



**Meeting of the Council on Postsecondary Education
Finance and Facilities Committee
Thursday, December 5, 2025
RI Nursing Education Center
Room 305
350 Eddy Street, Providence, RI 02903
5:00 PM**

Meeting Minutes

Chair Dennis Duffy called the meeting to order at 5:12 PM and acknowledged that a quorum was present.

Finance & Facilities Committee members present:

Dennis Duffy, Chair, Finance & Facilities Committee
Thomas Izzo

Finance & Facilities Committee members absent:

Marcy Reyes

Rhode Island Office of the Postsecondary Commissioner (OPC) staff present:

Zachary Saul, Chief Financial Officer
Ronald Cavallaro, General Counsel
Jessica Key, Assistant Commissioner, Workforce
Jill Olson-Crowley, Director, Woonsocket Education Center
Jackie Xiong, Executive Assistant to the Commissioner and Council Liaison

Rhode Island College (RIC) participants:

Sara Enright, Interim Vice President for Finance & Administration/CFO
Adam Brusseau, Director of Budget & Financial Planning
Anastasia Rodriguez, Interim Controller
Kevin Fitta, Assistant Vice President Administration

Community College of Rhode Island (CCRI) participants:

Richard Sullivan, Vice President for Finance & Administration/CFO
David Rawlinson, Controller

1. Acceptance of the Agenda

Chair Duffy called for a motion that the Finance & Facilities Committee accept the agenda for the meeting of December 5, 2024.

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

VOTED:	THAT	The Finance and Facilities Committee accept the agenda for the meeting of December 5, 2024.
	VOTE:	2 members voted in the affirmative and 0 members voted in the negative
	YEAS:	Dennis Duffy and Thomas Izzo
	NAYS:	0
	ABSTAINS:	0

2. Approval of the Minutes from October 16, 2024, Meeting

Chair Duffy asked for a motion to approve the minutes from the October 16, 2024, meeting.

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

VOTED:	THAT	The Finance and Facilities Committee accept the minutes for the meeting of October 16, 2024.
	VOTE:	2 members voted in the affirmative and 0 members voted in the negative
	YEAS:	Dennis Duffy and Thomas Izzo
	NAYS:	0
	ABSTAINS:	0

3. Discussion Items

- A. Discussion regarding a proposed Small Business Hub at the Higher Education and Industry Center located in Woonsocket, Rhode Island.

Chair Duffy introduced the item and called upon OPC's Chief Financial Officer Zachary Saul. Mr. Saul provided the Committee with an overview of the proposal from the City of Woonsocket for a Small Business Hub to be located at the Woonsocket Education Center. Mr. Saul introduced Assistant Commissioner, Workforce Jessica Key to present the details of the proposal to the Committee. Ms. Key informed the Committee that RIOPC was presented with a proposal from the City of Woonsocket and Skills for Rhode Island's Future to have a Small Business Hub (Hub) located in the Woonsocket Education Center. The City currently does not have a viable location for the Hub and the Education

Center would be an ideal location. The Hub is being established to assist and educate businesses and provide referral resources available to them in the area and the State. The Hub would require the use of office space for a period of two years. General Counsel Cavallaro explained that RIOPC and Skills for Rhode Island's Future would have to execute a Facilities Use and License Agreement with mutually acceptable terms and conditions that would be brought to the Committee at future date for consideration and recommendation to the Council. Also, the City of Woonsocket would be providing the funding for the rental space to be occupied by the Hub for the term of two years. The City's has appropriated American Rescue Plan Act (ARPA) funds to support the two operations of the Hub. The funding will be contingent upon the execution the Facilities Use and License Agreement.

Committee member Izzo inquired if the RIOPC would be providing training or operational support for the Hub. Ms. Key confirmed that the RIOPC is only providing space for the Hub to operate. OPC will have no oversight of the Hub. Chair Duffy requested a budget for the Education Center and how this proposal will impact the utilization of the Education Center to be included with any agreements that may come before the Committee to consider.

4. Action Items

- A. Approval of the recommendation to the Council on Postsecondary Education for its approval of the audited financial statements for Rhode Island College, the Community College of Rhode Island, and the Rhode Island Office of the Postsecondary Commissioner's Division of Higher Education Assistance for the fiscal year ending June 30, 2024.

Chair Duffy introduced the audit firm of Clifton Larson Allen, LLP (CLA), who conducted the audit of Rhode Island College, the Community College of Rhode Island, and the Rhode Island Division of Higher Education Assistance (RIDHEA). Michael Johns, Principal with Clifton Larson Allen, LLP, presented the 2024 audit results for RIC, CCRI, and RIDHEA. Mr. Johns explained that the audit was conducted in accordance with U.S. generally accepted auditing standards using a risk-based approach. The areas that were considered high risk were internal controls, revenue recognition, significant estimates, debt and long-term liabilities, unrecorded liabilities, and operating expenditures. Each set of financial statements received an unmodified opinion. There were no material weaknesses noted. The report on internal controls over financial reporting noted no internal control issues for RIDHEA. A significant deficiency in internal controls over financial reporting was noted for Rhode Island College related to not properly accounting for construction in progress invoices that were in accounts payable as of June 30, 2024. The result was an overstatement of \$3.8 million in operating expenses and understatement of construction in process. A significant deficiency in internal controls over financial reporting was noted for the Community College of Rhode Island related to not properly accounting for subscription-based information technology arrangements with terms beginning prior to July 1, 2023 under GASB No. 96, Subscription-Based Information Technology Arrangements. The contracts were included in additions to right-of-use assets and liabilities during fiscal year 2024 but should have been recorded as additions during fiscal year 2023. The result was an understatement of assets of \$677,000 and an understatement of liabilities in the same account. Mr. Johns explained the governance communications that are required to be distributed to the governing body. Mr. Johns also provided industry insights and areas of concern in the higher education sector.

Chair Duffy inquired about the different assumed rates of return for the Defined Benefit Retirement Plan and the Other Post Employment Benefit Plan (OPEB) cited in the footnote disclosures. Mr. Johns explained that these rates have been audited by the Auditor General for the State of Rhode Island and CLA is satisfied with the assumed rates. Mr. Saul provided additional context as to the development of the rates and that the institutions and RIDHEA do not have the ability to change the assumed rates of

return because they are adopted by the Employees' Retirement System and the Rhode Island OPEB Board. As participants in these separate plans the rates are developed by the actuaries and certified by the respective governing boards.

Chair Duffy asked for a motion for the approval of the recommendation to the Council on Postsecondary Education for its approval of the audited financial statements for Rhode Island College, the Community College of Rhode Island, and the Rhode Island Office of the Postsecondary Commissioner's Division of Higher Education Assistance for the fiscal year ending June 30, 2024.

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

VOTED:	THAT	The Finance and Facilities Committee approve the recommendation to the Council on Postsecondary Education for its approval of the audited financial statements for Rhode Island College, the Community College of Rhode Island, and the Rhode Island Office of the Postsecondary Commissioner's Division of Higher Education Assistance for the fiscal year ending June 30, 2024.
	VOTE:	2 members voted in the affirmative and 0 members voted in the negative
	YEAS:	Dennis Duffy and Thomas Izzo
	NAYS:	0
	ABSTAINS:	0

- B. Approval of the recommendation to the Council on Postsecondary Education for its approval of the second amendment to the sub-lease agreement by and between Rhode Island College, by and through its governing board, the Rhode Island Council on Postsecondary Education, and Arbor E&T, LLC d/b/a Equus Workforce Solutions for the use of office space and a conference room at the Rhode Island College Workforce Development Hub located at 934 Dexter Street, Central Falls, Rhode Island.

Chair Duffy introduced the item and called upon OPC's Chief Financial Officer Zachary Saul. Mr. Saul provided the Committee an overview of the proposed second amendment. The proposed second amendment extends the existing term by 10 months and the rent remains unchanged. At the expiration of the of the second amendment the sub-lease will automatically convert to a month-to-month tenancy. Mr. Saul then introduced RIC Interim Vice President for Finance & Administration/CFO. Ms. Enright provided additional detail pertaining to the second amendment and how the sublease aligns with the mission of the College and the Workforce Development Hub. Chair Duffy inquired about the cost of operations of the Workforce Development. Ms. Enright indicated that the annual cost of the Workforce Development Hub is approximately \$257,000. Chair Duffy requested that the College provide an operating budget and utilization report to the Committee for the Workforce Development Hub.

Chair Duffy asked for a motion to approve to approve the recommendation to the Council on Postsecondary Education for its approval of the second amendment to the sub-lease.

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

VOTED:	THAT	The Finance and Facilities Committee approve the recommendation to the Council on Postsecondary Education for its approval of the second amendment to the sub-lease agreement by and between Rhode Island College, by and through its governing board, the Rhode Island Council on Postsecondary Education, and Arbor E&T, LLC d/b/a Equus Workforce Solutions for the use of office space and a conference room at the Rhode Island College Workforce Development Hub located at 934 Dexter Street, Central Falls, Rhode Island.
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VOTE:	2 members voted in the affirmative and 0 members voted in the negative
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YEAS:	Dennis Duffy and Thomas Izzo
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NAYS:	0
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ABSTAINS:	0
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5. Adjourn

Chair Duffy asked for a motion to adjourn the meeting.

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

VOTED:	THAT	The Finance and Facilities Committee adjourn the meeting of December 5, 2024.
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VOTE:	2 members voted in the affirmative and 0 members voted in the negative
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YEAS:	Dennis Duffy and Thomas Izzo
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NAYS:	0
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ABSTAINS:	0
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The meeting adjourned at 5:50 PM.