Personnel pRIde

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COMMISSION AWARDS OUTSTANDING WOMEN & BUSINESSES

Barbara M. Fuyat, Chair of the Rhode Island Commission on Women, welcomes Majorie Lee Sundlun to the Annual Meeting.

The Rhode Island Commission on Women celebrates its 24th year by presenting **SPOTLIGHT & HOPE AWARDS** to women and businesses.

AIPSO, a Johnston non-profit association created to assure the availability of auto insurance coverage to all motorists, and **KENT COUNTY MEMORIAL HOSPITAL** both received Rhode Island Best Employers for Women Spotlight Award for Outstanding Benefits. Ann Dickson, Co-Chair of the Spotlight Committee, lauded AIPSO for its variety of alternative work arrangements which enabled employers to balance work and family responsibilities. She also praised Kent County Memorial Hospital for its outstanding health insurance program and flexible hours. Both companies offer dependent care assistance plans and employee assistance programs.

Commission Chair Barbara M. Fuyat presented **HOPE** awards to eight Rhode Island women. The Hope Award was inspired by Janice O'Connor and her courageous stand against the State's prior policy of welfare payback by former AFDC recipients. This is the third year these awards have been presented to honorees who are selected from various geographical areas in the state. They are:

JANET DOBSON, a 59 year old Charlestown mother of five with five grandchildren, owns and operates the Sweet Briar Studio in Hope Valley where she teaches the art of rug hooking. Janet is a founding member and officer of the Westerly Community Chorus, as well as a volunteer with Christ Episcopal Church in Westerly, the Girl Scouts of Rhode Island and Westerly Hospital. Janet has survived a 3 1/2 year bout with breast cancer and inspires everyone she meets with hope for their future. She believes everything is possible with hard work and dedication.

DORIS DONOVAN, from Providence, was praised for her many years of work at the Rhode Island Foundation where she provided support, encouragement and funding to hundreds of non-profit organizations in Rhode Island and for her strong commitment to supporting community-based initiatives in the arts, human services, housing and development. She has always exhibited a sensitivity to ensuring that non-profits are as diverse as the communities they serve and work to empower low and moderate income people.

MARIAN FEENEY, an associate professor of the College of Resource Development at the University of Rhode Island, received statewide recognition for her many hours of networking with and encouraging women to further their knowledge and ability to become effective individuals in their home, community and workplace through the Family Community Leadership Program. Marian is always eager to share her experiences, knowledge and resource materials. Many Rhode Island citizens have benefited from her insights and inspiration.

SISTER LUCILLE McKILLOP, R.S.M. received a HOPE Award in recognition of her 20 years of leadership as president of Salve Regina University which has educated so many Rhode Islanders for lives of service to others, and for her vision in guiding the University to its present significant role as a Rhode Island resource. Sister Lucille is praised for her creative leadership in the fields of curriculum development and college management. The University has made great progress under her leadership.

CATHERINE OCHS was West Warwick's first female police officer, first woman on the S.W.A.T. Team, and first woman Detective. Cathy is commended for initiating the DARE Program in the town of West Warwick. She has taken many children from broken and abusive homes under her wing. Because of Cathy, many of these children are drug free and still in school. Additionally, she is recognized for her heroism in successfully negotiating, for four hours, with a man who was holding his girlfriend and two children hostage. She convinced him to give up. Cathy received her award for courage and dedication.

JEAN M. OLIVIER is appreciated for her work in Warwick on behalf of homeless and low-income individuals. Largely responsible for forming a group through her church to respond to the plight of the homeless, she took an active part in the founding of the Warwick Shelter, Inc. Later, she created the

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FROM THE OFFICE OF THE GOVERNOR

Executive Orders

No.	Date	Subject
94-6	5-6-94	Establishes the Rhode Island Economic Opportunites Committee as a sub-committee of the Rhode Island Human Resource Investment Council to: co-chair the Needs for the Nineties Commission; make recommendations to the Human Resource Investment Council and the Governor on ways to improve linkages between economic development, education, job training, and the delivery of human services, in order to create economic opportunity for all.
94-7	6-7-94	Establishes a Rhode Island Commercial Fisheries Economic Adjustment Steering Committee to develop a strategic plan designed to assist the Rhode Island fishing industry respond to the effects of new federal regulations and resultant changes in the industry.
94-8	6-14-94	Terminates and disbands the Advisory Commission on Judiciary Appointments created by Executive Order No. 93-3A, and orders the delivery of all records to the Chairperson of the Judicial Nominating Commission.
94-9	6-23-94	Reorganizes and enhances the powers and duties of the Minority Business Enterprise program.

For more information or copies of Executive Orders, call the Office of the Executive Counsel, 277-2080, Ext. 258.

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EMPLOYEE BENEFIT ISSUES

by Brian E. Keeler
Chief of Employee Benefits

Section 457 Deferred Compensation Plan

During this summer, the two current Deferred Compensation carriers, Aetna and VALIC, will be contacting many agencies in order to establish an ongoing enrollment program. This is a time consuming process, and they have been making the rounds by agency since last Fall subsequent to bid awards to these two companies. If they do not reach your agency, you can always obtain program details from our office. We can send you a booklet from each company and you can then contact them directly for more information or to enroll.

The State Employee Benefits office only handles the Section 457 Plan available to most State employees. Higher Education employees are allowed to purchase Tax Sheltered Annuities (TSA's) and Department of Education employees may participate in a 403-b Plan. Personnel officers at those agencies/colleges can provide information on those plans.

Your Deferred Compensation Plan, created in accordance with Section 457 of the Internal Revenue Code allows you to defer money earned during your peak earning years and receive later when you are in a lower tax bracket. Amounts you elect to defer may be as little as $10 per period and are generally subject to an annual limit of 25% of your gross salary, not to exceed $7,500. Additionally, in the last three years prior to your normal retirement age, you may be eligible to defer up to $15,000 per year. Any interest earned or gains on these dollars are allowed to accumulate without federal income tax obligations until you receive your money at retirement, or earlier termination of employment, death or hardship.

The two carriers offer various investment options which range from extremely safe fixed funds to more specialized and riskier variable funds. You may start or stop your plan participation at any time but withdrawal options are limited since it is recognized by the IRS as a retirement plan.

Because the plan is governed by IRS regulations, here are some important points to consider:

Legal Right to Plan Investments

For as long as you have money in the plan, you are considered an "unsecured general creditor" with respect to the plan account. The employer's (State of RI) obligation is to pay you the then current value of your account when you become eligible to receive that value and decide to take it out (termination, retirement, death, hardship). Thus, the State of RI is the legal owner of your plan account until the time comes when you receive it. However, you do have full choice over investment options without approval from State.

Hardship Request for an Unforseeable Emergency

If approved, you must suspend deferrals for one year and provide detailed proof that the hardship or unforseeable emergency exists and could not have been anticipated by any reasonable budget. Hardships for the following generally do not qualify: weddings, divorces, home or auto purchases.

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The Choice for Deferred Compensation is Clear.

Take advantage of these benefits
of Deferred Compensation:

• Immediate Tax Savings • Tax Deferred Earnings • Choice of Payout Options
• Investment Flexibility • Payroll Deduction

Investment opportunities for you include:

Six Options Managed By Independent Investment Advisers:

- **Scudder International Portfolio** (International Fund)
- **Neuberger and Berman Growth Portfolio** (Growth Fund)
- **Calvert Socially Responsible Series** (Socially Responsible Fund)
- **Franklin Government Securities Trust** (Government Bond Fund)
- **Lexington Natural Resources Trust** (Natural Resources Fund)
- **TCI Growth** (Capital Growth Fund)

Six Options Managed By Aetna Life Insurance and Annuity Company:

- **Aetna Variable Fund** (Growth and Income Fund)
- **Aetna Investment Advisers Fund, Inc.** (Managed Fund)
- **Aetna Income Shares** (Bond Fund)
- **Aetna Variable Encore Fund*** (Money Market Fund)
- **Aetna's Fixed Account** (Guaranteed Interest Account)
- **Aetna's Guaranteed Accumulation Account** (Stated Term Guaranteed Interest)

For more complete information, including charges and expenses, call for Prospectuses. Read them carefully before investing.

Aetna Investment Services, Inc.
50 Holden St., Suite 200
Providence, R.I. 02908
(401) 456-2900

Call (401) 456-2900. Or mail in the coupon today.

YES, I'd like to know more about Deferred Compensation.

Name _____

Employer _____ Dept. _____

Address _____

City _____ State _____ Zip _____

Phone (Work) _____ (Home) _____

SEND TO: Aetna Investment Services, Inc.
50 Holden St., Suite 200, Providence, RI 02908

*Not insured or guaranteed by the U.S. Government.

COMMISSION AWARDS

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House of Hope, a non-profit agency which shelters and provides social services for the homeless. Jean encourages her community to take an interest in helping others. She has formed a Youth Board consisting of high school students who are now feeling a sense of pride in their own fight to free people from homelessness. Jean is congratulated from the drive, the commitment, and the love she gives to those who are searching for a stable and happy home.

ANN O'NEIL, President of the South County Tourism Council, has been active on behalf of the Washington County community for many years. She has worked to preserve the Towers of Narragansett, spearheading the celebration of the 100th anniversary of the building of the Towers. She served as Capital Campaign Chair for the Health Center of South County, raising over $500,000 under her leadership. She cosponsors an annual luncheon and fashion show to raise money for the American Cancer Society. Additionally, Ann serves as Chair of the Board of the Narragansett Chamber of Commerce and is currently on a statewide planning committee for the Rhode Island Scholar-Athlete Games for 1995. Ann is always trying to find ways to improve the quality of life for South County residents.

HONORARY COMISSIONER M. LOUISE KING was honored for her work with the Commission on Women, the Rhode Island Silver-Haired Legislators, the elderly and the City of East Providence by naming one of the HOPE Awards the M. Louise King Hope Award. This year, this award was given to **JANET KOPKA** of Glocester for her years of service, both professional and volunteer. to the elderly. Mother of six, Janet still finds time to visit with and run errands for elderly shut-ins. All during the harsh winter months, she drove to the homes of senior citizens to make sure they had a hot meal and, if necessary, she would stay with them so they wouldn't be alone. The Commission on Women felt **JANET KOPKA** best exemplified the spirit of the **M. LOUISE KING HOPE AWARD.**

Following the award ceremony, the 1994-95 officers for the Commission were installed. They are: Barbara M. Fuyat of Warwick, Chair; Elizabeth Preston of Wakefield, 1st Vice Chair; Gwendolyn Westerman of Coventry, 2nd Vice Chair; and Anna Tucker of Narragansett, Treasurer.

17th ANNUAL HERITAGE DAY FESTIVAL ANNOUNCED

The Rhode Island Heritage Commission invites all Rhode Islanders to join with them in celebrating our rich ethnic heritage, at the 17th Annual Rhode Island Heritage Day Festival on Sunday, September 18, 1994 (rain date September 25th). The place: the State House lawn. The time: noon till dusk.

The celebration will open with the Rhode Island Colonial Militia. Tasty ethnic and American foods, a host of exhibits featuring arts and crafts and cultural exhibits, and ethnic entertainment will fill the day.

Among the numerous exhibits will be the University of Rhode Island Fisheries Center display featuring a sea life/animal tank.

The annual event is a great family day. So bring your chairs and enjoy the day. Admission is free and free parking is available in all of the state parking lots.

The program is sponsored by the Rhode Island Heritage Commission. For further information, contact the RIHC at 277-2669.

NBC WORKERS RECOGNIZED AT EIGHTH ANNUAL EVENT

As most of us realize, Narragansett Bay is a primary factor in the well-being of our economy, and its existence is a major reason why Rhode Islanders enjoy such an excellent quality of life. Without a healthy waterway, Rhode Island loses an integral part of its character.

As the State's largest wastewater utility, The Narragansett Bay Commission (NBC) and its employees play an important role in improving and sustaining the health of this beautiful estuary and its adjoining waterways.

From top left to right: Anthony Tamburrino, James McCaughey, Chairman Rep. Vincent J. Mesolella, Executive Director Paul Pinault, Paul Fitzgibbons. Bottom left to right: Carol Ouellette, Susan Anderson, Elizabeth Healey, Joseph LaPlante and John Fascitelli.

On June 1, Governor Bruce Sundlun, Mayor Vincent A. Cianci, and RI Department of Environmental Management Director Michael Annarummo joined NBC Chairman VincentJ. Mesolella and Executive Director Paul Pinault at the NBC's Eighth Annual Employee Awards Ceremony. At this annual event, the NBC recognizes all of its employees for their dedication to achieve very important environmental and public health goals, as well as those individuals who distinguished themselves in their job performance.

Paul Fitzgibbons, Assistant Laboratory Manager, was presented with the highest honor bestowed by the NBC, the Chairman's Award, and Joseph LaPlante, WWTF Technical Assistant, was named this year's Employee of the Year. Excellence Awards were also presented and this year's recipients include: Susan C. Anderson, Public Affairs Officer; Carol Ouellette, Customer Service Representative; James McCaughey, Pollution Prevention Manager; Elizabeth Healey, Chemist; Anthony Tamburrino, WWTF Operator 11; and John "Jack" Fascitelli, WWTF Operator I.

Also at the ceremony, the NBC remembered John Lennon, an employee who died at the Field's Point Wastewater Treatment Facility on December, 4, 1993, while performing his duties. The family of Mr. Lennon was in attendance and participated in the unveiling of a bronzed plaque commissioned in his memory.

The NBC also recognized employees with perfect job attendance and punctuality and presented five and ten year service pins, honoring individuals for their dedicated service to the NBC and the State of Rhode Island.

The ceremony was held on the grounds of the Field's Point Wastewater Treatment Facility in Providence. The Narragansett Bay Commission is the State's largest wastewater utility and serves approximately 300,000 persons.

Employee Benefit Issues . . .

(continued from page 2)

In summary, deferred compensation is an excellent way to accumulate money for your long-term savings and retirement needs. Employees in the following categories **should** consider participating in the plan:

- Currently saving on an **after**-tax basis (bank savings, etc.),
- concerned about retirement income,
- multiple family incomes,
- paying substantial federal income taxes,
- single employees with dependents.

However, you should generally **NOT** participate if any of the following are true:

- You do not have a regular savings account sufficient meet short-term needs or minor emergencies,
- you cannot afford to invest part of your salary on a long-term basis, or
- you expect to have more taxable income after retirement than you have at present.

NOTE ON HEALTH PLANS OPEN ENROLLMENT

If you changed health plans during the June Open Enrollment, you should begin to see your new health plan indicated on your pay stub beginning with the July 15th payday. The effective date of all changes is actually July 1, 1994.

Please check to see if your requested change is correct, and if not, contact either your personnel/payroll officer or State Employee Benefits (277-3160).

1994 SECA TO "CELEBRATE LIVING"

1994 SECA Campaign Chair Kathryn Power

The 1994 state Employees Charitable Appeal Committee convened on July 8, to organize and strategize this year's effort. Campaign Chair Kathryn Power, Director of M.H.R.H., welcomed the volunteers and proclaimed the theme of the 1994 campaign, "Celebrate Living". In her opening remarks, she suggested that, just as life is a process of continual discovery and celebration, so should we regard SECA as a process in which we grow and improve. Ms. Power characterized the campaign as "Like green tomatoes — ripening on the windowsill of life."

Campaign Director Alan Axelrod reviewed last year's record breaking campaign — which raised $573,172, a 15% increase over the previous year — and stressed the importance of keeping up the momentum of 2 consecutive years of double-digit increases. He noted that the reports of economic recovery do not yet bespeak a lessening of human needs around us. "The tide has not risen enough to lift all boats." He also advised people not to let election year pressures distract attention from **our** campaign.

Everyone was mesmerized by a screening of the new campaign video, which is dramatically different from any previous SECA videos. All eyes were glued to the screen for the brief (4 minutes) collage of simple messages which, if universally heeded, would make life more peaceful and rewarding for everyone.

The featured speaker was Dr. George DeLodzia, Professor of Management at U.R.I. Citing the maxim "The unexamined life is not worth living" he admonished everyone to reexamine their own efforts. SECA should be seen as a team building exercise within our departments and agencies. In his view, our campaigns can and should be integral parts of our efforts at continuous improvement; we should treat them as opportunities for personal growth and development of management and communications skills.

People give primarily for noble reasons, Dr. DeLodzia claimed, so we must appeal to their highest instincts. We must make a connection between the "Celebrate Living" theme, our own roles as campaign volunteers, and our coworkers' instincts to do good.

Ms. Power said that Professor DeLodzia's presentation would be repeated for the Governor's Cabinet during the summer, so that all the Directors will hear the inspiring message. The SECA Kickoff will take place on Tuesday, September 20, at 8:30 a.m. at Harrington Hall, IMH Cranston. The special guest speaker is to be announced.

OFFICE OF TRAINING AND DEVELOPMENT COURSES

THE ZONING ENABLING ACT OF 1991 — Fee $20

This course will review the new Zoning Enabling Act and highlight some of the major differences between the old act and the new. Topics covered will include Definitions, Nonconformance, Abandonment, Variances, Special Use Permits, Duties and Responsibilities of the Board of Review, Notification for Adoption and Amendment, and Comprehensive Plan Compliance.

Tuesday, September 20, 1994
8:30 a.m.-10:30 a.m.
Instructor: William Sheridan, Esq.

THE AMERICANS WITH DISABILITIES ACT: A RAPIDLY GROWING 3 YEAR OLD — Fee $20

Although the Civil Rights Act of 1991 was primarily intended to provide a large number of disabled Americans with access to employment and goods and services in the public and private sector, its affect on the non-disabled community has been surprising. This course will examine the reach of the Act in both the private and public sectors, and consider the impact of the ADA on the practice of law.

Friday, October 7, 1994
9 a.m.-11 a.m.
Instructor: Donald P. Rothschild, Esq.

GOVERNMENTAL IMMUNITY, OPEN MEETINGS AND PUBLIC RECORDS — Fee $20

This two hour course will address issues that all public officials may face regarding Governmental Immunity, Open Meetings and Public Records laws.

- What information can you release and to whom?
- What notice must you give for a "public" meeting?
- Under what circumstances does governmental immunity protect you?

Thursday, September 22, 1994
9 a.m.-11 a.m.
Instructors: Robin Feder, J.D. and Margaret Hogan Sweeney, J.D.

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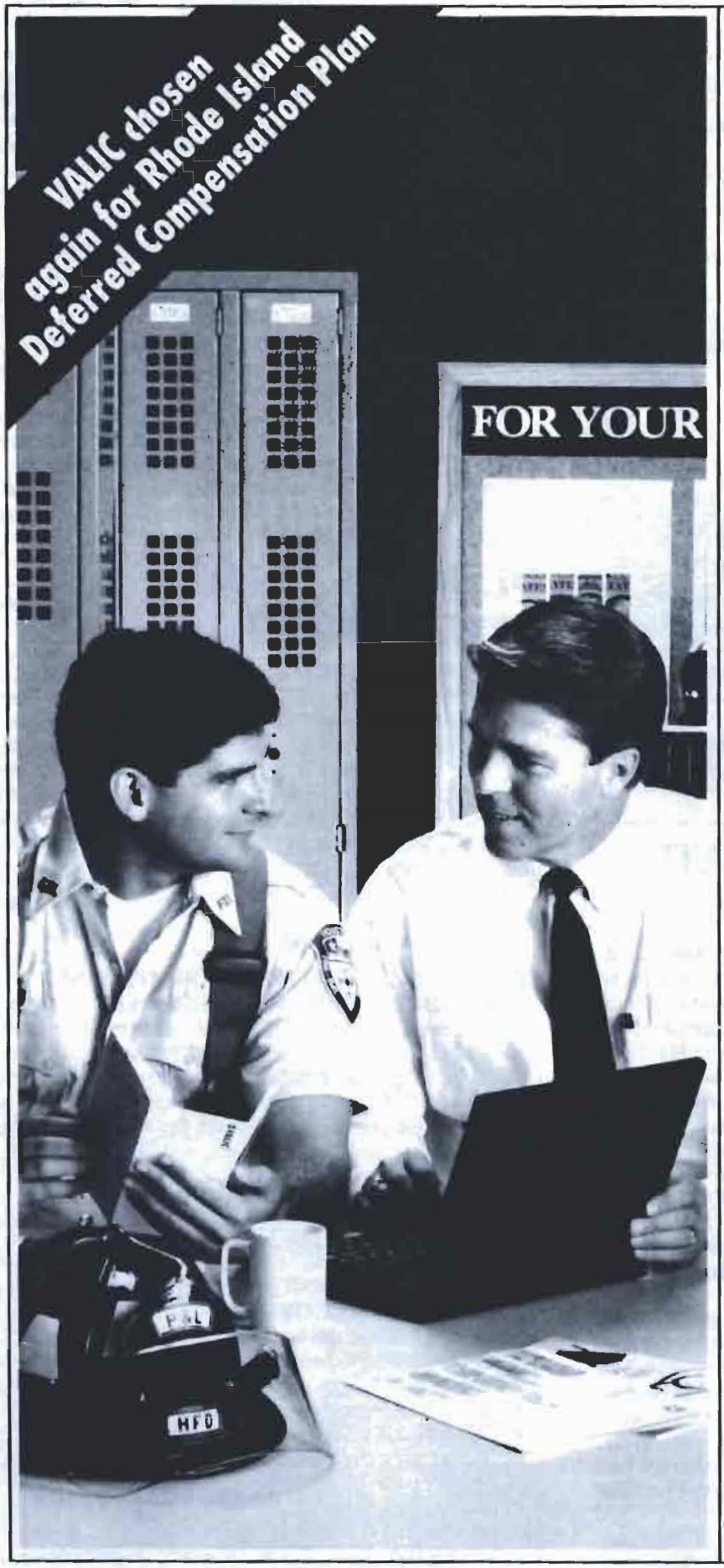

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SAVING FOR YOUR RETIREMENT

What is an annuity?

An annuity is a contract with an insurance company. You, as the annuityholder, make a payment or series of payments. The company, in turn, agrees to provide investment vehicles during the accumulation phase and offers to provide you with a regular income during the payout phase, usually during retirement. An annuity also includes a "guarantee," or insurance factor, with a minimum guaranteed survivor benefit. As an employee of the state, you are allowed to invest in an annuity through a special kind of retirement plan known as a Deferred Compensation Plan or DCP.

The amount of your retirement payment is based on how much money you've accumulated, the type of annuity option you've selected, the settlement rate, and other factors.

There are two types of annuities: *fixed and variable.*

Fixed annuities

The majority of investors prefer a low-risk fixed-rate account to save for retirement. Fixed annuity money primarily goes to work in "fixed" income investments, including U.S. Government Treasury bills, notes and bonds: debt instruments issued by federal government agencies; mortgages; and corporate securities.

A fixed annuity contract is backed by company guarantees and is generally supported by relatively low-risk investments. A fixed contract guarantees a certain credited interest rate and often pays excess interest (the amount over the guaranteed credited interest rate) when market conditions warrant it.

Though a fixed annuity is most suitable for investors who do not feel comfortable taking risks, it can also be used in combination with a variable annuity to balance the risk for an overall strategy that blends greater and lesser risk. If you are willing to trade the possibility of greater return for greater investment stability, a fixed annuity may be your choice.

Variable annuities

A variable annuity (VA) allows you to invest in options, such as a common-stock fund, that fluctuate with market conditions. Money deposited in a variable annuity is allocated to "separate accounts," which function like mutual funds. A VA provides investors with the potential to earn a greater return. You purchase units in the fund, just as you would buy shares of stock in a company.

Each fund option has specific risk and investment guidelines. Basically, with every level of reward there is an associated level of risk. Risk manifests itself in the form of fluctuation in value. The more prone to fluctuation (volatility) an investment is, the riskier.

A fund family usually includes several different investment options offered by a single company. You may transfer your money among the funds without tax consequences. Many companies also offer the opportunity to switch between variable and fixed accounts.

Having several options gives you the ability to blend investments within a fund family. This allows you to diversify your investment as defined by various levels of risk and return.

With a variable annuity, you decide how your money will be invested. You take the same market risk as any investor, but benefit from tax-deferred growth until you withdraw the funds. You also benefit from the expertise of professional fund management.

Total return is one of the most important yardsticks used to measure variable account performance. Total return consists of capital gains and losses, interest, and dividends and includes contract charges. However, performance has to be analyzed in terms of the fund objectives.

Funds may specialize in bonds, money market instruments, government securities, international securities, common stock, or any one of many investment options. Some companies now offer funds guided by standards for socially responsible investing.

Which is right for you?

Whether a fixed, variable, or combination annuity is right for you depends on your own financial goals, age, income, and risk tolerance.

For more information about this article, related issues, or a personalized planning review, call a VALIC representative at 1-800-44-VALIC.

For more information about VALIC and its variable annuity fund options, including charges and expenses, please call 1-800-44-VALIC (1-800-448-2542) for a prospectus. Please read the prospectus carefully before investing. VALIC's variable annuity fund options are distributed by The Variable Annuity Marketing Company (VAMCO).

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