



Director's Office

One Capitol Hill | Providence, RI 02908 | (401) 222-2280

Jonathan Womer, Director

May 1, 2025

The Honorable Marvin L. Abney
Chairperson
House Committee on Finance
82 Smith St
Providence, RI 02903

RE: House Bill 5747 - An Act Relating To Education – University of Rhode Island

Dear Chairperson Abney,

Thank you for providing the Department of Administration ("Department") with the opportunity to express our strong concerns with House Bill 5747, which would provide the University of Rhode Island ("University") and its Board of Trustees ("Board") with administrative autonomy relating to their internal auditing, procurement, and property acquisition, as well as providing limited liability protections and damage caps.

The Department opposes exempting the University and its Board from established procurement procedures specific to the employment of private auditors and removing the requirement to transmit audits to the Office of Internal Audit. This would circumvent procurement protocols that ensure transparency, fairness, and fiscal responsibility in the selection of audit firms. These established procedures exist to safeguard public funds and maintain the integrity of the audit process. Further, allowing a component of the State's financial reporting entity to operate outside standard procurement requirements for auditors sets a troubling precedent that could undermine the consistency and reliability of financial reporting across State entities. In addition, transmitting audits to the Office of Internal Audit is not a burdensome task, but the removal of said requirement takes away the ability for the State to have insight into the University's finances and ensure the responsible use of taxpayer dollars.

Beyond the auditing procurement, we also raise concerns with the proposed lack of compliance with § 37-2 ("state purchases"). By having uniform procurement rules and regulations across state government, we are able to foster effective competition, achieve economies of scale, and ensure ethical procurement. A significant portion of the University budget comes from the State and thus the State should have some level of oversight and control over the manner in which these funds are spent.

The Department further objects to the University and Board's exemption from the rules and procedures set forth in R.I. Gen. Laws § 37-6 ("acquisition of land") and R.I. Gen. Laws § 37-7 ("management and disposal



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of property"). Currently, the State includes the University's property within the State's insurance coverages. If the Board has the ability to make decisions about property outside of pre-existing State guidelines and processes, the legislation must clearly state that the University would procure their own insurance coverage for all property independent of the State. Additionally, provisions for other State infrastructure on the University campus, such as the fuel depot facility, must be established.

If the University and Board want to expand their limited liability protections and remove itself from several State rules, regulations, and procedures, it is time for them to also assume responsibility for the Atomic Energy Commission and its Rhode Island Nuclear Science Center (RINSC), which is located at the University of Rhode Island Bay Campus. The RINSC operates a 2-MWth research reactor and provides laboratories and classrooms for research and educational programs for the University. Currently, the State indemnifies URI's research center through the Atomic Energy Commission. The University receives all of the benefits of operating this nuclear science center while the State assumes all of the risk. If administrative autonomy is what is desired, the University must accept all aspects of said autonomy – including responsibility for the Atomic Energy Commission and the nuclear reactor on its campus.

In addition to the points above, the Department also incorporates by reference the points put forth in the letter submitted by the Office of the Auditor General, dated April 30, 2025. We are willing to work with the University to address these significant concerns.

The Department appreciates the opportunity to share our concerns with the Committee. If there are any questions, please feel free to contact my office at your convenience.

Sincerely,

Jonathan Womer
Director, Department of Administration

cc: The Honorable Members of the House Committee on Finance
The Honorable Kathleen Fogarty
Nicole McCarty, Chief Legal Counsel to the Speaker of the House
Christopher O'Brien, Committee Clerk