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President

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## MANAGEMENT LETTER 2006-2007

### **I. INTRODUCTION**

The 2005-2006 Management Letter described in detail the University's completion of the 2003-2006 Strategic Plan, "Measuring Progress." As I wrote to you last year, I believe that the University's performance against that plan was on balance, good, given that many of our goals could fairly be described as "aspirational." This year's management letter examines the first year of the 2007-2010 strategic plan, "Steps Toward Transformation." To remind you, the four major initiatives of that plan are:

- 1. Enhance student recruitment, involvement, retention and graduation rates.**
- 2. Improve the fiscal health of the University.**
- 3. Create a more inclusive environment.**
- 4. Improve the efficiency and effectiveness of research and outreach support.**

This work was undertaken in concert with the University's preparation of its ten-year accrediting process with NEASC, which will culminate with the team visit in October. A college or university undergoing such a rigorous self study inevitably learns a great deal about itself, as the objective in self study is to describe things as they are in eleven different standards areas. The initiatives of the Strategic Plan and the performance goals and metrics used to measure progress dovetailed nicely with the self study. The self-study process, in which issues of governance play an important role, has helped us gain insight, and our report to NEASC is available to the Board in draft form at our website. We will be presenting the final draft to the Board at the upcoming August 20<sup>th</sup> meeting.

Looking back over the first year of the new plan, it is fair to say that we have met our enrollment projections and made marginal improvement in retention and graduation rates. Especially encouraging is the increase in minority student retention from freshmen to sophomores. As a state entity, the fiscal health of the University took a turn for the worse in terms of support of our operating budget. This decline--now a net decline in actual dollars over the last six years--was offset by increased tuition and fee revenues. We are generally reconciled to the fact that state revenues for operating support will not improve, at least not anytime soon. State investment in the physical infrastructure of the University, on the other hand, continued to grow with the approval by the voters of the new building for the College of Pharmacy. While not all would agree, I believe that our fiscal health does continue to improve overall and that we have a growing confidence that we can prosper even as state support decreases, if we can grow the entrepreneurial spirit and find more creative ways to approach our work.

Our success in increasing inclusion is clear. Those of us who have been here for many years see progress in the sheer numbers of women and minorities in programs where there were none before. Our efforts, however, are not enough, and you will see in the detailed report on that goal below that our results are mixed. As for research, we are well on the way to a new level of efficiency and effectiveness in our work.

The approval by the Board of a new vice president for research and economic development and the submission of legislation to create a research foundation are very significant steps. In the meantime, under the leadership of Bob Weygand, we have been granted increased flexibility in our purchasing processes, long a sore point with URI researchers. With the Governor's creation of a study commission on URI research programs, chaired by former Supreme Court Justice Robert Flanders, we hope to see a more concerted state effort to support that important work.

Finally, we have experienced significant turnover in leadership positions within the University, and that will continue into the next year. At the time of this writing, we have brought in a new vice provost for information services (Garry Bozylinsky), a new vice provost for academic affairs (Lynn Pasquerella) a new vice president for research (Peter Alfonso) a new president of the University of Rhode Island Foundation (Glen Kerkian), and we recently appointed David Maslyn as dean of the libraries. The search for a vice provost for enrollment management has been put on hold this year as a result of an unsuccessful search and new budget restrictions, but we are in the midst of searching for a dean of engineering (just begun), a director of athletics (just completed with the appointment of Thorr Bjorn), and a director of institutional research. Most importantly, we have started a search for a provost and vice president for academic affairs as Beverly Swan has announced her return to the faculty at the end of this calendar year. This change will have a profound effect on the University, and we will search aggressively for the right person to live up to Beverly's example.

**University-Wide Initiative 1: Enhance student recruitment, retention, involvement and graduation rates**

**Goal 1: Achieve the enrollment of a talented and diverse community of students totaling 16,000 (13,000 fte) by the conclusion of this planning period.**

*Goal 1 of University-Wide Initiative 1* focuses on increasing enrollment to 16,000 students (13,000 FTE) over the course of the plan. In addition to enrollment targets, other metrics were established in order to measure progress toward the achievement of this goal. Those three-year goals follow:

1. Applications and enrollments of new freshmen and transfer students will have increased by 5%.
2. Graduate student enrollments will have increased by 10%.
3. Average SAT/ACT average scores in reading and math for first-year students will have increased to 1120. SAT writing test is used for post admissions assessment purposes.
4. Minority student population will have increased by 10%.
5. Centennial Scholarships and endowed merit-based scholarships awarded will have increased by 15%.
6. The URI tuition discount rate will be equal to the average rate of New York, New Jersey and New England land-grant universities.
7. 35% of recruiting programs will include faculty, student leaders, alumni, and/or Student Affairs staff.

In order to offset the impact of declining State support on anticipated revenues, the University increased its fall enrollment targets for the first year of the plan. We exceeded our FY07 freshman enrollment target of 2502 by enrolling 2901 first time full-time freshmen, an 18% increase over our freshmen enrollment for FY06. Enrollment of transfer students (623) in FY07 increased 4% over the previous year's enrollment (597). Likewise, applications for freshmen and transfer students increased by 1.2% and 11% respectively. Unfortunately, graduate student enrollments (2631) for FY07 declined by 12.2%. Overall, minority student enrollment increased from 1634 in FY06 to 1749 students in FY07 or 12% over the previous year (see Metrics Chart I).

Average SAT scores for first-year students declined by 1.9% over the previous year, a result of having to go deeper into the pool to meet enrollment goals. Centennial and merit-based scholarships awards increased by approximately \$3M or 25% over FY06. The tuition discount rate increased slightly compared with the average rate of New York, New Jersey and New England land-grant universities. Additionally, the University sought to increase the involvement of faculty, student leaders, alumni and/or Student Affairs staff in University sponsored recruiting programs. The 35% target has already been achieved in the first year of the plan (see Metrics Chart I).

Many new strategies were implemented this year, and plans are underway for the next few years ahead that should help us achieve enrollment and retention goals. Specific strategies in enrollment planning, financial aid and marketing have been instituted. The Enrollment Management Committee has been working with the Curriculum Delivery Committee on enrollment projections and yield goals. Last fall, the University hired a consultant to conduct an audit of our current organization and activities. The consultant recommended the creation of a Vice Provost for Enrollment Management position to provide leadership on the development of comprehensive enrollment and retention plans. A search this year failed to yield a good pool of candidates. A new search will not proceed in the upcoming year due to budget cuts. The Associate Dean of University College, Dean Libutti, was appointed Special Assistant to the Provost in the absence of a Vice Provost for Enrollment Management, and he will continue to provide leadership and assistance to this critical area.

Although additional dollars were added to the budget for need-based and merit scholarships – including the University Scholarships and the ability to support those continuing students, the comparative tuition discount rate achieved only small growth, due mainly to the dramatic increases in enrollments, forcing institutional financial aid dollars to be spread even thinner. Only a slight increase, from 23.4% to 23.8%, was realized in the discount rate. Compared to other larger public universities nationwide, this is lower than the average.

The Faculty Senate passed new legislation to allow for greater flexibility in admitting students to the Providence campus. The Joint Admission Agreement with CCRI has yielded growth from seven students one year ago to 168 this past year.

In January, a committee chaired by Vice Provost Lynn Pasquerella submitted an initial report detailing the impact an SAT/ACT-optional policy would have on the Office of Admissions. In addition, the Faculty Senate charged the Teaching Effectiveness Committee, chaired by Dr. Karen Ramsey, to explore the impact of adopting such a policy. Their report will be completed in time to impact a plan for the fall '09. We have also established a stronger partnership with the National Society of High School Scholars in order to enhance recruitment. In addition, the Director of Diversity Recruitment in the Graduate School is identifying deans and faculty to assist in recruitment at both the graduate and undergraduate levels. The Provost's office has made supplemental travel funds available for faculty to combine recruitment activities with conference presentations. Significantly, we also began a targeted effort to recruit undergraduate international students. Admissions staff made a recruitment trip to six cities in five countries (Malaysia, Thailand, Vietnam, Korea, and China). A variety of initiatives were implemented, but the results of those efforts will not be evident until applications are accepted during the fall 2007. However, freshman deposits for international student stands at fifteen, compared with three last year on this date, so we are already seeing a positive impact.

The University's Advancement division took the lead in implementing new marketing initiatives that should help to promote the University. The University's website has been redesigned and tailored to target specific constituents. A kick-off branding conference was held in July 2006, and we appointed a 21-member Branding Steering Committee, co-chaired by Linda Acciaro of the Advancement Division and Ruby Dholakia, Professor of Marketing. We initiated an organizational and research phase for most of the year. The next phase includes the development and implementation of a branding strategy. Implementation is scheduled for Spring 2008. The branding process and its outcomes will lay the foundation for the University's overall integrated marketing plan and related strategies.

The Division of Advancement continues with its Alumni-Admissions volunteer program for recruiting prospective students and is working with Admissions on a recruitment video. Numerous joint programs and events with Athletics have been held (such as a series of joint events in conjunction with the A-10 basketball tournament; a reception last Fall prior to the URI-UConn football game; a planned reception this Fall prior to the URI-Army football game). The electronic communications program with alumni and others has expanded to more than 50,000 addresses in the electronic database. The monthly live WebChats are attracting approximately 164 visitors per chat.

**METRICS CHART I.**

**INITIATIVE 1: Enhance student recruitment, retention, involvement and graduation rates**

*Goal 1: Achieve the enrollment of a talented and diverse community of students*

<b>Metric</b>	<b>Goal</b>	<b>Actual</b>	<b>Target</b>			<b>FY09</b>
		<b>FY06</b>	<b>FY07</b>	<b>FY07</b>	<b>FY08</b>	
Total headcount	16,000	15,095	15,062	15,397	15,698	16,000
Total FTE	13,000 FTE	12,877	13,155	12,918	12,959	13,000
<b>Enrollments &amp; Applications</b>						
<i>Enrollments of freshmen</i>	Increase 5%	2461	2901	2502	2543	2584
<i>Enrollments of transfer students</i>	Increase 5%	597	623	607	617	627
<i>Applications of freshmen</i>	Increase 5%	13,388	13,545	13,611	13,834	14,057
<i>Applications of transfer students</i>	Increase 5%	1340	1488	1362	1385	1407
Graduate student enrollments	Increase 10%	2996	2631	3096	3196	3296
Average SAT/ ACT scores-- 1st-yr students	1120	1120	1099	1099	1110	1120
<b>Minority Students</b>						
<i>Undergraduate minority students</i>	Increase 10%	1385	1550	1431	1478	1524
<i>Graduate minority students</i>	Increase 10%	249	199	257	266	274
Centennial and merit-based scholarships	Increase 15%	\$11.3M	\$14.1M	\$11.9M	\$12.5M	\$13M
Tuition discount rate	Avg rate (NY,NJ, New England land-grant univ.)*	23.3%	23.8%	24.8%	26.3%	27.9%*
Recruiting programs staff	35% - faculty, students, alumni, staff	37%	37%	--- Target met ---		

\*based on average discount rate of large colleges & universities

**Goal 2: Increase first-year retention of freshmen to 84% in 2008-2009.**

Goal 2 focuses on first-year retention of freshmen. The University has employed several strategies over the course of the last strategic plan to improve retention. Our experience has allowed us to identify many factors, such as academic support services, enhancing learning communities, mentoring opportunities, creating out-of-class networks and campus recreational and social opportunities that may impact retention of students. The metrics reflect our intention to impact some of these factors as well as guide the implementation of strategies for accomplishing the goal. The metrics include:

1. Freshman to sophomore retention rate will have increased to 84%.
2. Student participation in living/learning communities will have increased by 20%.
3. Student use of the Academic Enhancement Center will have increased 15%.
4. The ratio of large lecture classes to small classes per freshmen will have improved.
5. Advisor/student ratio will have improved to ensure that each advisor has no more than thirty advisees.
6. Student internship and internal employment opportunities will have increased by 5%.
7. Student survey results will indicate time spent outside of class with faculty has increased each year of the plan.

This past year, retention of freshmen students increased slightly from 80.2% to 80.6% for the fall 2004 and fall 2005 entering cohorts respectively (see Metrics Chart II). This increase lags behind the target for FY07. Retention of first-year students, however, is a “lagging” indicator since strategies employed this year will not produce results until the following fall. The next few years will be more indicative of whether these strategies are making a difference.

The Instructional Development Program hired an Assistant Director, a Carnegie Teaching Fellow, who began in July 2007. He will be responsible for helping to implement both a Master Teaching Fellows Program for Teachers of Freshmen and a Preparing Future Faculty Program.

Although the current plan has a goal of increasing students participating in living learning communities by 20%, the University anticipates increasing the current level of 300 students occupying Browning Residence Hall to almost 1,000 by the fall of 2007. Adding Barlow and Weldin Residence Halls provided over 500 more beds, allowing us to grow the number of living/learning communities for first-year students who were undecided majors. We will add three additional living/learning communities for Engineering, Health and Life Sciences, and the Honors Program, totaling over 250 students. A cooperative strategy has been created between Dining Services and Athletics, involving the new Hope Commons dining hall and key athletic events to foster student-faculty interaction.

We are working to create even more opportunities for faculty-student interaction. This dynamic is measured in student surveys conducted every two years. We have identified several questions from the National Survey for Student Engagement that measure faculty-student interaction. The survey is developed on a four-point Likert scale:

1. very little
2. some
3. quite a bit
4. very much

The questions related to faculty-student interaction include:

1. Talked about career plans with faculty
2. Discussed ideas with faculty outside of class
3. Worked with faculty on other activities
4. Worked with faculty on a research project

Baselines have been established for each of these questions (mean scores = 1.98; 1.76; 1.52; and 1.97 for questions 1-4, respectively) from the previous survey results (see Metrics Chart II). New survey results will be available in August.

Some of the opportunities created include:

- The Student Film Festival Visualizations
- Read/Write Series
- Ocean State Summer Writer's Conference
- Psi Chi Seminar Series
- The Richard Beaupre Hope and Heritage Fund
- Research projects in affiliation with continuing partnerships: 3D Imaging, Forensic Science, Hunger, Marine and Coastal, and Sensor and Surface Technology
- The expanded Mentor-Tutor Internship Program
- Faculty mentored top student candidates to prepare for prestigious scholarship competitions (Rhodes, Marshall, Udall, Goldwater, Fulbright, Gates, Presser, etc.)
- URI Calc Bowl featuring teams from URI, RIC, and Rhode Island high schools.
- Study Abroad programs in Greece, Spain, China and Italy
- German Summer School
- Arts programs (concerts, plays, exhibitions) and arts festivals

- The Research Ethics Fellows Program
- Individual faculty activities (e.g., Chinese dinner for students in Chinese political science class)

We have experienced a disappointing downward trend in two important indicators that we believe would positively impact retention. One is increasing the ratio of small (25 or fewer students) to large classes overall and particularly for freshmen. Approximately 60% of classes in FY06 versus 53% of classes in FY07 were scheduled with 25 or fewer students. Second, the number of classes for freshmen with 25 or fewer students decreased from 999 to 829 (see Metrics Chart II.). This is a result of the rapid increase in enrollment last year. For FY08, we have hired twenty-three additional faculty members, and so we hope this trend is short-lived.

<b>METRICS CHART II.</b>						
<b>INITIATIVE 1: Enhance student recruitment, retention, involvement and graduation rates</b>						
<i>Goal 2: Increase first-year retention of freshmen to 84% in 2008-2009</i>						
		<b>Actual</b>		<b>Target</b>		
<b>Metric</b>	<b>Goal</b>	<b>FY06</b>	<b>FY07</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>
Retention rate of freshmen to sophomore	84%	80.2%	80.6%	81.5%	82.7%	84%
	Cohort	Fall 2004	Fall 2005	Fall 2005	Fall 2006	Fall 2007
Students in living/ learning communities	Increase 20%	n/p*	300	n/a	330	
Use of the Academic Enhancement Center	Increase 15%	n/p	7299	n/a	7847	8394
Small/Large Classes						
• Ratio of small to large classes	Improve	1.53	1.14	--- No target ---		
• Percentage of small classes	Improve	60.4%	53.2%	--- No target ---		
Advisors with more than 30 students	None					
Internship and internal employment opportunities	Increase 5%		430	437	445	452
Student Survey Results						
• Talked about career plans with faculty	Increase / year	1.98	August	--- No target ---		
• Discussed ideas w/faculty outside class	Increase / year	1.76	August	--- No target ---		
• Worked with faculty on other activities	Increase / year	1.52	August	--- No target ---		
• Worked w/faculty on a research project	Increase / year	1.97	August	--- No target ---		
New faculty members	6 new	0	15* (will begin in FY09)	2	4	6
Experienced faculty teaching gen ed courses	Increase	Not reported				
AEC support for challenging courses (with high fail/drop rates)	Increase 25%	Not reported				
Freshmen classes - 25 students or fewer	Increase 3%	999	829	1009	1019	1029
<i>*no progress</i>						

**Goal 3: Increase the number of students who graduate in six years by 2% over the course of this plan.**

We continue to develop and refine strategies to improve graduation rates. We expanded our deans' office advising services to students by adding two days with evening hours. We also have implemented the on-line advising system so that students can schedule advising appointments with the dean's office at their convenience. These service improvements have helped students with jobs, with family responsibilities, and those who live a long distance from campus. The numbers of student internships has expanded. The College of Business Administration, for example, has doubled the averages of students participating to 150.

Plans have been established starting in the fall '07, which will allow us to exceed this goal with the implementation of the residence hall mentor program, where every first-year residence hall student will be assigned an upper class residence hall mentor. In addition, we also have disability mentors and established peer advocates for the prevention of violence.

There are several metrics identified in the strategic plan that we believe will contribute significantly to the achievement of this goal. The metrics include:

1. Six-year graduation rate has increased 2%.
2. Summer school enrollment has increased 5% each year with a total increase of 15% over the course of the plan.
3. Number of students carrying fifteen credits or more per semester has increased by 7%.
4. Number of four-credit courses has grown by 20%, enabling first and second-year students to enroll for sixteen hours in four courses a semester.
5. 100% of high-risk courses have tutorial support programs. The failure rate in high-risk courses has decreased by at least 10%.
6. Participation in mentoring and advising programs has increased by at least 10%.
7. Summer school offering for courses with high withdrawal rates has increased by 5%.

We are pleased to report the six-year graduation rate increased from 55.8% in FY06 to 56.9% in FY07. Our three-year target of increasing the graduation rate by 2% has already been achieved. Our goal now will be to maintain this increase and to achieve even greater increases in future years.

Every other metric related to this goal has showed progress. Specifically, summer school enrollments are up by 170; the number of students taking 15 credits or more has increased by 451; the number of four-credit courses has increased by 9; and we are making great strides in students participating in mentoring and advising programs (see Metrics Chart III).



**METRICS CHART III.**

**Initiative 1: Enhance student recruitment, retention, involvement & graduation rates**

*Goal 3: Increase the number of students who graduate in six years by 2%*

<b>Metric</b>	<b>Goal</b>	<b>Actual</b>		<b>Target</b>		
		<b>FY06</b>	<b>FY07</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>
Six-year graduation rate	Increase 2%	55.8%	56.9%	56.2%	56.5%	56.9%
Summer school enrollment	Increase 5%/year	5625	5795	5906	6201	6511
Students with 15 credits or more						
# of students w/15 credits or more		11,414	11,865			
% of students w/15 credits or more	Increase 7%	52.8%	53.0%	63.2%	64.6%	66.1%
Number of 4-credit courses	Increase 20%	169	178	180	192	203
High-risk courses with tutorial support	100%	n/p	100%	---target met---		
Failure rate in high-risk courses	Decrease 10%	n/p	22.8%	n/a	21.65%	20.5%
Participation in mentoring/ advising programs	Increase 10%	*see footnote*				
Summer school offerings for courses with high withdrawal rate	Increase 5%	139	129	141	143	146

\*66 programs currently exist. This goal will be exceeded this fall (every first year residence student will have an upper class residence hall mentor)

**Goal 4: Develop a University-wide new and invigorated focus on students**

We have been engaged in a great deal of new planning to achieve a greater sense of focus on students as well as visitors and potential new students. Physical and operational improvements, including staffing, renovations and landscaping at the University Visitor Center, will provide visitors with better services and will assist in marketing the University. Architectural plans for interior renovations and landscape improvements are underway, and construction will be completed in FY08. Building exterior renovations will be completed in FY09.

Plans are underway to create additional recreational and social spaces for students on campus. In particular, the vacated Roger Williams Dining Hall will be used as a student wellness center with recreation/fitness space, adding an additional 14,000 square feet of space in September, with permanent renovation of this space completed by fall 2009. The Center has received strong support from private donors who have pledged funding for forty percent of the project. Our primary task in this next year is to secure funding for the balance of the project and finalize construction plans and specifications. We have also developed plans this year to complete at least five volleyball/basketball courts by spring 2008.

We see further progress in creating social spaces on campus in the fact that each new and renovated building and landscape have included new interactive interior and exterior spaces, including Independence lobby/lounge, the Eddy, Garrahy and Wiley residence halls lounges/meeting spaces and outdoor seating areas, Hope Commons lobby and outdoor dining area, Center for Biotechnology and Life Sciences (CBLS) atrium and student meeting areas, Lippitt Hall, Pharmacy, and Pell atrium and café.

Restoration and maintenance of the historic quadrangle continues, and plans for the restoration of the grounds between Ranger, Green and Independence Halls are underway with construction to be completed by fall 2008. Landscape improvements have been elevated in our annual asset protection strategies, which

are exemplified by recent renovations to the very visible Ballentine Pond area and tree and shrub pruning and removal to improve facades of historic buildings (Quinn, Ranger, Edwards and Lippitt) and the Quadrangle.

The renovation of Independence Hall was completed this year and contains much needed improvements to technology, classrooms, offices, new lobby and student lounge area. Funding for the renovation of Lippitt Hall was finally secured this year from the legislature, architectural plans and specifications are complete, construction bids have been received and construction will start in September 2007, with completion in fall 2008. Both renovation projects are premised on meeting the specific academic needs of today's programs. Classrooms have been 'right-sized'; new technology systems installed in classrooms; building accessibility and fire codes met or exceeded; and sustainability standards employed. We will continue these same strategies when renovating other historic buildings that surround the Quadrangle

Design and construction of three new academic buildings needed to meet the growing academic and research needs of the University are now fully underway. Construction has begun on the new 139,000 square foot Center for Biotechnology and Life Sciences building with an expected completion in January 2009. Architectural planning was completed, and bids are being sought for the new innovative Pell Marine Science and Inner Space Center, a 40,000 square foot building at the Narragansett Bay campus, which incorporates NOMAD classroom and interactive technology. Construction of Pell will be completed May 2009. Planning has begun for the new 130,000 square foot Pharmacy building with construction slated to begin September 2008 and completion by April 2010.

Consistent with other goals, we have identified metrics to help chart the progress of our accomplishment of this goal. The metrics include:

1. The Honors Program will be fully staffed and will reside in new and improved space.
2. We will see significant improvement in URI results on the *National Survey on Student Engagement*.
3. New construction of a second group of residence hall will be initiated by 2009 so as to meet the goal of housing 50% of total undergraduate student population.
4. There will be a 10% increase in campus social interaction/networking places across campus.
5. The number and capacity of facilities to match curriculum needs is demonstrably improved.
6. The design for conversion of Fogarty Hall to new academic uses is completed. Discussion of potential reuse of Fogarty Hall is ongoing but no firm plan will be adopted until the completion of building plans for the new Pharmacy building in FY08.
7. Wellness Center design is complete.

We have identified several questions from the National Survey for Student Engagement that measure "focus on students" that increase their degree of involvement on campus. The questions include:

1. Participation in co-curricular activities (organizations, sports, etc.).
2. Extent students feel encouraged to interact with students from different economic, social, ethnic backgrounds.
3. Feel support to succeed academically.
4. Help coping with non-academic responsibilities.
5. Feel support to thrive socially.

Baselines have been established (see Metrics Chart IV.) based upon previous surveys. New survey results will be available in August.

With the completion of three new residence halls (800 beds), apartments and suites, the university now provides housing for 47% of the undergraduate student population (11875 students/5596 beds) as compared to 40% in the previous year. Schematic design for a new 350 bed residence hall is now underway, funded through support from the Student Affairs Division fund balances, with an anticipated construction start in summer 2009. This will bring URI resident capacity to 5898 beds, or 49% of the undergraduate population by 2010.

<b>METRICS CHART IV.</b>						
<b>INITIATIVE 1: Enhance student recruitment, retention, involvement and graduation rates</b>						
<b>Goal 4: Develop a University-wide invigorated focus on students</b>						
<u>Metric</u>	<u>Goal</u>	<u>Actual</u>		<u>Target</u>		
		<u>FY06</u>	<u>FY07</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Significant improvement on the NSSE						
• Participation in co-curricular activities (organizations, sports, etc.)	Improve	Fr. 2.15		--- No target ---		
		Sr. 2.06				
		<b>M=2.11</b>				
• Extent students feel encouraged to interact w/ students from different economic, social, ethnic backgrounds	Improve	Fr. 2.49		--- No target ---		
		Sr. 2.08				
		<b>M=2.29</b>				
• Feel support to succeed academically	Improve	Fr. 2.91		--- No target ---		
		Sr. 2.61				
		<b>M=2.70</b>				
• Help coping with non-academic responsibilities	Improve	Fr. 2.04		--- No target ---		
		Sr. 1.73				
		<b>M=1.89</b>				
• Feel support to thrive socially	Improve	Fr. 2.18		--- No target ---		
		Sr. 1.88				
		<b>M=2.03</b>				
On-campus housing of undergraduate students	50% undergrads	n/p	39%	n/a	45%	50%
Social interaction spaces	Increase 10%	n/p	500 K	n/a	525 K	550 K
Facilities to match curriculum needs						
Number of classrooms	Improve	n/p	538	--- No target ---		
Capacity of classrooms	Improve	n/p	11,068	--- No target ---		

## **University-Wide Initiative 2: Improve the fiscal health of the University**

### **Goal 1: Enhance Total Annual Non-State Revenue by 15% over the course of this plan.**

In order to maintain a high quality educational experience and to remain sound fiscally, the University continues to focus on enhancing non-state sources of revenue. Tuition and fee revenue remains the primary vehicle. Notwithstanding state mandated increases in tuition, enrollment growth supports accomplishment of this goal. Strategies and related metrics for this goal include:

1. Tuition and fee income will increase by 5% per year, net of institutional financial aid.
2. Capital Campaign will make public its goal of \$100M and have commitments in lead and major gifts of \$80M by the end of FY09.
3. Distribution of endowment income by the URI Foundation to the University will be no less than 5% per year.
4. Division of Student Affairs will increase grants and donations to support programs by 10%.
5. Over the course of the plan, the University's auxiliary and enterprise accounts will contribute \$1M to University need-based financial aid.
6. University will sell selected unused real estate totaling \$5M over the course of the plan and add that money to endowment.
7. University will establish new revenue streams from the use of real assets totaling \$3M.
8. Intellectual property sales and licenses will total \$5M.

Total tuition and fee revenue this year was increased by 11.8 % (\$143.5M to \$160.5M) due to the increase in enrollment and increased tuition and fee rates. Institutional financial aid was increased by 18.4% (\$33.5 M to \$39.7M), thus net tuition and fee revenue was increased by 9.8% (\$110.2M to \$120.8M) over the previous fiscal year (see Metrics Chart V.).

The "Making a Difference" capital campaign is on target to exceed the overall \$100M goal and the specific plan benchmark of \$80M for gifts received and generated by the end of 2009. As of April 2007 the University has received over \$48M in lead and major gifts commitments (see Metrics Chart V). A comprehensive and integrated campaign communication plan is in place. Highlights include a five-minute video; completion of all campaign publications and brochures; an electronic campaign newsletter; monthly news releases about major gifts; campaign coverage in each issue of QuadAngles and regular campaign coverage through inAdvance. The campaign will formally go public with a gala celebration on October 13, 2007 in Providence during the University's Annual Distinguished Achievement Awards. At that time, the University will announce a campaign that has generated at least \$50M in leadership commitments (by October that figure will probably be higher). The campaign has actively utilized a volunteer leadership committee chaired by CVS Chairman and CEO, Tom Ryan. The Advancement Division has achieved these campaign successes without any additional fundraising or communications staff and while also working with a reduction in budget.

The Annual Fund was re-branded and renamed "The Fund for URI". For the first time ever, donors to the Fund have been given the opportunity/option to restrict/designate their gift to a particular academic college. To date, the Fund is ahead of last year in terms of total giving.

We have a commitment to raise revenues internally within the several auxiliaries and to allocate additional funds to financial need-based aid. An assessment of auxiliaries and enterprises will be proposed this year, FY08, with implementation in FY09. This revenue stream will contribute \$1M to need-based financial aid in addition to the present institutional contribution. Additionally, the Division of Student Affairs has submitted proposals for two new grants totaling over \$200,000. Currently, Student Affairs manages

\$1.22M in grant funds in support of various programs (see Metrics Chart V.).

We will unlikely be able to accomplish a planned strategy of selling selected unused real estate totaling \$5M over the course of the plan and adding that money to endowment. This task will require an act of the legislature to allow URI to receive the proceeds from the sale of RIBOGHE/state property. Present law requires proceeds from the sale of state land to return to the state general fund. Efforts to date indicate that this legislation is unlikely to pass during the present (and perennial) economic climate.

The University worked to establish new revenue streams from the use of real assets totaling \$3M. This year we acquired approximately 125 acres of land contiguous to approximately 180 acres of current university property which expands the University's real estate opportunities for future building sites and potential revenue streams. We engaged consultants to develop business plans for several potential ventures including a research park, alumni and faculty housing, and golf learning center. The Research Park report will be completed July 2007 and the housing and GLC study this fall 2007.

Another success this year was passage of legislation that allows the University to establish a Research Foundation. This entity will assist in developing new collaborations with private sector business for the commercialization of intellectual property and private/public partnerships in a potential research park. This foundation will begin operation in FY08 and should realize modest financial returns in FY09.

## **Goal 2: Increase public financial support for the University.**

Strategies and related metrics for this goal include:

1. The University's total externally funded research will increase to \$90M by the end of FY09 (to be revised downward to \$78M).
2. We will secure earmarked federal funding averaging \$3M per year over the course of this plan.
3. Indirect cost recovery from public grants and contracts will total \$13.5M per year at the end of FY09.
4. Rhode Island state support of the University will increase by at least 4% per year in general revenue.
5. Rhode Island Capital Fund support of asset protection at the University will increase by 7% per year.
6. Rhode Island will approve general revenue bonds for a new pharmacy building, a new nursing building and a new chemistry building totaling \$140M. In 2008, the voters will approve a major rehabilitation of the Fine Arts Center.

Unfortunately, state general revenue support for operations remained level from FY06 to FY07 and going forward into FY08, state general support will decline precipitously by 5.7%, a reduction of \$4.7 million (\$81.8M to \$77.1M) from FY07 to FY08. This continual decline of state support has forced increases in our tuition and fee rates equal to the upper level of our peer institutions. This could deter future enrollment, particularly for out-of-state students. We--the University and the Board--must stop this downward trend of state support or seek a new paradigm for funding the university's operations.

In FY07 the Governor reduced URI's appropriated asset protection allowance by \$959,000, but we were successful in convincing the legislature to restore these funds, providing the University with a 5% increase (\$3.7M to \$3.9M) over the last year. Legislative support for asset protection and RICAP projects continues to be strong, and an incremental increase of funding for asset protection, 5% per year, is expected over the foreseeable future. The state also provided \$3.5M in additional support for Independence Hall in FY07.

URI and the Board conducted a very effective campaign to persuade voters to approve a general obligation bond for the new \$65M Pharmacy building in November 2006. With new budgetary concerns

for state debt service, however, the legislature has now changed the referendum schedule for the new Chemistry building to 2012 and new Nursing building to 2010. The Fine Arts building is not within the current bond referendum schedule. We will continue to promote our original schedule for bond approval for Chemistry (2008), Nursing (2010) and Fine Arts (2012).

Although final figures will not be available until later this summer, total revenue generated from externally funded research for FY07 appears to have declined, largely because we received large grants, including IMBRE, ADVANCE and NUWC last year, for a two-year period. Indirect cost recovery from public grants and contracts, however, will increase to the established targets for this year. Additionally, Congress made a dramatic shift in policy and practice with regard to earmarks, and URI received no earmarked money, an unhappy turn of events despite the fact that it is probably sound federal policy. (The most recent information suggests that there will be some earmarked money for URI in several budget bills moving through congress late in the session. These will be included in the 2007-2008 management letter.)

<b>METRICS CHART V.</b>							
<b>INITIATIVE 2: Improve the fiscal health of the University</b>							
<b><i>Goal 1: Enhance total annual non-state revenue by 15%</i></b>							
		<u>Actual</u>			<u>Target</u>		
<u>Metric</u>	<u>Goal</u>	<u>FY06</u>	<u>FY07</u>	<u>As of</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Tuition and fee income	Increase 5%/ year	\$110.1M	\$120.8M		\$115.6M	\$121.4M	\$127.5M
Commitments in lead & major gifts	\$80 M	\$32.6M	\$48M	6/30/07	\$48M	\$64M	\$80M
Distribution of endowment income	More than 5%/ year	\$3.26M	\$3.58M		\$3.42M	\$3.59M	\$3.77M
Grants and donations to support programs	Increase 10%	n/p	1219K		n/a	1280K	1341K
Auxiliaries contribute to University need-based financial aid	\$1M	\$0M	\$0M		\$0.3M	\$0.7M	\$1M
Unused real estate added to endowment	\$5M	\$0M	\$0M		\$1.7M	\$3.3M	\$5M
New revenue streams from real assets	\$3M	\$0M	\$0M		\$1M	\$2M	\$3M
Intellectual property sales and licenses	\$5M	\$1M	\$0.5M		\$2.3M	\$3.7M	\$5M
<b><i>Goal 2: Increase public financial support for the University</i></b>							
		<u>Actual</u>			<u>Target</u>		
<u>Metric</u>	<u>Goal</u>	<u>FY06</u>	<u>FY07</u>	<u>As of</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Externally funded research	\$90M	\$77.7M	\$65.6M	6/30/07	\$82M	\$86M	
Earmarked federal funding	Average \$3M/ year	\$6.8M	\$0M		\$3M	\$3M	
Indirect cost recovery from public grants and contracts	\$13.5M/ year	\$9.3M	\$10.6M	6/30/07	\$10.7M	\$12.1M	
State support for University	Increase 4%/ year	\$82.4M	\$82.5M		\$85.7M	\$89.1M	
Capital Fund support of asset protection	Increase 7%/ year	\$3.7M	\$3.9M		\$3.9M	\$4.2M	\$4.5M

### **Goal 3: Enhance fiscal stability**

In order to manage University resources to better meet student needs and promote faculty and staff productivity, we are working to implement a paperless financial, human resources and purchasing system. The past year has been marked with the implementation of numerous streamlining measures that eased bureaucracy and reduced paperwork. We increased flexibility in purchasing with substantial changes in limited value purchase (LVPs) orders limitations (\$1,000 to \$5,000), eliminated duplicative approvals and processes for Master Price Agreements items and college requisitions, and replaced paper forms with on-line and web based requisitions, forms and vouchers. Upgrade in PeopleSoft financial module, to 8.9, was completed and the upgrade of the human resources module, to 8.9, will be completed in July. This will enable us to eliminate many paper HR forms and employment applications, streamline search committee information and interface with future electronic payroll systems. This will also allow us to move remaining administrative systems off the antiquated mainframe computer and complete the PeopleSoft implementation. E-procurement software, which has now been purchased, will eliminate most paper purchasing forms and provide work-flow capability; it will be implemented in FY08.

In streamlining procedures, we were successful in the last legislative session in securing an important permanent waiver from the state's cumbersome bidding procedures for all third party (non-state funds) purchases. With the approval of the Board of Governors, we developed and implemented more realistic purchasing guidelines that ease the unnecessary burdens for researchers and place us in a competitive position with our peer institutions.

Towards maximizing our financial and physical resources, the legislature approved our request to carry forward surplus funds from FY06 to FY07. That same authority was granted for the next fiscal year, FY08 as well. We are working on establishing a preventative maintenance program that takes into account the normal rates of deterioration and is funded by a fixed capital funding source. We have engaged the campus community in an evaluation of facilities/maintenance needs and deferred maintenance with the assistance of Sightlines, a nationally recognized consulting firm. Its findings are being reviewed by administrators, and implementation strategies will be recommended for inclusion in asset protection plans this summer. Funding will be major obstacle to accomplishing this task.

We will develop an energy performance contract to use energy savings to pay for necessary equipment and facility upgrades with no negative impact on current year budgets. An energy performance consultant/contractor completed the energy audit and renovation cost estimate. We have received bonding authority for the proposed improvements and we are beginning renovations to energy systems and building infrastructure. The renovation work will be completed over a three-year period using \$18.1M energy savings to finance the cost of construction. No additional operations funds are required to pay for the improvements or debt service.

This year, we made great strides in achieving our goal for the URI Foundation to become the fundraising arm of the University. An agreement between the URI Foundation Board of Directors and the Board of Governors for Higher Education, implementing this strategy, was signed on June 25, 2007. A plan is now in place to deal with all of the staff and resource transition issues, as well as a defined process of how we will mutually develop fundraising outcome goals. The process was, and remains, a complicated affair, which began with a planning retreat in November 2005. The past 18 months have been spent working out the many details. We have also worked out a plan for the Division of Advancement to assume an expanded role in the area of University branding and marketing, event management, and public affairs.

**University-Wide Initiative 3: Create a more inclusive environment**

**Goal 1: Increase the enrollment, retention and graduation rates of underrepresented groups, including students with disabilities.**

The first goal in creating a more inclusive environment is increased focus on enrollment, retention and graduation of students from underrepresented groups. The specific metrics for this goal are listed below:

1. Total enrollment of students from underrepresented groups will increase 3.3% annually, 10% over the course of the plan.
2. Sophomore to junior retention of students from underrepresented groups will increase by 2% annually.
3. Graduation rates at six years of students from underrepresented groups will increase by 2% annually.

Overall enrollment of students from underrepresented groups has increased by 115 from FY06 to FY07. This 7% increase exceeds the expected 3.3% increase target articulated in the plan. Likewise, sophomore to junior (2<sup>nd</sup> year) retention increased from 64% to 68%. Six-year graduation rates, however, declined by 1%. It is possible that current strategies to increase retention may not translate into improvement in six-year graduation rates for several years. For example, annual increases in institutional financial aid, which should impact retention, likewise should contribute to increased graduation rates (see Metrics Chart VI).

<b>METRICS CHART VI.</b>						
<b>INITIATIVE 3: Create a more inclusive environment</b> <i>including students with disabilities</i>						
		<u>Actual</u>		<u>Target</u>		
<u>Metric</u>	<u>Goal</u>	<u>FY06</u>	<u>FY07</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Enrollment from underrepresented groups	Increase 10%	1634	1749	1688	1743	1797
Sophomore to junior retention	Increase 2%/ year	64%	68%	66%	69%	71%
Graduation rates at six years	Increase 2%/ year	47%	46%	49%	50%	52%
Institutional financial aid	Increase \$1M	\$9.1M	\$11.3M	\$9.4M	\$9.8M	\$10.1M
Participation in leadership & org. training	Increase	Not reported				

**Goal 2: Increase hiring and retention of faculty and staff from underrepresented groups, by Divisions.**

The Division of University Advancement has added two full-time professionals of color to its staffing (Alumni Relations and Publications). QuadAngles, all capital campaign publications, inAdvance, news releases, the new TV ads, and other University Advancement communications make a sustained and extraordinary commitment to publicizing the achievements and the activities of women and persons of color. Our special events (such as the Achievement Awards and Donor Recognition Brunch) feature women and persons of color. This year’s Annual Black Scholar Awards program received extensive media coverage, including highlight coverage in the Providence Journal. The Women’s Council and the Professionals of Color organizations have been formed and held their initial events. The Alumni Relations Office continues with its annual workshop for graduating seniors of color, in which minority alumni are invited to speak and present. The Alumni Relations Office and the Alumni Association also continue with their support of the Black Scholar Awards program. The Student Alumni Association has a 7%



representation of students of color. Currently, since the organization is capped through its by laws in terms of total membership, numbers of students of color can only grow as openings for membership unfold. This policy will be reviewed. The Alumni Association has nine persons of color on its Board and standing committees. The Nominating Committee (composed of alumni volunteers) continues to pursue the goal of seeking and recruiting more persons of color. Women are well represented on both the Board and the committees. The Communications Advisory Council has not met this year, due to the work of the Branding Committee. Therefore, no persons of color have yet been added. Three persons of color have been invited to join the Branding Committee for its implementation work.

Donors (and fundraising volunteers) of color continue to lag. No alumni of color have emerged as leading philanthropists who can serve on such committees as the capital campaign leadership committee. One minority alum was asked but declined. Our Fund for URI student-caller program continues to make an extensive use of students of color. Women continue to be significant donors to all of our causes. Four women serve in leadership roles within the “Making a Difference” capital campaign. The Women’s Council on Philanthropy is active (sponsoring events and having established a scholarship this year). An undergraduate internship program within Advancement (via the Alumni Relations Office) was initiated this year. One student (a female) applied and was chosen.

***Student Affairs:***

An increase of 5% of staff members from underrepresented groups has been achieved. Currently there are 48 staff members from underrepresented groups. We have hired an Hispanic woman in our Counseling Center, and the Director of Counseling just hired an African American. Both efforts and progress are being made in this important area.

Although some of the data related to this goal has not yet been collected, we will monitor the metrics closely (see Metrics Chart VII).

**METRICS CHART VII.**

**INITIATIVE 3: Create a more inclusive environment**

**Goal 2: Increase hiring and retention of faculty and staff from underrepresented groups**

<u>Metric</u>	<u>Goal</u>	<u>Actual</u> <u>FY06</u>	<u>FY07</u>	<u>as of</u>	<u>Target</u> <u>FY07</u>	<u>FY08</u>	<u>FY09</u>
<i>Student Affairs</i>		footnote*					
Staff members	Increase 5%	n/p	48		n/a	49	50
<i>Academic Affairs</i>							
Number of underrepresented faculty	Increase 5%	101	101				
<i>University Overall</i>							
Number of underrepresented faculty and staff		244 10% of total	265 10.7% of total				
<i>Administration</i>							
Candidates for the classified service	Increase	5 of 53	4 of 54	6/13/07	no target		
<i>Advancement</i>							
Phone-a-thon callers in Annual Fund	30 out of 90		15%		n/a	22%	33%
Participation of women and persons of color	Representative	- - - NOT MEASURABLE - - -					
Capital Campaign leadership committee	5 women	5	5		5	5	5
Alumni Association Executive Board	9 minority	9	9		9	9	9
Communications Advisory Council	10% minority	0%	0%		3%	7%	10%
Student Alumni Association participation	10% minority	7%	7%		8%	9%	10%

\*currently 11 temporary positions and 9 graduate students\*

**Goal 3: Create a visible and vibrant institutional commitment to multicultural competence (awareness, knowledge, skills).**

In addition to increasing the numbers of students, staff and faculty to enhance inclusion, the University will initiate programs that will positively impact the inclusive cultural climate on campus. The metrics associated with this goal include:

1. In the Diversity Climate Assessment Survey, we will see an increase of 10% of students, staff and faculty who indicate “agreement” or “strong agreement” with the item: “I believe the faculty, staff, and administration exhibit sufficient sensitivity to the multicultural needs of the campus.”
2. All departmental web pages will list at least one opportunity for enhancing multicultural competence.
3. All academic departments will have identified a minimum of five course offerings that include explicit opportunities for gaining multicultural competence.
4. 300 faculty members will have participated in cultural competence training.
5. Number of students who study abroad will increase by 5% annually.

We have established an already impressive baseline of 87% of respondents indicating “agreement” or “strong agreement” with the statement listed above in Metric 1. Only 13% of departmental web pages list opportunities for enhancing cultural competence. Significant improvement will have to be made to achieve 100% by the final year of the strategic plan. Also according to data provided by Office of Affirmative Action, Equal Opportunity and Diversity only five faculty members participated in cultural competence training during FY07. Students who participated in study abroad programs increased slightly from 449 to 456 during FY07.

**METRICS CHART VIII.**

**INITIATIVE 3: Create a more inclusive environment**

*Goal 3: Create a visible institutional commitment to multicultural competence (awareness, knowledge, skills)*

		<b>Actual</b>		<b>Target</b>		
<b>Metric</b>	<b>Goal</b>	<b>FY06</b>	<b>FY07</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>
Sensitivity to multicultural needs (based on the Diversity Climate Assessment Survey)	Increase 10%	n/p	87%	n/a	91%	96%
Departmental web pages enhancing competence	All	n/p	13%	n/a	57%	100%
Five courses for gaining competence per dept	All		14/53 responded; of these, 50% have	50%	75%	100%
Faculty in cultural competence training	300	0	5	100	200	300
Students who study abroad	Increase 5%/year	449	456	471	495	520

**Goal 4: Improve the physical environment to promote diversity and inclusion.**

Preliminary architectural designs have been completed for the International Student Center along with a fundraising brochure. Support will be solicited through the Capital Campaign. One percent of all new building construction cost is dedicated for public art, which is directed by the RI Arts Council in conjunction with URI. We are presently collaborating with the Council and artists for works at Independence Hall, CBLIS and Lippitt halls, interior and exterior, that will address this goal as part of the building construction. A regular review in the Campus Master Planning committee for elements of inclusion in every new building project is standard practice. We have plans to renovate the main lounge of the Memorial Union. Design work is beginning on the new fitness-wellness center with inclusion as a priority.

#### **University-Wide Initiative 4: Improve the efficiency and effectiveness of research and outreach support**

##### **Goal 1: Provide facilities, systems and resources with improved support to meet the research needs of the University.**

The University hired its first Vice President for Research and Economic Development and established a fifth University Division, namely the Division of Research, in FY07. The new Vice President position replaces the previous position of Vice Provost for Research, Graduate Studies & Outreach and Dean of the Graduate School.

In creating the new Division of Research, post-award services were transferred from the Division of Administration to the Division of Research. In the coming year, pre- and post-award functions will be merged to become more seamless to the research faculty. When completed this fall, the new office will be a one-stop service center for PI's and other researchers. Changes in research purchasing standards, new electronic financing systems and streamlining business functions will compliment the new office operation.

Metrics for this goal include:

1. Grant proposals submitted in each year of the plan have increased at least 3%.
2. Asset Protection program is funded to \$8M annually.
3. Total research awards at URI exceed \$90M per year by June 30, 2009.
4. Total intellectual property income to the university exceeds \$5M over the course of the plan.

Data reported for this goal reflect data year to date progress and will be updated when the data becomes available (see Metrics Chart IX). (It should be noted that we are reducing our goal in the area of funded research to reflect a goal of \$71M in FY08 and \$78M in FY09, more realistic goals.)

##### **Goal 2: Increase capability and productivity in the areas of entrepreneurship, technology transfer and commercialization.**

The University of Rhode Island Research Foundation was established in FY07. Plans are underway to establish the URI Research and Technology Park. Management of the intellectual property has been transferred from the URI Foundation to the URI Research Foundation as of July 1, 2007. A search for the new Director of Technology Transfer and Industrial Research is underway. The Director will report directly to the Vice President for Research and Economic Development. The mission of the new URI Research Foundation is designed to enhance support for the commercialization of URI intellectual property.

Metrics for this goal include:

1. Patents and licenses have increased by 20%.
2. Incubator space has increased by 50,000 sq. ft.
3. Revenues from technology transfer and commercialization in support of URI intellectual property have increased by 50%.

Although most of the data reported reflect year-to-date progress, we have seen increases in the number of patents in force go from forty-four (44) in FY06 to fifty-three (53) in FY07, as well as an increase in the number of licenses paying royalties. The income from patents and licenses, however, has not increased as expected. (It should be noted that we are reducing our goals to reflect \$1M in FY08 and \$1.5M in FY09, based on the loss of income from Johnson and Johnson, which did not renew its licensing agreement with us.) (See Metrics Chart IX).

**Goal 3: Increase the size and competitiveness of graduate programs.**

The reassignment of the Graduate School to the Vice Provost for Academic Affairs in July will result in an examination of the organization of graduate programs to make changes that will improve national competitiveness. The University is expanding exchange partnerships with other institutions, such as the College of the Bahamas and the University of Medellin to provide a breadth of experience. The Vice President for Research and Economic Development and the Dean of the Graduate School are developing a plan to address research assistant stipends and out-of-state tuition charges to be more in line with that of other New England flagship universities. We believe that this will improve declining graduate enrollments (see Metrics Chart IX). On a positive note, the University now has one more graduate program ranked in the top 25 in the nation, moving us one step closer to our goal of 3 programs in the top 25.

Metrics for this goal include:

1. Graduate enrollment will increase by 3% a year over the course of this plan.
2. Three or more URI graduate programs will be ranked nationally in the top twenty-five programs in that field.
3. Our baseline for graduate student support is defined and compared to a national standard. Progress toward reaching that standard is measurable.

**METRICS CHART IX.**

**INITIATIVE 4: Improve the efficiency and effectiveness or research and outreach**

*Goal 1: Provide facilities, systems & resources with improved support to meet the research needs of the University*

		<u>Actual</u>		<u>Target</u>		
<u>Metric</u>	<u>Goal</u>	<u>FY06</u>	<u>FY07</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Grant proposals submitted	Increase 3%	634	660	640	647	653
Funding of Asset Protection*						
Research awards expense	\$90M/year	\$56.7M	\$63M	\$67.8M	\$71M	\$78M
Intellectual property income	\$5M	\$1M	\$0.5M	\$1.7M	\$1.5M	\$1.5M
Develop an endowed, dedicated fund	\$10M	- - - WILL REPORT - --		\$3.3M	\$6.7M	\$10M

\*(see Initiative 2, Goal 2 - Capital Fund Support of Asset Protection)

*Goal 2: Increase capability and productivity in the areas of entrepreneurship, technology transfer and commercialization.*

		<u>Actual</u>		<u>Target</u>		
<u>Metric</u>	<u>Goal</u>	<u>FY06</u>	<u>FY07</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Patents and licenses						
Patents in force	Increase 20%	44	53	target met		53
Licenses paying royalties	Increase 20%	6	7	7	7.1	7.2
Patent and license income	Increase 20%	\$900K	\$539K	\$960K	\$984K	\$1.08M
Incubator space	Increase 10K (50,000 sq. ft.)	0 K	0 K	3.3K	6.7K	10K
Revenues in support of intellectual property	Increase 50%	\$1M	\$0.5M	\$1.16M	\$1.32M	\$1.5M

*Goal 3: Increase the size and competitiveness of graduate programs*

		<u>Actual</u>		<u>Target</u>		
<u>Metric</u>	<u>Goal</u>	<u>FY06</u>	<u>FY07</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Graduate enrollment	Increase 3%/year	2996	2631	3086	3179	3274
Programs ranked in top 25 programs	3 or more	1	2	2	2	3
Graduate student support-compared to nearby land-grant universities		n/p	\$12,500	- - - No target - - -		

## Conclusion

As in every year for the past sixteen, FY07 has seen many successes and some disappointments. Among the highlights has been the continued growth in enrollment and retention, voter approval of the new pharmacy building, the completion of critical new facilities in housing and dining, new infrastructures for research and for fund-raising, and many new and exciting faculty members. Most of these have required difficult negotiations, but all hold great potential for building a better URI. I am quite proud of the various offices and people around the University who have done the right things, even when these were not always in their personal interests.

Among the disappointments have been, of course, the still declining State appropriation to the University for its operating budget, the likely deferral of bond questions for Chemistry, Nursing and Fine Arts, and the decline in graduate student enrollment and in research proposals submitted. (I would add the incredible escalation of the cost of building materials in our construction projects, although I know this problem exists for all construction around the nation.)

On a personal note, I continue to enjoy my work as president. This past year has been a particularly significant one in terms of change, e.g., the Research Foundation, the redefinition of the role of the URI Foundation, the Central Falls project, the Global U8 chairmanship, etc. Our growth projections are on track, and the physical spaces required to accommodate that growth are coming online. We are raising significant dollars in the capital campaign, and, more importantly, those dollars are coming for purposes critical for our future: scholarships, endowed chairs and programs and for new and/or rehabilitated facilities. We are hiring bright new faculty members—twenty-three new lines for FY08, five conversions from clinical to full-time tenure track positions, with five more searches ongoing, in addition to filling vacated faculty positions. We are matching student enrollment growth with faculty positions, as quickly as we can do so. Each year we have better data on our students' performance, building better systems of support when and where students need them. Our relationships with faculty and staff are excellent, even in a contract renewal year. And I have benefited personally and professionally from my relationship with the Commissioner and his staff and with the Board itself.

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If I may be so bold to suggest an agenda for the Board of Governors, there are several critical questions which I believe that the Board needs to address this year.

1. As I have said for the last few years, we need a new funding paradigm for URI. This simple chart tells the painful story.

	<b>Tuition/fees</b>	<b>State App.</b>		
FY88	\$36.3	\$64.5	118.3	
FY88 - Adjusted for Inflation	\$65.1	\$115.5	-	
FY08 *	\$180.6	\$77.0	211.8	(forecasted) ***
% Change	397.1%	19.4%		
% Change - Adjusted for Inflation	177.6%	-33.3%		
* FY08 - Per Legislative Action 6-07; could be further reduced by State Budget Office as a result of distribution of "turnover" currently budgeted in DOA				
** Source: U.S. Department Of Labor, Bureau of Labor Statistics				
*** Assumptions:				
Base year: FY06 CPI = 201.6				
Annual increase: 2.5%				
Source: Congressional Budget Office				

The futility of continuing to believe that the State of Rhode Island will reorder its priorities to better support URI's operating budget is painfully clear. I accept some of the responsibility for failing to convince the several governors and state legislators otherwise during my tenure. With no aggregate increase now for seven years, and a significant cut in the state appropriation for the current year, we cannot just continue to do business as usual. That is a formula for ultimate failure. My management letter last year urged action, and I believe that the House Finance Committee, at least, is more than open to a proposal. A solution for URI, however, may not be a workable solution for RIC and CCRI. Their needs are proportionally as great or greater, but we may have to develop separate plans for each of the three institutions in order for each to prosper. I recommend that the Commissioner convene a panel of outside financial and management experts to bring fresh eyes to the issue, with their report coming to the Board for consideration by the end of this fiscal year.

2. URI's research mission needs to be funded. I have said repeatedly over my tenure that you cannot finance a high quality research university with tuition and fees from students coming from New York and New Jersey. Further, URI relies more on federal dollars than any research university I know, and those dollars wax and wane with the national economy and federal priorities. While new buildings like the Biotechnology and Life Sciences building, the Pell Library and Inner Space Center, and the Pharmacy building will give the University some excellent new facilities, the lack of operating dollars means that we cannot provide the start-up packages for faculty or provide the match money required of so many federal grants. Every political leader in the state is fond of saying that URI, through its research programs,



should be the engine for the development of the new economy here. Now Rhode Island needs to have a strategy for making that possible. I hope that the commission led by Justice Flanders will provide the beginning point for that strategy, but whether it does or not, the Board should commit to finding a way to get URI the resources it needs to carry out its research mission.

3. The level of professional compensation needs to be addressed. URI has fallen below the median for faculty, but we are near the very bottom for managerial professionals, beginning with the president. I say this not for myself but for the health of the University as a whole. Right now, it is a critical factor in the search for a dean of engineering, and especially for the provost. Deans of engineering at major research universities are currently commanding salaries in the range of \$250,000 to \$300,000. We are paying something like \$175,000. It is a near certainty that we will have to pay a new provost more than we currently pay the president. A major issue too is that these dynamics are forcing us to limit our choices to those who are already employed here. While this may be a good thing from time to time, in the long term hiring from within makes universities parochial and even more rigid and resistant to change than they are already!

The Board will have to face this question when it seeks to find a new president for URI in a few years. I am currently the third lowest paid president of a land-grant university in America, behind North Dakota and Montana, places where the cost of living is decidedly less than in Rhode Island. Our peer institution, the University of Delaware, currently pays its president around \$700,000 a year. Rhode Island should be prepared to pay its next president at least half of this. I am under no illusion about how hard this will be to do in Rhode Island, but it is the Board which has the responsibility to give the University of Rhode Island the very best leadership possible.