



**RHODE ISLAND
BOARD of EDUCATION**

Special Meeting

Minutes of the Council on Postsecondary Education Meeting

Tuesday, June 11, 2019, 5:30 p.m.

Community College of Rhode Island, Room 4090

400 East Ave, Warwick, Rhode Island 02886

Enclosure 2c
June 19, 2019

At 5:33 p.m., Chair Timothy DelGiudice welcomed everyone and acknowledged that a quorum was present.

Present: Timothy DelGiudice, Barbara Cottam, Dennis Duffy, Rachelle Green (arrived 5:37pm) Thomas Izzo, Jeffery Williams and Jay Rumas (arrived 5:40pm).

Absent: Marianne Monte.

1. Acceptance of the Agenda

Chair DelGiudice called for a motion to approve the agenda.

On a motion duly made by Thomas Izzo and seconded by Dennis Duffy, it was

VOTED: THAT The Council on Postsecondary Education approves the agenda for the meeting of June 11, 2019, as presented.

VOTE: 6 members voted in the affirmative and 0 members voted in the negative as follows:

YEAS: Timothy DelGiudice, Barbara Cottam, Dennis Duffy, Thomas Izzo, Rachelle Green and Jeffery Williams.

NAYS: 0

2. Report from the Commissioner

2a) Review of Proposed legislation related to University of Rhode Island Governance.

Chair DelGiudice indicated that he had asked the Acting Commissioner to present a summary of the proposed legislation to the Council this evening.

Acting Commissioner Ron Cavallaro then presented a summary of the proposed legislation related to the University of Rhode Island Governance. He explained the changes to the Council's enabling statute, and in response to questions from several Council members, explained the effect of the proposed legislation on the Board of Education's enabling statute.

The Acting Commissioner also answered a question regarding the Council's liability under both the existing and proposed statutes.

Responding to a question about the URI's purchasing authority under the proposed legislation, Acting Commissioner Cavallaro explained that the Council purchases under two hats, as a public agency and as a state agency. The proposed legislation adds the URI Board of Trustees to the definition of what state entities that purchase under each status. With the new URI Board having its own status as a public agency, the Board/ University would create its own purchasing processes and regulations. Purchasing with state funds would follow the state's purchasing rules. He also explained how the University could contractually agree with the Council to purchase across institutions.

In response to inquiries about the Council's retirement plans, Acting Commissioner Cavallaro explained that URI could establish their own new pension plans, but that it is unclear what happens to the existing plans. The new Board of Trustees and the Council could agree contractually to have more than one employer of record participate in the Council's plans, however, it is an open question as to what extent the Council could agree to alter its statutory or regulatory fiduciary duties regarding its Plans.

After hearing concerns from the Council regarding the retirement plans, President Dooley stated that URI will not extract their employees from the existing plans. The legislative amendment explicitly authorizes the Board of Trustees and the Council to enter into an agreement, President Dooley stated, and the fiduciary responsibility would be shared as a result of the agreement between the two entities. The intent is to leave URI employees where they are in terms of the retirement plan via an agreement.

Responding to a question about whether the retirement plans are fully funded, Acting Commissioner Cavallaro explained that all of the Council's Plans are "defined contribution plans", so by definition they are all fully funded.

President Dooley confirmed that the plan going forward, should this legislation pass, was that all new employees would remain to these existing plans and that no changes in plan management were anticipated, except for a contractual agreement between the Board of Trustees and the Council to act as joint-fiduciaries.

Chair DelGiudice acknowledged written correspondence from the AAUP relative to collective bargaining rights and acknowledged that the Board of Trustees will recognize existing contracts and

will assume negotiating responsibilities at the expiration of the agreement. In this way, the legislative proposal mirrors the Council's authorizing statute.

Chair DelGiudice explained that the Council negotiates 15 collective bargaining agreements, and all of them expire at the same time to ensure alignment across the system. The proposed legislation would exempt URI, which could lead to imbalance across institutions.

Regarding employee benefits and tuition waivers, Acting Commissioner Cavallaro explained that there is currently a Council policy and provisions in collective bargaining agreements that provide for tuition waivers where a URI employee can take classes at CCRI and RIC and vice versa.

President Dooley stated the reciprocal tuition waiver agreements would continue, per the legislative proposal, through contractual agreements between the institutions, rather than through Council policy.

Regarding the question of Council controlled real estate, Mr. Cavallaro shared that the process of transfer of property encumbered by a bond must be worked out with the bond trustee, pursuant to the bond indenture and that this issue remains outstanding. President Dooley stated that URI's research has shown that there is no impact on the insurance costs to the URI, CCRI, and RIC in regards to the transfer of property.

Acting Commissioner Cavallaro briefly covered the Performance Incentive Funding Act of 2016 that served as the basis for the performance-based funding model evaluation in the proposed legislation. The only difference from the existing Act passed in 2016 and the proposed legislation is that the role of the commissioner in evaluating the performance funding would only be applicable to RIC and CCRI; for URI its president would have the same role/authority as the commissioner.

Similarly, the proposed legislation requires URI and its Board of Trustees to work collaboratively with CCRI and RIC on transfer pathways

Regarding a question about the budget process, Acting Commissioner Cavallaro explained there will be no role for the Council or Board of Education in the new statute regarding URI budget.

Council members raised questions regarding the specific criteria for the composition of URI's proposed 17-member Board of Trustees. More specifically, the Council expressed concern that trustees will not be required to be residents of the state.

President Dooley explained that he intends to have a significant number of trustees be Rhode Island residents. Dr. Dooley stated that best practices for public research universities, like URI, call for some members who reside outside of the state. When asked for the definition of significant number of resident members, Dooley explained the legislation is completely silent on residency as it relates to the composition of the new Board.

Several Council members expressed concern about non-resident Board members making decisions about the use of state general revenue funds. President Dooley explained that the Board of Trustees' budget recommendation would be subject to the same process of checks and balances as the current Council.

In response to questions about alumni participation on the Board, Dr. Dooley stated his belief that alumni are committed to the wellbeing of the University of Rhode Island, along with bringing assets to the University.

President Dooley stated that 11 of the proposed 17 trustees will be self-perpetuating, appointed by the Board itself. He also explained that they will not be subject to Senate confirmation and that the Senate is waiving the right of advice and consent on these Board seats. He also confirmed that there will be no residency requirements for the Board Chair and that the Board will implement its own rules.

President Dooley explained many amendments are in the works with the House and Senate bills; language had been shared and was currently being amended. He explained that none of the amendments had yet been formally introduced and that it would happen as the bill progressed through committee.

Regarding questions about arming police officers, Acting Commissioner Cavallaro explained that the proposed legislation would require URI police to attend and complete the municipal police academy before they were allowed to carry firearms.

Regarding questions about the existing delegated purchasing authority granted to URI by department of Administration on a pilot basis. Acting Commissioner Cavallaro explained the delegation is between the Department of Administration and the University, and it is for state agency purchasing.

A Council member asked about whether the common performance measures identified in the performance-based funding model would no longer apply to the University of Rhode Island. It was noted that the weight assignment and transparency responsibilities would be given to the President of URI, and that there would no longer be a similar weighting between the schools. President Dooley reported that it would be appropriate to have a different weighting for URI, due to potentially higher graduation rates.

Council members asked questions regarding the fate of the Board of Education. Chair DelGiudice explained that the University of Rhode Island will no longer be a part of the Board of Education.

3. Open Forum

There was no one that signed up for open forum.

The Chair summarized correspondence in two separate letters that the Council received from the AAUP and Carmmack Retirement, the Council's retirement plan consultants, both of which expressed concerns about the proposed legislation.

4. Discussion Items

Several Council members expressed their deep concern about the impact of the proposed legislation both on URI, as well as RIC and CCRI. Members questioned the rationale and the process by which this proposal was introduced. Questions regarding the effect (if any) on student transfer among the institutions, the Councils retirement plans, existing bonds, future bonds, employee benefits, collective bargaining, and system-wide purchasing were also

discussed.

5. Upcoming Meeting

The next meeting of the Council on Postsecondary Education is scheduled for June 19, 2019 at 5:30 p.m. at the URI Bay Campus in Narragansett-The Coastal Institute.

6. Adjournment

Chair DelGiudice called for a motion to adjourn the special meeting of the Council on June 11, 2019.

On a motion duly made by Thomas Izzo and seconded by Rachelle Green, it was

VOTED:	THAT	The Council on Postsecondary Education adjourns the special meeting of June 11, 2019.
	VOTE:	6 members voted in the affirmative and 0 members voted in the negative as follows:
	YEAS:	Timothy DelGiudice, Barbara Cottam, Dennis Duffy, Thomas Izzo, Jeffery Williams and Rachelle Green.
	NAYS:	0
	ABSTAINS:	0

The meeting adjourned at 7:40 PM.