more than adequate to fill the College's needs. Commissioner Warner anticipates that regardless of the Board's decision on the retirement incentive program, it is likely that a substantial number of the 21 employees in the nursing department who are eligible to retire will do so over the next 2 to 3 years. There are also a large number of eligible employees in CCRI's English Department.

Pierre LaPerriere asked for clarification as to the goal for sun setting this benefit at this time. Commissioner Warner indicated that sun setting the benefit is likely to accelerate the retirement of higher paid faculty during a time when there are fiscal challenges. The FY 2007 budget was announced today, and while it is better than the Governor's budget in that the asset protection funds were restored, it is still not a good budget. The Commissioner believes it will be necessary to ask the Facilities and Finance and Management committees to approve another tuition increase over and above what has already been approved to bridge some of the gap.

When the Personnel Committee and the Board approved the retirement incentive program in 1997, the Board did call for a periodic review of the program in order to determine whether it should be a continuing benefit.

It is hard to determine how many people would retire without the incentive. In order to obtain reliable data with regard to this issue, focused interviews would have to be conducted with employees who have retired or are retiring, asking the question "Would you have retired when you did if we did not have this incentive in place or would you have continued to work for a longer period of time?"

Governor LaPerriere expressed concern with sun setting the retirement incentive program during a period when there appears to be a labor shortage. He questioned whether there are a sufficient number of prospective employees in the market place to replace the people who will leave.

Commissioner Warner believes that the answer to this concern depends on the discipline. The biggest area of concern is in the disciplines relating to health care, where there are many faculty who are eligible for the retirement incentive program.

A discussion took place as to the numerous options available to staff in the nursing department.

Anne Marie Coleman indicated that if the retirement incentive program were to be sun-setted, causing additional people to retire sooner than they might otherwise, it would present the biggest challenge to CCRI and possibly for the College; but it would also present a huge opportunity for CCRI and the College to determine which programs they might want to phase out and which they might want to expand.

Chair Ryan expressed concern that if the committee recommends that the retirement incentive program be sun-setted, all eligible nursing faculty at CCRI may take advantage of the opportunity, resulting in a shortage.

In response, Anne Marie Coleman indicated that traditionally at CCRI a high percentage of retired faculty continue to teach on a part time basis.

Solomon A. Solomon noted that retired faculty who return to teach have an income cap of \$12,000. Ms. Coleman stated that the statutory \$12,000 ceiling applies to only those in ERS, not those in TIAA.

[The data received from Rhode Island College pertaining to those eligible to participate in the retirement incentive program was distributed.]

Commissioner Warner noted that 24% of Rhode Island College's 29 nursing faculty members are eligible to participate in the retirement incentive program.

Governor LaPerriere questioned whether the Board should adopt a program that might result in a significant loss of nursing faculty when more money is being allocated in the state budget for nursing programs.

Governor Solomon noted that the number of students accepted into the nursing programs at CCRI and RIC have increased. An additional 422 students have been accepted into the nursing program over the past 2 years. The ratio is 8 students to 1 nurse.

Commissioner Warner stated that as a general principle it makes sense to sunset retirement incentives. Because the committee's major concern is the effect this may have on the nursing programs at CCRI and RIC, Commissioner Warner will ask the presidents at those institutions to consider the potential impact of sun setting the retirement incentive programs, assuming all eligible nursing faculty will accept the retirement incentive. The Commissioner will ask the presidents to report back to the committee.

Ms. Lanni suggested the possibility of sun setting the retirement incentive program by limiting eligibility to those who are now eligible. Ms. Coleman believes that this option is not desirable from the perspective of employee relations.

President Nazarian has argued in the past that the retirement incentive program has helped his turnover. Studies show, however, that the average

age of retirement in the system is between 63 and 64, which is what would be expected without a retirement incentive program. Ms. Lanni noted that the program as it exists is not an incentive to retire because it never ends. Ms. Coleman stated that a large number of people have not retired because of the stock market. Since TIAA-CREF is tied to the stock market, many people who would have retired 2 or 3 years ago have not retired because of current market trends.

Chair Ryan noted that the average age of retirement is creeping closer to 68 to 70 because people want more. The stock market has dropped 11% in the last 45 days.

Governor LaPerriere agrees that the program should be sun-setted and that there should be a fixed period of time during which eligible employees may choose to retire and accept the retirement incentive; however, if the Board is going to make this decision at this time, then the Personnel Committee and the Board need to have a thorough understanding of the economics behind it. How much money will be saved? What will be the cost of replacing needed faculty and staff members? What is the likelihood that those who retire will not be replaced? What is the net difference between current costs and anticipated costs?

Chair Ryan inquired as to whether it would be possible to freeze the eligibility for anyone with 10 years service at this point. Chair Ryan also noted that data is still coming in from the institutions. In the meantime, he would like to hear from the three presidents on the matter. The \$7,000 retirement incentive program in effect at the University does not present a huge cost. Commissioner Warner does not believe that President Carothers feels strongly about either continuing or discontinuing the program. In the past, President Nazarian has argued that the program has benefited the College, but he cannot document the benefit. Commissioner Warner suggested that the committee focus on whether the impact on the nursing program at the College and CCRI will be manageable if the retirement incentive programs at those institutions are sun setted. He also suggested performing another fiscal impact cost and savings analysis with regard to these programs.

The committee believes the retirement incentive program should continue to be studied, specifically the impact that elimination of the program would have on the nursing programs at RIC and CCRI. The committee is not ready to make a recommendation to the full Board at this time. The topic will remain on the agenda until the committee is prepared to make a recommendation.

### **3. Discussion of a new three-year contract to Commissioner Warner**

Commissioner Warner was notified, in writing, of his right to proceed in open session pursuant to R.I.G.L. §42-46-5(a)(1). Commissioner Warner had no objection to proceeding in closed session.

On a motion made by Solomon A. Solomon and seconded by Pierre LaPerriere, it was

VOTED: THAT The Committee convene into closed session to discuss the job performance of Commissioner Jack Warner, pursuant to R.I.G.L. §42-46-5(a)(1).

YEAS: Daniel Ryan, Pierre LaPerriere, and Solomon A. Solomon

NAYS: 0

All in favor none opposed.

The Committee convened into closed session at 4:47 p.m.

The Committee reconvened in open session at 4:55 p.m.

On a motion made by Daniel Ryan and seconded by Solomon A. Solomon, it was

VOTED: THAT: The minutes of the closed session of June 13, 2006 and the closed session of May 3, 2006 be sealed.

YEAS: Daniel Ryan, Pierre LaPerriere and Solomon A. Solomon.

NAYS: 0

All in favor, none opposed.

After discussion in closed session, Chair Ryan indicated that he would entertain a motion for a new three-year contract for Commissioner Jack Warner's contract that would run from July 1, 2006 to June 30, 2009.

On a motion made by Solomon A. Solomon and seconded by Pierre LaPerriere, it was

VOTED: THAT: The Personnel Committee recommend that the Rhode Island Board of Governors for Higher Education approve the offering of a new three year contract to Commissioner Jack Warner for the period July 1, 2006 to June 30, 2009, and that the Board Chair be authorized to negotiate the terms of the contract with Commissioner Warner.

YEAS: Daniel Ryan, Pierre LaPerriere and Solomon A. Solomon.

NAYS: 0



BOARD OF GOVERNORS FOR HIGHER EDUCATION  
PERSONNEL COMMITTEE  
MINUTES OF MEETING - Open Session

*Enclosure 2*

May 15, 2006

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A meeting of the Personnel Committee was held on May 15, 2006 at the Office of Higher Education, 301 Promenade Street, Providence, Rhode Island. Committee Chair, Daniel Ryan, declared a quorum present and called the meeting to order at 12:13 p.m.

Present: Daniel Ryan, Pierre LaPerriere, and Solomon A. Solomon.

Absent: None

Others present: Commissioner Warner, Sandra Lanni, and Anne Marie Coleman

1. Update on status of CCRI presidential search

Commissioner Warner reported on the status of the CCRI presidential search process. The three finalists will participate in all-day interviews at both the CCRI Warwick and Lincoln campuses, including an open forum at each site, during the week of May 15<sup>th</sup>. Dr. Philip Day, Jr. will be interviewed on Monday; Dr. Daniel Asquino will be interviewed on Tuesday, and Ray Di Pasquale will be interviewed on Wednesday. The interview will start with a breakfast at the Crowne Plaza with Commissioner Warner. The Commissioner will then escort each candidate to CCRI's Warwick campus for meetings with the President's cabinet and the deans, union leadership, alumni, and foundation board. Since the semester is over, a meeting with student leaders is not feasible.

At the same time, three people from the Office of Higher Education will conduct reference checks. Commissioner Warner distributed areas of inquiry which will be utilized for the reference checks. In addition, evaluation forms have been distributed to anyone who viewed or interacted with the candidates in either an open forum or regular meeting. In order to provide consistency, the reference check questions, the interview questions for both the semi-finalists and the finalists, and the evaluation forms to be completed by individuals were all framed around the presidential profile. CCRI personnel will collect the evaluation forms at the end of each day and deliver them to the Office of Higher Education. All of the evaluation forms will be tallied by a group of people at the Office of Higher Education. The results of the overall findings will be presented to the Board at its May 22<sup>nd</sup> meeting.

The agenda for the May 22<sup>nd</sup> Board meeting has been modified so that the Board will convene into executive session after the acceptance of the agenda and approval of the minutes.

Commissioner Warner will meet with Daniel Ryan, Chair of the Personnel Committee, and Michael Ryan, Chair of the Presidential Search Committee, on Friday morning to review the data. In the meantime, the Commissioner will try to get a sense from each candidate about whether the salary range and compensation package available would be acceptable to him.

The presidential search committee was comprised of four board

members; five CCRI representatives, including a student; and four members of the general public. The charge to the search committee was to produce three finalists. The search committee has accomplished its purpose. The committee recommended three candidates, unranked. The recommendations of the presidential search committee will go to the Board. The full Board will consider the data collected when selecting the successful candidate during executive session. There is no need for the Personnel Committee to meet prior to the May 22<sup>nd</sup> Board meeting. Board members have been invited to participate in each dinner reception with each finalist at the Crowne Plaza. The candidates will each have an opportunity to make a statement and to answer questions posed by Board members. The finalists will also have an opportunity to ask questions of Board members over dinner.

Commissioner Warner stated that he was pleased with the qualifications of the three finalists.

Anne Marie Coleman noted that each candidate will meet with John Nazarian and Robert Carothers at the Crowne Plaza prior to dinner with Board members.

Pierre LaPerriere noted that he will not be available for the May 22<sup>nd</sup> Board meeting.

Commissioner Warner invited committee members to consult with him if they had any perceptions or concerns relating to the three finalists.

## 2. Discussion of Retirement Incentive Program

Since the Personnel Committee last met, Commissioner Warner received feedback from the presidents about the possibility of creating one uniform plan, with a larger incentive, and then sun setting the entire program.

The University conducted its own analysis and concluded that they do not have the resources needed to fulfill such an incentive. URI is not in favor of this approach.

President Nazarian likewise evaluated the available resources at Rhode Island College and expressed concern about RIC's inability to fulfill such an incentive. In the past RIC has pro-rated the 40% retirement incentive.

CCRI prepared an analysis of which employees would be eligible to participate in the proposed retirement incentive. A large number of the nursing staff would qualify. If the goal was to sunset the program in December and a large percentage of the nursing department participated, the institution would be caught in a mid-year crisis.

As a result of the feedback he received, the Commissioner believes it would be best to sunset the existing program to provide a longer period of time during which people must decide if they wish to participate. If the retirement incentive program ended on June 30, 2007, there would be more time to plan, once there was a better sense of who might take advantage of the program. Another issue to be considered is whether there is a way to protect the



institutions from large scale retirements in those departments where faculty and staff would be hard to replace.

Ms. Coleman noted that most people in the alternate retirement plan are in the non-classified service; therefore, the proposed retirement incentive program would not affect anyone's pension, just their incentive to retire.

Commissioner Warner indicated that the existing plan and available options will be further studied.

At this time the goal is to place any proposed revisions to the retirement incentive program on the June Board agenda.

Sandra Lanni noted that the presidents have until June 30<sup>th</sup> to submit their management letters. These letters will be distributed to committee members as soon as they are received.

## 2. Adjournment

On a motion made by Pierre LaPerriere and seconded by Solomon A. Solomon, the Committee voted to adjourn the meeting at 12:43 p.m.

VOTE:	YEAS:	Daniel Ryan, Pierre LaPerriere and Solomon A. Solomon
	NAYS:	0

All in favor. None opposed.

The Personnel Committee meeting adjourned at 12:43 p.m.

BOARD OF GOVERNORS FOR HIGHER EDUCATION  
PERSONNEL COMMITTEE  
MINUTES OF MEETING - Open Session

Enclosure 1(a)

May 3, 2006

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A meeting of the Personnel Committee was held on May 3, 2006 at the Office of Higher Education, 301 Promenade Street, Providence, Rhode Island. Committee Chair, Daniel Ryan, declared a quorum present and called the meeting to order at 2:11p.m.

Present: Daniel Ryan, Pierre LaPerriere, and Solomon A. Solomon.

Absent: None

Others present: Commissioner Warner and Sandra Lanni.

**1. Update on Personnel Committee members**

Commissioner Warner reported that two members of the Personnel Committee, Michael Schuster and José González, were not reappointed as members of the Board of Governors. The full Senate voted to reappoint three Board members: Solomon A. Solomon, Thomas Rockett and Kenneth Aurecchia. The full Senate also confirmed four new appointments: Brenda Dann-Messier of Dorcas Place in Providence; Katherin Belliveau, General Counsel for Hasbro; Sarah Courtemanche, a student at Rhode Island College who will replace Paula Arruda as the new student representative; and Joseph Hagan, former president of Assumption College and a member of Governor Carcieri's transition team.

The Commissioner has been contacting new Board members to describe the various committees and to request their preferences as to the committee(s) on which they would like to serve.

**2. Approval of Minutes**

On a motion made by Solomon A. Solomon and seconded by Pierre LaPerriere, it was

VOTED: THAT The Personnel Committee approve the minutes of the meeting of November 28, 2005 and the meeting of December 5, 2005.

YEAS: Daniel Ryan Pierre LaPerriere and Solomon A. Solomon

NAYS 0

All in favor none opposed.

**3. Continuing Discussion of President John Nazarian's annual evaluation**

Chair Ryan informed Committee members that the purpose of today's meeting is to continue the discussion of President John Nazarian's annual evaluation.

President Nazarian was notified, in writing, of his right to proceed in open session pursuant to R.I.G.L. §42-46-5(a)(1).

On a motion made by Solomon A. Solomon and seconded by Pierre LaPerriere, it was

VOTED:     THAT        The Committee convene in closed session  
                          to discuss the job performance of President  
                          John Nazarian, pursuant to R.I.G.L. §42-46-  
                          5(a)(1).

                  YEAS:       Daniel Ryan, Pierre LaPerriere and Solomon A.  
                                  Solomon

                  NAYS:        0

All in favor none opposed.

The Committee reconvened in open session at 2:53 p.m.

#### 4.    **Old Business**

Commissioner Warner briefed the committee on the status of the CCRI Presidential Search. The search committee has met twice, and at its second meeting the candidate pool was whittled down to six semi-finalists. Subsequently, two of the semi-finalists withdrew their applications, leaving four semi-finalists.

One-hour interviews of the four semi-finalists are scheduled to take place on May 5, 2006 at the Shepard Building. Three are scheduled to appear in-person and one by way of teleconference. Once the interviews of the semi-finalists have been completed, the committee will be asked to name three finalists who will be asked to return for all-day interviews, to be conducted at the CCRI Knight and Flanagan campuses. Thorough background checks of each finalist will commence at this time.

Once finalists are selected, new candidates will be considered only if their qualifications are better than the qualifications of the three named finalists.

#### 5.    **New Business**

Commissioner Warner addressed the committee on the Board's retirement incentive program.

Commissioner Warner provided background information and details of the retirement incentive programs in place at each of the three institutions and at the Office of Higher Education.

Due to the financial crisis with the state budget, the Commissioner proposed a standardized retirement incentive program to each of the presidents, which would sunset as of December 31, 2006.

The general consensus was that the committee would like to receive feedback from each of the presidents, as well as modeling and forecasting of numbers, before considering this proposal.

Ms. Lanni noted that typically retirement incentive programs are adopted for a fixed, limited period of time, in order to provide an incentive for people to retire.

Chair Ryan is concerned about the possibility of losing hard to replace faculty members, particularly those in the nursing programs.

It was agreed that the retirement incentive program would be added to the May 15<sup>th</sup> agenda.

It was agreed that the Personnel Committee would meet again on Monday, May 15, 2006, at the Office of Higher Education.

## 6. Adjournment

On a motion made by Pierre LaPerriere and seconded by Solomon A. Solomon, the Committee voted to adjourn the meeting at 3:30 p.m.

VOTE:	YEAS:	Daniel Ryan, Pierre LaPerriere and Solomon A. Solomon
	NAYS:	0

All in favor. None opposed.

The Personnel Committee meeting adjourned at 3:30 p.m.

BOARD OF GOVERNORS FOR HIGHER EDUCATION

PERSONNEL COMMITTEE

MINUTES OF MEETING - Open Session

December 5, 2005

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A meeting of the Personnel Committee was held on December 5, 2005, at the Rhode Island Office of Higher Education, 301 Promenade Street, Providence, Rhode Island. Committee Chair, Daniel Ryan, declared a quorum present and called the meeting to order at 3:42 p.m.

Present: Daniel Ryan, José González, Pierre LaPerriere, Michael Schuster, Solomon A. Solomon.

Absent: None

Others present: Robert Carothers, Jack Warner, James DiPrete, Thomas Rockett and Sandra Lanni.

1. Continuing Discussion of the Contract Renewal Evaluation of President Robert Carothers

President Carothers was notified, in writing, of his right to proceed in open session pursuant to R.I.G.L. §42-46-5(a)(1). President Carothers had no objection to proceeding in closed session.

On a motion made by Solomon A. Solomon and seconded by José González, it was

VOTED: THAT The Committee convene into closed session to discuss the job performance of President Robert Carothers, pursuant to R.I.G.L. §42-46-5(a)(1).

YEAS: José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster and Solomon A. Solomon

NAYS: 0

All in favor none opposed.

The Committee convened into closed session at 3:42 p.m.

The Committee reconvened in open session at 5:44 p.m.

After discussion in closed session, Chair Ryan indicated that he would entertain a motion for the renewal of Robert L. Carothers' contract for another 3-year period. This vote was taken in closed session and is being reported in open session.

On a motion made by Solomon A. Solomon and seconded by Jose Gonzalez, it was

VOTED: THAT: The Personnel Committee recommend to the Rhode Island Board of Governors for Higher Education the renewal of Robert L. Carothers for an additional 3-year period.

YEAS: José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster and Solomon A. Solomon.

NAYS: 0

All in favor, none opposed.

[President Carothers departed during closed session]

[Pierre LaPerriere departed during closed session]

[Thomas Rockett arrived during closed session]

It was agreed in closed session that Commissioner Warner will prepare recommendations to President Carothers.

It was agreed that the Personnel Committee will meet on Monday, December 12, 2005, at 4:30 p.m. to allow President Carothers to meet with the Personnel Committee, if he desires, prior to the full Board meeting to respond to the committee's vote.

On a motion made by José González and seconded by Solomon A. Solomon, it was

VOTED: THAT The minutes of the closed session be sealed.

YEAS: Daniel Ryan, José González, Michael Schuster and Solomon A. Solomon

NAYS: 0

## 2. Adjournment

On a motion made by Solomon A. Solomon and seconded by José González, the Committee voted to adjourn the meeting at 5:45 p.m.

VOTE: YEAS: José González, Daniel Ryan, Michael Schuster and Solomon A. Solomon

NAYS: 0

All in favor. None opposed.

The Personnel Committee meeting adjourned at 5:45 p.m.

BOARD OF GOVERNORS FOR HIGHER EDUCATION  
PERSONNEL COMMITTEE  
MINUTES OF MEETING - Open Session

November 28, 2005

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A meeting of the Personnel Committee was held on November 28, 2005, at the Rhode Island Office of Higher Education, 301 Promenade Street, Providence, Rhode Island. Committee Chair, Daniel Ryan, declared a quorum present and called the meeting to order at 5:04 p.m.

Present: Daniel Ryan, José González, Pierre LaPerriere, Michael Schuster, Solomon A. Solomon.

Absent: None

Others present: Frank Caprio, Michael Ryan, Thomas Rockett, James DiPrete, Jack Warner, Thomas Sepe, and Sandra Lanni.

1. APPROVAL OF MINUTES

On a motion made by Jose Gonzalez and seconded by Solomon A. Solomon, it was

VOTED: THAT The Personnel Committee approve the minutes of the September 19, 2005 meeting and October 11, 2005 meeting.

YEAS: José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster and Solomon A. Solomon

NAYS: 0

All in favor. None opposed.

President Sepe was notified, in writing, of his right to proceed in open session pursuant to R.I.G.L. §42-46-5(a)(1). President Sepe had no objection to proceeding in closed session.

On a motion made by Michael Schuster and seconded by Solomon A. Solomon, it was

VOTED: THAT The Committee convene into closed session to discuss the job performance of President Thomas Sepe, pursuant to R.I.G.L. §42-46-5(a)(1).

YEAS: José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster and Solomon A. Solomon

NAYS: 0

All in favor none opposed.

The Committee convened into closed session at 5:05 p.m.

The Committee reconvened in open session at 8:42 p.m.

[Jose Gonzalez departed during closed session]

On a motion made by Chair Dan Ryan and seconded by Michael Schuster, it was

VOTED:        THAT        The Personnel Committee seal the minutes of the  
closed session pursuant to R.I.G.L. §42-46-7(c).

YEAS:        Pierre LaPerriere, Daniel Ryan, Michael Schuster  
and Solomon A. Solomon.

On a motion made by Michael Schuster and seconded by Pierre LaPerriere, it was

VOTED:        THAT        The Personnel Committee not disclose the vote  
taken during closed session.

YEAS:        Pierre LaPerriere, Daniel Ryan, Michael Schuster  
and Solomon A. Solomon.

NAYS:        None

All in favor, none opposed.

After discussion it was agreed that the Personnel Committee meeting scheduled for November 29, 2005 will be canceled.

## **2.        Adjournment**

On a motion made by Pierre LaPerriere and seconded by Michael Schuster, the Committee voted to adjourn the meeting at 8:43 p.m.

VOTE:        YEAS:        Pierre LaPerriere, Daniel Ryan, Michael Schuster, and  
Solomon A. Solomon

NAYS:        0

All in favor. None opposed.

The Personnel Committee meeting adjourned at 8:43 p.m.



BOARD OF GOVERNORS FOR HIGHER EDUCATION

PERSONNEL COMMITTEE

MINUTES OF MEETING - Open Session

October 11, 2005

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A meeting of the Personnel Committee was held on October 11, 2005, at the Rhode Island Office of Higher Education, 301 Promenade Street, Providence, Rhode Island. Committee Chair, Daniel Ryan, declared a quorum present and called the meeting to order at 5:23 p.m.

Present: Daniel Ryan, José González, Pierre LaPerriere, Michael Schuster, Solomon A. Solomon.

Absent: None

Others present: Commissioner Warner, President Thomas Sepe and Sandra Lanni.

It was agreed that the Committee would revise the agenda for tonight's meeting. The meeting will begin with Item 4 and Items 1 and 3 will be discussed later in the meeting. Item 2 (approval of the September 19, 2005 minutes) will be tabled until the next meeting.

President Sepe was notified, in writing, of his right to proceed in open session pursuant to R.I.G.L. §42-46-5(a)(1). President Sepe had no objection to proceeding in closed session.

On a motion made by Pierre LaPerriere and seconded by Solomon A. Solomon, it was

VOTED: THAT The Committee convene into closed session to discuss the job performance of President Thomas Sepe, pursuant to R.I.G.L. §42-46-5(a)(1).

YEAS: José González, Pierre LaPerriere, Daniel Ryan, and Michael Schuster

NAYS: 0

All in favor none opposed.

The Committee convened into closed session at 5:24 p.m.

The Committee reconvened in open session at 7:14 p.m.

**1. Approval of Minutes**

On a motion made by Pierre LaPerriere and seconded by Solomon A. Solomon, it was

VOTED: THAT The Personnel Committee approve the minutes of the open session and closed session of the September 6, 2005 meeting.

YEAS: José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster and Solomon A. Solomon

NAYS: 0

All in favor, none opposed.

On a motion made by José González and seconded by Solomon A. Solomon and Pierre LaPerriere, it was

VOTED: THAT The minutes of the closed session be sealed.

YEAS: José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster and Solomon A. Solomon

NAYS: 0

All in favor, none opposed.

The Personnel Committee meeting scheduled for Monday, October 24, 2005 at 3:00 p.m. has been canceled.

## 2. Adjournment

On a motion made by Solomon A. Solomon and seconded by José González, the Committee voted to adjourn the meeting at 7:14 p.m.

VOTE: YEAS: José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster, and Solomon A. Solomon

NAYS: 0

All in favor. None opposed.

The Personnel Committee meeting adjourned at 7:14 p.m.

BOARD OF GOVERNORS FOR HIGHER EDUCATION

PERSONNEL COMMITTEE

MINUTES OF MEETING - Open Session

September 19, 2005

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A meeting of the Personnel Committee was held on September 19, 2005, at the Rhode Island College, Alger Hall, multi-media room, 600 Mt. Pleasant Avenue, Providence, Rhode Island. Committee Chair, Daniel Ryan, declared a quorum present and called the meeting to order at 3:28 p.m.

Present: Daniel Ryan, José González, Pierre LaPerriere, Michael Schuster, Solomon A. Solomon.

Absent: None

Others present: Commissioner Warner, President Robert Carothers and Sandra Lanni.

The agenda for today's meeting was revised to allow additional time for Commissioner Warner to arrive.

Ms. Lanni briefed committee members as to the status of the selection process relative to a consultant(s) who will conduct focused interviews at URI and CCRI as part of the presidential review process. Commissioner Warner has selected Judith Brissette to review the management letter of Tom Sepe and conduct focused interviews at the Community College and Dr. Stephen Portch of the Pappas Group to review President Carothers management letter and conduct focused interviews at the University. The Office of Higher Education is in the process of finalizing the proposed contracts. Ms. Lanni asked if there are any particular groups that the Personnel Committee specifically wants to target as part of the focused interviews.

[Commissioner Warner arrived]

Chair Ryan welcomed President Carothers to the meeting. President Carothers is present at today's meeting to review his 2005-2006 management letter and discuss his annual evaluation. Chair Ryan provided President Carothers with the opportunity to remark on his most recent management letter.

President Carothers has been notified, in writing, of his right to proceed in open session pursuant to R.I.G.L. §42-46-5(a)(1). Dr. Carothers elected to proceed in open session.

President Carothers indicated that the University's progress and the year covered by the 2005-2006 management letter has been a good year. The University met most, although not all, of the goals that were set forth in its strategic plan.

The University's enrollment continued to grow last year in accordance with the plan, and it advanced the capital projects that need be needed in order to go to the next strategic plan. The goal is to have a strategic plan for 2006-

2009 in place by April. That plan will include adjustments for goals that were not attained this year and will allow for a continuation of projects that have not been completed.

Operations have improved significantly in large part due to the efforts of Robert Weygand, Vice President of Administration.

As a result of the increasing cost of steel and concrete and the shortage of labor in many areas, it has been a challenge to stay within budget and on schedule for all of the capital projects. At this time, President Carothers believes he will still be able to bring the important projects, such as housing and the dining hall, in on schedule and hopefully within budget.

The University is laying the groundwork to start a new capital campaign.

Chair Ryan asked the President if there were any other vacant positions that needed to be filled with an accomplished administrator or vice president. President Carothers indicated that the search for a Vice Provost of Academic Affairs was reopened after the initial search failed. A finalist will be coming on to the campus within the next couple of weeks for campus interviews. Judith Swift filled in on an acting basis and did a terrific job; however, she does not possess a doctorate, which is a requirement of the position.

The President believes that Bob Beagle will probably retire from his present position relatively soon. The administration does not want to lose him and is looking for another opportunity for him within the University.

The position of Dean of Business has been open during the past year. Edward Mazze has been serving as acting Dean of Business. President Carothers hopes to have a dean named by January; however, academic protocol will prevent a new dean from starting until after the end of the academic year.

Mr. LaPerriere noted that one of the challenges at the University is the graduation/retention rates and asked what has been done at the University in recent years to try to determine why the University loses students prior to graduation.

President Carothers believes that there is a significant gap at the University between the cost of attendance and the level of financial aid available to students. The average gap between price and family capacity to pay is over \$4,000 for in-state students; \$9,000 for out-of-state students. The financial aid packages of URI's peer institutions are substantially better. The University's efforts to close the gap with new financial aid have been offset by increases in tuition.

Another demanding issue facing the University is the lack of housing beyond the freshman year. The University has not been able to offer adequate housing to sophomores. If capital development plans proceed according to schedule, URI will have 800 additional beds in the fall of 2006, which will significantly impact the number of students who want to stay on campus. In

addition, several fraternity houses are being converted into open campus housing, which will add a few hundred additional beds.

Academic student profiles are another difficult issue facing the President which impacts retention rates. UNH had a better retention rate than URI when everything else about the two institutions was similar (size of student body, relatively the same budget). UNH is, however, more selective in its admissions, not only in terms of academics but also in terms of students who are likely to be comfortable living in the UNH environment. When President Carothers arrived at the University, the institution was substantially below its peer group in the academic profile of students. The University has improved its students' academic profile over the years.

The need for retail and entertainment in Kingston remains, however, a significant factor that contributes to the University's loss of out-of-state students, mostly female. The President is trying to devise a strategy that will keep those students happy and engaged in Kingston.

Another issue is that more than 60% of the University's minority students come in through Talent Development. By definition, they are eligible for admission to the University, but they may possess lower high school grades and/or SAT scores than is typical. These students are an important part of Rhode Island and an important part of the future of Rhode Island, and the University admits a great number of them. URI's attrition rate for students in Talent Development is not bad as a program, but the attrition rate on minority students overall is problematic. If the University raises its admission standards, it will raise the overall profile of the University's retention and graduation rates; however, at the same time the University will miss a significant part of its mission to serve the industrial classes of the State of Rhode Island. This is a big factor in the difference between retention and graduation rates at URI and UNH. UNH has a very small minority population, and they do not have a program comparable to Talent Development. All students must meet their regular admission standards. President Carothers is developing longitudinal data on student performance in the Talent Development Program.

Mr. Solomon asked whether the University routinely gives an exit interview to students who do not return for the spring semester in an effort to gain some insight as to why students are not returning. President Carothers indicated that an exit interview is conducted if the University knows ahead of time that the student is not returning; however, in most cases students do not inform the University in advance that they are not coming back. Anyone who goes through the formal withdrawal process on campus goes through an exit interview. The President believes the University needs to do a better job in this area. A survey is being conducted at the University of all students who were offered admission and chose to attend another institution. Early indications are that the primary reason that students who are admitted choose to attend a different school is receipt of a better financial aid package elsewhere.

There is the concern that too many students say that the faculty do not care about them. The faculty say this reaction from students is a function of class size. There is a sense among students of distance from faculty. URI is on the high end of enrollment among its peers in relation to numbers of faculty;

however, that is largely because URI has a large number of research faculty who do not teach any students. URI has more large lecture sections in the freshmen year than its peers; in some instances 300-500 students.

Mr. Schuster noted that President Carothers listed UCONN as an aspirant university and inquired as to how much more money URI would require in its operating budget to come close to the aspirational institutions, not just in financial aid, but overall. President Carothers estimated that an additional \$30 million would be required. UCONN, in some ways, is a peer institution and in some ways it is not. 85% of UCONN's students must come from Connecticut. URI generates more revenue in tuition and fees than UCONN, but UCONN receives twice the amount of money from the state. URI is much more in the marketplace than UCONN. When you look at the 6 or 7 institutions competing in the same peer group, all of them have a better financial aid package than URI. Both UCONN and UMASS have primarily in-state students; therefore, their revenues come primarily from the state. UMASS does not retain its tuition. Its tuition money goes back to the State of Massachusetts and then Massachusetts appropriates it back.

Mr. Schuster asked whether an additional \$30 million would cover URI's needs in financial aid, smaller class size, lower faculty teaching loads, etc. URI has \$10 or \$12 million in institutional financial aid, yet Rhode Island has a minimal state financial aid program. Some costs are related to the economy of scale. The smaller the institution, the higher the per student cost. President Carothers indicated that the yield rate for in-state students is about 55%; the yield for out-of-state men is 17% and the yield for out-of-state women is about 14%.

Currently, URI lacks sufficient chemistry labs. The Chairman of the Chemistry Department and Dean have asked the President not to admit anymore nursing, pharmacy, or bioscience students because they cannot get them through the program due to a shortage of chemistry labs. What the University does have in chemistry labs is outdated. The equipment was not originally fitted with the ventilation systems and safety precautions that are now required.

Mr. Schuster returned to the \$30 million figure referenced by President Carothers earlier in the meeting. He asked if that amount of additional funding would take the University from its current status to something closer to world class prestige. President Carothers felt it would be possible to achieve something closer to world class prestige if the University remained at its current size. If the University's out-of-state student enrollment increased, less additional funding would be required. The trend, however, is going the other way. This is the first year that well over 50% of the freshman class are from Rhode Island. Although this is the institution's mission, the University has a shortfall of \$7,000 per student for each Rhode Island student it educates.

Mr. Schuster asked what percentage of high school graduates enroll at the University. President Carothers indicated that Rhode Island graduates approximately 9,000 students each year; approximately 3,000 students meet URI's admission standards, and roughly 1,200 enroll at the University. Students with Centennial scholarships do very well in the yield. Students at

the low end have an 80% yield rate as recipients of job development money. The problem is finding students in the middle range who have SAT scores between 1050 – 1200. There is no financial aid that is targeted for that group. This is where the yield is the lowest.

On a motion made by Daniel Ryan and seconded by Michael Schuster, it was

VOTED:        THAT            The Committee convene into closed session to discuss the job performance of President Robert Carothers, pursuant to R.I.G.L. §42-46-5(a)(1)

                  YEAS:            José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster and Solomon A. Solomon

                  NAYS            0

All in favor none opposed.

The Committee convened into closed session at 4:00 p.m.

On a motion made by José González and seconded by Solomon A. Solomon, the Committee voted to reconvene in open session at 4:52 p.m.

VOTE:                    YEAS:            José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster, and Solomon A. Solomon

                                  NAYS:            0

All in favor. None opposed.

Ms. Lanni will summarize the committee's concerns relative to President Nazarian's and Commissioner Warner's job performance in writing and forward them to committee members for review prior to the next Personnel Committee meeting scheduled for October 11, 2005.

On a motion made by Michael Schuster and seconded by Pierre LaPerriere, it was

VOTED:        THAT            The minutes of the closed session be sealed.

                  YEAS:            José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster and Solomon A. Solomon

                  NAYS:            0

The next meeting of the Personnel Committee is scheduled to take place with President Sepe on Tuesday, October 11, 2005 at 5:00 p.m.

## 2. Adjournment

On a motion made by José González and seconded by Solomon A. Solomon, the Committee voted to adjourn the meeting at 4:53 p.m.

VOTE:	YEAS:	José González, Pierre LaPerriere, Daniel Ryan, Michael Schuster, and Solomon A. Solomon
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	NAYS:	0
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All in favor. None opposed.

The Personnel Committee meeting adjourned at 4:53 p.m.



BOARD OF GOVERNORS FOR HIGHER EDUCATION

PERSONNEL COMMITTEE

MINUTES OF MEETING - Open Session

September 6, 2005

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A meeting of the Personnel Committee was held on September 6, 2005, at the Rhode Island Office of Higher Education, 301 Promenade Street, Providence, Rhode Island. Committee Chair, Daniel Ryan, declared a quorum present and called the meeting to order at 5:20 p.m.

Present: Daniel Ryan, José González, Pierre LaPerriere, Michael Schuster, Solomon A. Solomon.

Absent: None

Others present: Commissioner Warner, President John Nazarian and Sandra Lanni.

1. Approval of Minutes

On a motion made by José González and seconded by Pierre LaPerriere and Michael Schuster, it was

VOTED: THAT The Personnel Committee approve the minutes of the open session and closed session of the August 15, 2005 meeting.

YEAS: José González, Pierre LaPerriere, Daniel Ryan, and Michael Schuster.

NAYS: 0

All in favor, none opposed.

President Nazarian and Commissioner Warner had been notified, in writing, of their right to proceed in open session pursuant to R.I.G.L. §42-46-5(a)(1). Neither had an objection to proceeding in closed session.

VOTED: THAT The Committee convene into closed session to discuss the job performance of President John Nazarian and Commissioner Jack Warner, pursuant to R.I.G.L. §42-46-5(a)(1).

YEAS: José González, Pierre LaPerriere, Daniel Ryan, and Michael Schuster

NAYS: 0

All in favor none opposed.

The Committee convened into closed session at 5:22 p.m.

[Solomon A. Solomon arrived during Closed Session]

[José González departed during Closed Session]

The Committee reconvened in open session at 6:55 p.m.

On a motion made by Michael Schuster and seconded by Pierre LaPerriere, it was

VOTED: THAT The minutes of the closed session be sealed.

YEAS: Pierre LaPerriere, Daniel Ryan, Michael Schuster  
and Solomon A. Solomon

NAYS: 0

It was agreed that the Personnel Committee would meet again on Monday, September 19, 2005 at 3:00 p.m. prior to the full Board meeting at Alger Hall, Rhode Island College.

## 2. Adjournment

On a motion made by Pierre LaPerriere and seconded by Michael Schuster, the Committee voted to adjourn the meeting at 7:39 p.m.

VOTE: YEAS: Pierre LaPerriere, Daniel Ryan, Michael  
Schuster, and Solomon A. Solomon

NAYS: 0

All in favor. None opposed.

The Personnel Committee meeting adjourned at 7:39 p.m.