

MINUTES OF THE FACULTY SENATE MEETING OF FEBRUARY 7, 2002

The regular meeting of the Faculty Senate was called to order on Thursday, February 7, 2001, at 3:04 p.m. in Room 201 of the Buckingham Center for Continuing Education.

Fifty of the sixty-eight Faculty Senators were in attendance. Senators Belisle, K.Clark, Jordan, Marino, R.Pope, Stinner, and Wyszynski were absent with notice. Senators Anderson Binienda, Broadway, Brouthers, Chafin, First, R.Huff, Purdy, Turning, and Wallace were absent without notice.

I. APPROVAL OF THE AGENDA – Chair Dan Sheffer called for a motion to approve the agenda. Senator Qammar made the motion which was seconded by Senator Sterns. The Senate then voted its approval of the motion.

II. APPROVAL OF THE MINUTES OF NOVEMBER 15 AND DECEMBER 6, 2001 -
Senator Kennedy stated that she had one, which was not so much a correction as an addition. It had been pointed out to her by Parliamentarian Gerlach that on pg. 54 of the most recent Chronicle the sentence midway down the page stated that, "No further discussion forthcoming, the body voted its approval." Parliamentarian Gerlach suggested adding the phrase, "without dissent" to indicate that approval of the retirees joining the Faculty Senate was unanimous. Senator Norfolk made a motion to approve the amended minutes; Senator Sterns seconded the motion. The body then voted its approval of the minutes.

III. REMARKS OF THE CHAIRPERSON/SPECIAL ANNOUNCEMENTS – Chair Sheffer stated that he would like to combine the remarks of the chair and the announcements. He began by welcoming all back to the Senate for the spring semester. This meeting always followed our longest break of the academic year, and was one which was terribly busy. We ended one semester; we perhaps celebrated holidays; perhaps we got some rest; perhaps we got to spend time in our labs. Then we got to begin new semesters, new classes, new students for the spring. It always seemed like a very long interval to him, and this year the break had been anything but usual. The Executive Committee had met on several occasions to conduct our normal business and to discuss our role. That was, the role of the Executive Committee in the Faculty Senate with regard to the current campaign to organize the faculty on campus. Most recently in our discussions, the Executive Committee felt that we should gather with all of the Senators for a discussion. So he was asking that next Thurs., Feb. 14, we gather in this room beginning at 3:30 for a discussion of the following items: First, what was the role of the Senate in the issue of collective bargaining - did we have a role; did we want a role? Secondly, what was the role of the Senators who were currently department chairs, directors, heads? Thirdly, what was the Senate currently doing in the activities of the PBC, APCC - what was going on in these committees of the Senate? Fourthly, how did faculty and staff on campus perceive the Senate? He thought these were issues we needed to discuss. Since this was being called a gathering of Senate members only, and that meant Faculty Senate members only, it could not be an official meeting. That was, we could not conduct business in any form such as passing resolutions. Please make note of the date and time, next Thurs. at 3:30. We had scheduled this room until 4:45. Thank you. Under announcements, first, he hoped all would welcome Gary Oller, who was visiting us today. Gary was Senate Secretary for eight years - welcome back, Gary, and it was good to have him here with us today. The Senate then welcomed Dr. Oller with a hearty round of applause.

Chair Sheffer continued, stating that he had three deaths to announce. The first was Dr. Melvin Ernest

Farris, who had a strong commitment to the health of his patients and to the greater Akron community. He died during the month of December. While serving as a member of The University of Akron Board of Trustees, Dr. Farris pushed for programs that would benefit all students, especially the minority students, and he was named Chairman of the Board of the Northeastern Ohio Universities College of Medicine in 1991 and served for several years in that capacity. Secondly, Judge Robert H. Maxson died on Jan. 16. He had briefly served as Assistant Dean of Students before entering the U.S. Army as a Distinguished Military Graduate. Judge Maxson was also a member of Phi Delta Theta at The University of Akron where he was Student Building Manager. Finally, Sandra J. Bolinger-Lawrence passed away on Jan. 28. She worked at The University of Akron as a secretary in the past. The Senate then rose for a moment of silence.

IV. REPORTS –

EXECUTIVE COMMITTEE – Secretary Kennedy began her report by saying that as Chair Sheffer had stated, the Executive Committee met several times, actually four times since the last December Faculty Senate meeting. On Dec. 17 we met as a committee and addressed the NCA self-study questions that we received from the steering committee. We began our work on responses to those questions. We met on Jan. 7 again to work on those responses. On Feb. 1 we met with the President, Provost, and Mrs. Herrnstein and discussed issues related to communication between administration and faculty; specifically, difficulties the Executive Committee had faced in an attempt to create a faculty list-serve for discussion among faculty. The Provost had stated he would work with Chair Sheffer to develop this further. We also received from the Provost an update about the status of the C&T reorganization, and the Provost had since notified faculty within the Community & Technical College about that status. The President also outlined some new strategies revolving around salary issues which she was sure the Senate would hear about later. There was a brief discussion on the President's position on the AAUP and the collective bargaining issue.

REMARKS OF THE PRESIDENT - The chair then invited President Proenza to address the body.

"Thank you, Mr. Chairman. Indeed, let me also formally welcome Gary. I did so personally a while ago, but it's good to have you in our midst again. We wish you the very best for continued positive recovery.

Good afternoon, colleagues, and let me share some thoughts with you. Just a few days ago one of our colleagues told me about a story that was shared in one of our classrooms by a guest lecturer, the president of a local firm. He held up two pictures for the students to see - one picture was of embers that were slowly smoldering; the other was of a blazing fire. He asked which they would prefer to deal with. As they pondered it, he told them that he would prefer to deal with the fire because when problems simmer under the surface it is certainly hard to see them, hard to get a handle on them, and certainly even harder to deal with them in a productive fashion. By contrast, when problems are out in the open it is possible to analyze them much more effectively and to look to their source and to the true nature so it could be appropriately addressed. So embers that are slowly burning and out of sight he said were not what he preferred; rather, he told the students, 'Let me know where the fires are so I can deal with them and let us get about solving the problem.'

During the past few weeks I have received and responded to an increasing number of very helpful and informative communications from many of our faculty. Among the insights I have gained is that despite our efforts, we are clearly falling short on communicating to you and perhaps especially in listening. You have clearly identified a fire and I commit to redoubling our efforts in both listening and in

communicating. I ask that you continue to share your suggestions and reactions, as many of you do already quite freely, by either telephoning me, calling for an appointment, or sending me emails, and I continue to welcome that. It's a good opportunity for dialogue, and as many of you know, we've solved a number of very important problems over the years.

It also has become clear that some, perhaps many, of our colleagues feel that we have not placed the highest priority on our faculty. While I have assured you otherwise, it is obvious that our commitment has not been made as clear as I would like. So please again, let me offer some tangible examples of our commitment to you the faculty, and specifically in regard to some of the issues that I first discussed with you this past October.

At that time, as you may recall, I discussed several recommendations that I would carry to our Board of Trustees in response to faculty needs and in response to some specific recommendations of this body in light of increased student enrollment and the first of what then we did not know would become two rounds of state budget cuts. Here is an update and therefore what is happening and is about to happen in those fronts.

First, I continue to support efforts of our Planning & Budgeting Committee working with the Provost and the Vice President for Business & Finance to further identify the financial resources required to address issues of salary compression, as well as matters of salary adjustments that may be required for any 'outliers' that are identified through our ongoing equity studies and our forthcoming specific studies on the broad issue of faculty compensation. Sources under consideration for such funding include additional revenues from spring semester enrollment as well as potential additional cost cutting and internal reallocations. Our goal would be to make such adjustments by May 1 of this year, 2002.

Second, I understand that the Academic Policies & Calendar Committee currently is considering a recommendation that salary increases include both an across-the-board increase and a merit increase. I am prepared to support a reasonable recommendation along those lines and to carry that recommendation to our Board of Trustees at its February meeting.

Third, I ask that the PBC continue to provide me with recommendations regarding the revenue adjustments that typically are included within the annual February budget revisions. Our understanding has been that those revenues would be used to address health care cost issues with a view toward maintaining current paid health insurance. I, of course, want to thank the work that is ongoing by the Faculty Well-Being Committee, and in particular to thank them for their ongoing diligence in reviewing health care cost issues which as they've recognized are very difficult issues, and I've requested that they provide the recommendations to me no later than the first of May, hopefully before. It is important that you remember that at no time have I suggested that the University's contribution toward health care benefits be in any way decreased. The only matter under discussion is how we manage the rapidly increasing costs associated with health care.

Fourth, in addition to issues of compensation and health care, it is clear that many perceive that Faculty Senate's voice in our University's governance structure needs to be raised. That there are issues that should be thoroughly discussed and reviewed by the Senators, as your chair outlined for you. To that end and in discussion with your Executive Committee as reported by your chair and by Madame Secretary, I understand that you will ask for an opportunity to deliberate this without my involvement or without the involvement of my staff, and I will honor that request, as I said to you last week, and will also advise my colleagues to not attend that special meeting.

Finally, let me reiterate my commitment to improved communication. Efforts to enhance our communication will focus on three objectives. One, ensure that we can all be better informed. We've been doing a great deal; it's important that we all find a moment to catch up and understand what is happening, why it is happening - in short, to become better informed citizens of this community that we call The University of Akron.

Secondly, ensure that in the process we can optimize the effectiveness of the good ideas and the exceptional expertise that is resident throughout our campus.

Third, that we ensure that we understand which matters are strategic necessities requiring specific and prompt action and which matters require and demand more appropriate time for deliberation and assessment. Thorough and effective communication is never easy, and all of us must acknowledge that enhancing our communication will not be an effortless or quick process. It will require consistent effort and due diligence on the part of many people, myself included, and it will involve some trial and error. I hope that all of us will come together and regard this effort as something that we must do and that all of us will sincerely and earnestly engage in that process.

You may recall that when I first came to The University of Akron and many times since, I shared my recollections of the time when I was an assistant professor and other times when I served on the Faculty Senate myself, and indeed of sitting in faculty meetings and listening to the then-president that I served of that university. To this day as I remember telling you, I remember most vividly being frustrated because he talked about the legislative agenda and the state budget and such similar broad issues that seemed not to address any of the immediate concerns that I as a member of the faculty had. While I now fully understand how directly relevant those issues that the president was talking about are to faculty and how they do go to the heart of higher education and the health of our university enterprise, I still remember vividly feeling that he was unresponsive. It is I am sure how many of you feel today. So I must do better to connect with your concerns at the same time that I try as best I can to share with you how our ability to deal with key issues is conditioned by that larger environment that is our state and our nation. Thus, I will continue to do my best to present the big picture to you and to attempt to be more specific about how that impacts each of the issues you and I care about at this, The University of Akron, and to listen and to consider your needs more directly.

Therefore, just as you are, I am planning a series of roundtable discussions, during which time members of the University community can meet with appropriate members of the administrative team to have an open dialogue about common issues such as the budget, the Campus Master Plan, technology, etc. The first roundtable will focus on the budget because that's such a fundamental issue that drives everything else and will be held during the last week of February at the Student Center. I will notify you within the next few days of the specific date and time as soon as those details can be finalized.

I hope that many of you, and indeed you will encourage all of your faculty colleagues to join and take part in that effort so that we can have a good dialogue. I thank you for your attention and would be pleased to answer any questions that you may have."

Senator Pinheiro then stated that he had a few concerns regarding what had been in the paper about Acme and the deal with Giant Eagle. Would the President please enlighten Senators and how the decision came about and what went into it? The President replied with the following:

"I'd be very happy to do that; thank you for the question. It is a good lesson that we should still not believe everything we read in the paper. Here is exactly how it happened and you can call Mr. Albrecht if you don't believe me, which is your privilege as well.

There was indeed a possibility that Giant Eagle would offer a very attractive sponsorship package for our sports, all sports. Because of the longstanding relationship with Acme, I felt it was imperative on us to sit down with Mr. Albrecht and I did so personally, to review what his wishes might be. Would he like to enhance his own sponsorship to some level comparable to what was being offered by Giant Eagle, or would he prefer to do something else? He and I had had several discussions earlier that clearly suggested that he was interested, his family was interested, that Acme as a business was interested in connecting more directly with students and parents in a framework that spoke to the benefits of education in general to family, etc. Immediately we began to discuss that, no, the sponsorship of athletics was not meeting either our needs as The University of Akron or theirs, as the family or as a business.

So then we pledged to do two things - first, we immediately announced that we would be looking to a new relationship, which we did by way of a joint press release. His name as well as mine were at the top of that press release; regrettably, the paper chose to focus only on the fact that mine was there - his was there as well, and to indicate that we would be moving in different directions away from Acme-Zip. That was reported fairly in the sports pages the first two days, except that the sports pages did not pick up on the bulk of the press release that said we were looking with excitement to the other things. In the meantime another person in the Beacon Journal decided that they saw some malevolence, and that's what they reported. Fortunately, the editorial board felt it incumbent upon itself to talk to both of us, and hence I think you saw the editorials that reflected a much more balanced picture and indeed where we do stand.

I'm continuing to meet with Mr. Albrecht, and we hope to have an announcement of the next Acme support for The University of Akron. It is strong and will continue. That in brief is what happened and I will be happy to answer any more detailed questions if you care to know."

Senator Yoder then stated that she had a question about one of the items that would be a center of the discussion at the gathering next week. Since President Proenza would not be there, she would appreciate his perspective on it at this point. President Proenza interjected that, if at any point Senators felt they wanted him in the discussion, he would be happy to make himself available. He was not avoiding it and if asked would be very happy to attend.

Senator Yoder continued. There were 15 members of the Senate who were elected to represent the constituency and the faculty who also held positions that placed them in administration. Not having firsthand been privy to this, it was her understanding there was a meeting earlier in the week with a lawyer that involved the chairs and directors who held these positions on the Senate that talked about the roles they could play in discussion of the AAUP initiative. Since a lot of the issues involved in the AAUP initiative were also the issues we talked about on the Senate, there might be some concerns about whether those Senators could play a full role in that discussion. So we obviously needed to consider that as a body, but she would appreciate the President's insights on that. She also wanted to ask a question about the consultation that was being brought in and in particular, who was funding that?

President Proenza replied with the following: "The first question and my colleague and General Counsel to the University might wish to supplement that, but there is a legal framework that is immediately

brought into play anytime there is a unionization attempt. In fact, any matter involving either a unionization attempt or the presence of a union immediately brings to light a whole other aspect of legal requirements for individuals on both sides. In particular, the individuals who hold administrative positions have some very specific responsibilities which under the laws relating to labor practices need to be followed lest one get into issues of allegation of unfair labor practices. As a result, we have immediately sought counsel from our lawyer. In the state of Ohio any state agency including the University, any state organization, is represented legally by the Attorney General's Office. The Attorney General's Office funds that relationship and selects the attorneys that represent us. There's a portfolio of attorneys that we're able to consult with and they specify for us how that is managed. Did I misspeak at any point, Mr. Mallo?"

After having been granted permission to speak by the body, Mr. Ted Mallo then added just one comment. The Attorney General conducted the appointment, reviewed the work and approved the billings, but there was some payment by the University. The President apologized and pointed out that there was a counterpoint to this as he was sure all were aware. The AAUP had expert advice in support of its activities.

Senator Yoder then asked the President to speak to the issue of the conflict of interest for Senators. The President then spoke. "Those are difficult issues and that is perhaps as good as I will be able to do. Having been at a previous institution in which a merger of a community college faculty that was unionized took place with a university faculty that was not, I can certainly attest to the fact that those issues become clouded and difficult. Because in the spirit of university governance a lot of discussions are wanted and needed, which in light of a presence of a collective bargaining unit become very difficult. I would expect that our colleagues who hold administrative positions as well as faculty rank, will have to be guided by the legal requirements of their administrative position. They can certainly participate in discussions, but they have to manage a fairly careful line to avoid allegations of unfair labor practice. So I recognize the inherent difficulty, and I think you can recognize the inherent difficulty that might eventuate if we do get to our faculty being unionized, whether you vote for it or not.

By the way, please do pay attention to the fact that signing a pledge card isn't just an expression of interest; I hope you all read that. It's far more legally binding, so if you're not sure, you can always change your mind later but would suggest, as I did in an email, that you please consider withdrawing. But in any condition where we go forward, if we were to unionize, that creates as I said in another email, a whole set of new conditions in which our interrelationships would have to change by nature of the legal requirements of the bargaining unit present on campus."

Senator Sterns added that one of the questions raised was that there were a number of positions on this campus that were seen as administrative but were part-time, such as the position he occupied. He had been led to believe in a previous time period that that was considered administrative, yet he was not invited to that particular meeting. Did that mean he was a free agent? President Proenza replied that it simply meant that that meeting was organized for department chairs and that there would be another meeting for other members of the University community that held other administrative responsibilities. Senator Sterns stated that that had not been made clear to him. The President offered his apology.

Senator Buchenmeyer then stated he appreciated calling the meeting for next week, because he was hoping that somehow that would bring some discussion of what our roles really were. Because he thought that a strike's at the actual integrity of the Faculty Senate, whether there was a union or not. He wanted to ask a question - to the President's knowledge, were the focus groups for the voting for the

AAUP primarily tenure line and tenure track faculty? Because part-time faculty were getting these cards also.

President Proenza stated that he was sure there would be some confusion, but his understanding was indeed that it would apply only to full-time tenure track faculty.

Senator Harp then stated that once the transcript of the Senate went out, he would be asked hard questions as a Senator, which spoke to the integrity of the body. He needed to ask this question as a follow-up to Senator Yoder's. He was an at-large representative for Arts & Sciences, so it was not clear this would be coming from anybody in humanities or social sciences - it could be coming from the hard sciences. He would be asked how much was being spent on the outside counsel. He was not sure he could ask the President that question, but could he ask the PBC? Did the PBC have access to that information?

President Proenza replied, "Absolutely. As I've said time and again, any information at this University other than that is privileged for personnel or contractual reasons is available to you."

Senator Qammar stated that she wanted to completely change the topic and bring up something for junior faculty, as the President mentioned in his story. There was an awful lot of news reporting going on about the discussion of the legislature and the potential for tuition caps coming into play or not coming into play. There was some interest on the part of industry to perhaps urge the state to reconsider their pattern in funding for higher education.

She knew that last week the President had met with some people – could he give us a better update than we heard on the radio in the morning?

The President then spoke. I'll try, and this is evolving and as with many discussions it's evolving in many different directions, and frankly I can't predict where it's going to come out. About two weeks ago I received a call from the chief of staff of the Governor, Mr. Brian Hicks, asking as he was doing of all universities, what we might be planning to recommend in regard to tuition increases for the fall. I reviewed the planning scenarios, the budget difficulties, and all of the things you know about. The fact that even the increases we made didn't keep us from having major cuts to be made after their taking away \$6 million and after 1.2 or whatever the earlier cut was.

Particularly highlighted, what I have been very troubled about in Ohio, is the wide tuition differentials that exist for Miami University at the top that charges an obscene \$7,000, and that's the word I use. Not that they can't play it in the market place and get the students; they do. But is that public higher education? I would argue it is not. At the lower end, is Shawnee State, which charges approximately \$3,500.00. That's a difference of about \$3,500.00 - multiply \$3,500 x 15,000 students and you have \$53 million more at Miami than you would at another institution charging that. Or in our case, having approximately the same number of full-time students, Miami has fully \$23 million more for their tuition than we do. Now if you take a percentage of a large number and a percentage of a small number, one is larger and the other is smaller. I regard that as inherently unfair in a public setting, and if they'd just leave us alone I don't care. But if they reimpose that cap, they have defacto created in higher education a DeRolf situation. I'm mad.

I tried to explain that very carefully to Mr. Hicks, and a week later the Governor called all of us and urged us to try to hold tuition below 10%. Bingo - somebody didn't brief him. We immediately started

a discussion, and I outlined to the Governor why I thought that was not a tenable policy decision. He immediately said, 'I see what you mean.' We began to explore alternatives, and on the fly I have a better idea I think, but my colleagues aren't going to like it and I'll tell you about it in a moment. We talked about maybe rather than a percentage cap we might hold the higher-priced institutions to a lower dollar amount, and those that are lower-priced to an opportunity as they chose to not exceed some other dollar amount, but the dollar amount being higher than those other guys. Now that of course creates some asymmetries, because Shawnee State serves more higher-needs students. But be that as it may, we're trying to find something that might be more workable than something that prolongs the differential and just expands it.

Immediately, the word went into the press and as you then recall, there were announcements that the Governor was asking us to do this and there were a flurry of editorials that in this case chided the Governor for trying to have it both ways. In other words, the editorials in effect said you can't cut them and then tell them they can't do something to uphold the quality of the education, short and sweet.

This afternoon at 5:00 there will be a conference call among university presidents, because tomorrow morning the current chair, Bob Glidden, and the past two chairs, Brit Kirwan and Jim Garland, will meet with the Governor's staff to try to work out perhaps some accommodation that might be palatable, maybe doing something that is needed by all institutions over a 2-year period rather than a 1-year period, I'm not sure. In the meantime, however, other things are happening.

Dr. Kirwan has released an editorial very nicely detailing, and it should appear in this weekend's Dispatch, why they need that for competitive reasons within the state of Ohio, for competitive reasons among the Big 10, etc. At about the same time Jim Garland of Miami and Sidney Rebeau of Bowling Green have sent a letter to the papers. I've not seen the product itself in the papers but it tries to talk about how residential institutions are more needy than non-residential institutions, which I don't buy, by the way. So stay tuned.

I may be weighing in within a day or two with my own ideas, which is that the higher education structure in Ohio has no structure, no logical basis, either in appropriations or in tuition, and that if you had some logical basis you would let Miami go private; you would let Ohio State, Ohio University, Cincinnati and The University of Akron be the research universities for the state. You would have two residential and historically linked institutions to normal schools, Bowling Green and Kent, and price them below us because I don't think their education is worth more than ours, and I hope you agree on that point. Then you would have a group of smaller, urban institutions that have some modest restrictions, and you know which ones they are - Toledo, Cleveland State, Youngstown, and Wright State, and two institutions which are effectively 4-year colleges that serve a very special need of populations in remote areas of the state - Shawnee State and so forth, and price them all accordingly and let the market try to adjust over time with some broad boundaries. But I haven't said that publicly; if I do I'm sure some people will take me to the tarring and feathering pit and have at me. But I'm possibly going to do that if I get a little ally here.

That's where we are, Senator Qammar. It's a deep issue and needless to say, after our budget discussion, that is an issue. If the state is holding us at a certain level and we cannot adjust our prices to even the level of our competition, we cannot raise as much money as they can and that is inherently price control, that is inherently unfair, and I object to it. Any other questions?"

Senator Franks then asked whether the President could comment on changes at the state level. As he

no doubt knew, some state university systems had one health care provider for the whole of the state university system, and he had never heard whether that was a good or a bad idea or whether that would even be legal in Ohio. He would like to hear the

President's impressions of whether something like that had ever come up amongst the presidents.

The President replied. "If it could be negotiated, it is definitely possible. Obviously, to manage all of the intricacies of trying to merge all of these plans into something that is acceptable to all is probably the conundrum, and I know the Faculty Well-Being Committee has raised it; I know that they are considering it. I have had opportunities to talk with key experts in the area, sent them some articles. You may have seen Laura Ofobike's editorial recently as well as the Wall Street Journal article on defined care programs which have some attractiveness that may be appealing to us. We are exploring all of those issues and others."

UNIVERSITY WELL-BEING COMMITTEE - Senator Erickson began her report (**Appendix A**) by stating that she wanted to give a descriptive, not an analytical, answer to Senator Frank's question. When we looked at the possibility of going state-wide, the problem that existed was that when we tried to do that in the past, the University had pulled out. We started to agree and then people pulled out and the University lost money. The word among university human resources people who were involved in this field was that though it may be possible in other states, at the present time it was impossible here because the people would not do it, and it required cooperation. The Well-Being Committee had met on several occasions, several long sessions since the last meeting of the Senate.

She continued. We met with representatives of Medical Mutual and Summa to get answers to our questions exploring ways to reduce the cost of health insurance. In January we met with Steve Likovich, the University's health care consultant, again to answer specific questions and to gain other information on the issues, though it was not ready at this particular meeting to bring a full report given the time we spent and given feedback from members of the committee who had said we didn't know how complex and difficult health care issues were until we started looking at it. What we were disturbed to find was that the problem of rising costs for health care and insurance was a national one. For several years of cost containment in the mid-90's, costs had gone up at higher and higher rates. The major reason for a lot of it was the new medical technology, and a huge increase in costs. This year the average cost increase was 13%, and the projections were 15-16%. Now we were back to where we were in 1988 and then a question mark as to where it went next all across the country in trying to deal with this problem especially with the present recession. Clearly this situation cannot continue for many years. With a 15% increase, where could we go? There were new proposals involving accounts the President mentioned that were being tested by some companies, but she was not going to go into those now. The committee felt that these plans were too new for The University of Akron at this time. The other new proposal was methods to try and reduce 80% of costs that come from less than 20% of the people – that was the way health care costs went. Now there was another effort that was originally part of managed health care but didn't work out because people changed plans from year to year.

They were trying to come up with ways to have disease prevention and disease management programs to try at least in chronic areas to either prevent disease or to cut down the cost of it. It was not pretty to look at the literature. Among my fellow economists, they did not sound cheerful. In the short term, as more healthy people drop out of the plan, the higher the costs get for those who were left.

That was the overall situation we were facing, and what were we trying to do? We could not solve

those issues, that was for sure. We had been talking to other universities, and about half of those have one or more plans. We were looking at the issues related to having one plan and that was something she would come back to in a moment. We were also addressing two possible sources of savings, which involved what we considered present unfairness at the same time. None of these things were nice, but some were feeling somewhat unfair about the present system and we were trying to deal with that to reduce costs.

One issue we could support was retiree-dependent coverage. As all know, the retiree-dependents at the present moment got traditional indemnity coverage free. Those of you who had Mutual Indemnity coverage knew you were not getting it free. It was expensive and was being phased out by most of the insurers. Calculations were being made for savings on alternatives involving HMO and PPO coverage instead. On that issue we planned to meet with a representative of the retired faculty in the near future.

The other one was the problem that existed because most private employers charged premiums. As a result, spouses of UA employees chose our health benefits as their primary coverage because we had no premium. The benefits provided by their employer might be as good but they would be paying a monthly fee. So that was called liability dumping, and we were determining with that in mind what the costs would be and comparing it to the benefits of having one employee free and one child free but charging for spouse. Finally, we were examining the long-term issues relating to disease management prevention. Before we brought a draft to the Senate for discussion and feedback, we wanted you people as representing faculty and staff to give us feedback on it before we had to get this to the President. The present timeline was to ask for a special meeting of the Senate toward the end of March.

Senator Harp then asked whether it were legal for an employer to only require payment for a spouse if that spouse is employed elsewhere. In other words, was there no way the University could make the distinction between the familial situation of different spouses of employees? That if the University needed to determine that we had a co-payment or payment for spouses to opt in, we were thereby affecting both single income households and double income households. There was no way to discriminate. Did Senator Erickson see his point?

She replied not quite, but she could tell him this. At one point the University did have a system whereby it said that you could only get University insurance for your spouse if your spouse was not employed. That was legal in the sense that they had it. Employees simply checked off a form asking that. However, nobody checked it off, and the University certainly did not have the ability to check to see whether or not people had that coverage. Desnay Lohrum, who was not here today, knew friends of hers who were staff and whose spouses worked for Goodyear and they checked off and said no, regarding potential insurance elsewhere. One thing we were looking at was trying to pay people to opt out. We already paid 500 - if we doubled it or at some point it became more expensive, we were trying to deal with that issue.

CURRICULUM REVIEW COMMITTEE – Professor Stokes did not make a verbal report, but instead she provided a handout for Senators. (See **Appendix B**).

CAMPUS FACILITIES PLANNING COMMITTEE- Senator Sterns began his report (**Appendix C**) by publicly thanking Senator Erickson for all her work on both the Well-Being Committee and the Campus Facilities Planning Committee. Beginning on space assignments, during the end of the semester a request was made for some trading of rooms at Polsky's - 221 to be traded for 292, a general

purpose classroom. This was passed by the committee. In order to expedite it, the Executive Committee was asked to act on the resolution at its last meeting, but he wanted to acknowledge that in our minutes. So the Faculty Senate Executive Committee supported the change of Polsky Room 221 currently assigned to the Community & Technical College for Polsky Room 292. Polsky Room 292, currently a general purpose classroom, was to be assigned to the Community & Technical College for the exclusive use of the Police Academy, and Polsky 221 would now become a general purpose classroom. He was simply reading it for the record. At our last meeting the committee had had a chance to further review the facilities management project schedule, (Senators were referred to the last two sheets at the end of the last Chronicle regarding ongoing facilities activities). The committee discussed a few issues that he wanted to address here this afternoon.

One of the questions brought up was why the new HAZMAT Building had been eliminated. Mr. Haskell, who was representing the Vice President for Planning, pointed out that there was no longer a need to build such a building. There had been a change in how chemicals were being stored on campus and that there was no need for that building. So that raised the question then about where the money, which was about a million and a half dollars for the HAZMAT Building, had been allocated. In discussion again, and he did not mean this to be problematic, concern was expressed that the committee had not been involved or informed of any deliberative process involving these funds.

This then led us to the next discussion which was the funding of the Field House. It was the understanding of our committee based on information provided by the administration that the Field House was going to be a project that was funded by contribution. However, it appeared that perhaps the money that was to be used for the HAZMAT Building had now been incorporated into the building of the Field House. We were not commenting on whether this was a good or bad thing; we were just saying that as the Campus Facilities Planning Committee, we had no information about this. It could be very well that we would see these as all very reasonable decisions. However, these were all activities which were supposed to be reviewed by our committee.

The next issue we took up was the request from PBC on the possibility of closing some buildings at night and on weekends to reduce utility costs. We were in the process of responding to that request. At our meeting next week we will meet with Deborah Gwin from Adult Focus who had already started a study. We also have information from past studies, so we would hope to at least be responsive on this important area.

Another issue which came up dealt with problems in classrooms and facilities. There were some faculty who felt that some of our classrooms were not as nice as they could be. They felt that the equipment should work; they felt it should be clean; they felt that chairs and desks should have arms, minor things. But he did mention that because we felt that this really was an issue, we formed a subcommittee made up of Dr. Kendra, Mr. Kline and Kathy Reuther to survey the faculty and ask them about the classrooms they were currently teaching in. So, if Senators felt that the classrooms they were in needed some kind of attention, the committee could then respond accordingly. So Senators could expect to see a survey of that type asking each to evaluate the classrooms he/she taught in. Hopefully, that would give us good information for taking some action. Perhaps another point was Phil Buckenmeyer's concern about the billiard room; it showed that he had a strong value system for leisure and the importance of that kind of instruction. Once again, what was important here was this was an instructional activity which needed to continue because it was a formal course. We again needed to improve our communication in that regard.

Finally, an issue was discussed and he believed it to be an important one - with all the construction going on this was an enormous task that was being handled with a great deal of positive effort, but there were changes being made, changes in equipment, changes in level of finished and other things in construction of which the faculty might not be informed. So again, our committee just wished to improve communication by having the faculty fully informed on these changes and how they affected the emerging buildings. So he thought these issues were ones we needed to pay attention to and really needed Senators' support in carrying out these activities.

Senator Franks then asked, whether the Beacon had reported the parking situation properly, that the 500 spaces would disappear when?

Senator Sterns replied that the Beacon had said during the summer. It was his understanding that it could happen even sooner. However, this was not a surprise. It had been his great pleasure in this role as chair of Campus Facilities Planning Committee to bring the good news about parking on a regular basis. He almost felt guilt when he rolled into the Polsky deck now and found a parking space, but the fact of the matter was that the investment in this new parking deck was probably one of the most positive things we could be talking about on this campus. This had been long in coming, and the only way we were going to come out of this in the long run was to support that being built as fast as possible, because that whole area of the campus lacked adequate parking even with all the parking that it had. So we just had to get used to the fact that we were in a changing situation here. It had been suggested that the lots behind the Chapel, the new parking deck, etc., offered us possibilities. But he must tell all that it was going to get worse before it got better.

Senator Kahl then asked how much it was going to cost to build the new parking deck? Less than it took to remodel Polsky's?

Senator Sterns called for help answering the question. He stated that he expected it to be about a year, and Senator Erickson then pointed out the information could be found in the Chronicle. Senator Sterns replied that it was his impression that once we got these projects started they were going up extremely well; they were being handled with construction management that was very facilitative, and he was very impressed at how we had been handling these projects personally. Dr. Midha then added for clarification that according to the paper, Fall of 2003 was the completion date for this project.

FACULTY RESEARCH COMMITTEE - See **Appendix D** for 2002 Faculty Summer Fellowships.

COMPUTING & COMMUNICATIONS TECHNOLOGIES COMMITTEE - See **Appendix E**, CCTC Review of VPCIO division proposed budget cuts, final report.

PLANNING AND BUDGETING COMMITTEE – Senator Franks began his report (**Appendix F**) by stating that the PBC had met four times since the last Senate meeting in December; actually, the subgroup had met throughout the break to work on some of the ROI issues. Basically, we had been continuing planning for the ROI, and the next step in the development of that process was for the PBC to develop these quality measures that would be used as another component in the ROI process. In order to do that, the group that worked over the break developed a memo that went to the deans on Jan. 18. He had attached to our report the text of that memo, and the text of the memo which outlined

what we were looking for from the colleges. So the colleges had input into the development of this component.

We had also been continuing work on development of next year's budget, and we were currently waiting for the most recent budget figures, which would hopefully have some concrete numbers regarding the estimated 7% increase in tuition revenues from this spring. That was an estimate we were given last Friday from the President. Also, we had to take into account a \$1.1 million loss on investments due to the economy. But we were going to get as much information and PBC had agreed that we wanted as much information as we could possibly get to put on the table and examine in order to look at the whole budget picture, considering the recent proposals from the President with regard to funding, equity increases and compression and so forth, as well as trying to fund the total health care costs for another year. We wanted to look at all the other considerations as well, such as the fact that someone mentioned at today's meeting that operating budgets had not increased at all for over a decade. So we intended to look at the whole picture and we had been told we could have access to whatever data we needed in doing that. Our hope for outcome was to develop a budget or budget scenarios to bring to the Senate meeting in March for consideration. That was sticking with the PBC-recommended calendar that was passed by the Senate the year before last and approved by the President and the Board. So we were making an effort to do that on time. He then asked whether there were any questions.

Senator Graham then stated that he had a questions regarding the report and the PBC meeting of January 17. There was a sentence that did not make sense to him. Senator Franks then read aloud that sentence: "It was pointed out that some colleges through no fault of their own might never reach an ROI of 1.7; in fact, it's not likely that some colleges will meet that ROI of 1.7, and that these colleges might end up subsidizing those that do." He then stated that subsidizing was not exactly the right word. Senator Graham asked whether it should read, "being subsidized." To which Senator Franks replied that what we were talking about here was that the colleges that met and exceeded the 1.7 would have revenues, and those revenues could only come from those that don't meet the 1.7. Senator Franks then explained this statement further. If you just applied the ROI verbatim as the formula was, then the colleges that met or exceeded the 1.7 ROI figure got to keep the money above that from the tuition revenues. And the colleges that did not would lose their resources to fund those that did.

Senator Qammar then asked whether she could make a suggestion, that perhaps a better sentence might read: "It was pointed out that some colleges through no fault of their own might never reach an ROI of 1.7 and that these colleges might end up providing the funds for those that do." Colleges that were below the ROI were the only place you could get the revenue to pay the people who were above 1.7.

Senator Hebert then asked for a point of clarification. Where did the 1.7 come from and what did it really mean?

Senator Reed then stated that the 1.7 figure, without going through all the charts that we had, was a calculation that was arrived at looking at historical data and how much each unit would have to generate in order to cover its costs as well as the rest of the overhead costs of running the University. So that was really kind of a historical figure. If everybody was contributing the full amount, that was what it would be.

Senator Sterns asked a general question. He was very curious to know when a business model of higher education as being the right decision-making mechanism was finally decided upon. He would like

to understand the philosophies that were behind this approach. He understood we had been asked to use this as an approach, but he would really like to understand why. His value system did not tell him that this was the best way to run a university.

Senator Franks then replied that that was an awful hard one to respond to but he would give it a shot. For about the last 2 to 3 years PBC had been talking about responsibility-based budgeting, and it seemed as though the committee was not prepared to go all the way toward something like that. This was sort of a compromise, to try to bring some sort of reasoning or accountability or productivity measures into the budget allocation. Up until now it had been a rather loose process of, if we had more money from the state we would split it up as we saw fit, and it came out of the Provost's drawer and deals were made in the parking lot, and so forth. It was also part of Provost Hickey's leadership in coming here and being asked to straighten things out and come up with a new process and a viable process that was based on something. He guessed historical incremental budgeting really was not based on any data that would give us rationale for "piggly-wiggly's," as one of his colleagues liked to say. He did not know how many other schools were doing things this way. The committee had felt it was much better than what we had before. The committee hoped for an outcome that over the years would tell us what the ROI should be for the college of engineering or the college of nursing and base the budget on that as well.

Secretary Kennedy then had a question, to be sure she understood this correctly. The "even point for a college was 1.7," yes? Senator Franks indicated that this was correct. Secretary Kennedy then continued by questioning, if she were a college and did not make the 1.7, she was going to have money taken away from her to pay for those that were exceeding that?

Senator Reed responded by stating that the model had not been operationalized. We had approved a concept, and the model was showing us that if we were going to distribute money according to how the revenues came in and how the current cost structure was aligned, this was where it would go. She thought the Provost had tried to move us in this direction. She had to be honest that she still did not know what this meant in terms of how we were going to accomplish it in light of the current budget constraints. But the idea would be, with so much flexibility in this model now including tuition only including phasing it in at 10% a year, having even the maximum of it be half and half in a pool that would go into quality. So there was a lot of opportunity to help protect people as this would move along. She thought that the goal of the committee, certainly her goal in working on this, was not to use this as a way to punish units that were below that and reward those that were higher, but to have a vehicle for everyone to move along. Certainly we had to redistribute or make it possible for units that had a very high ROI to get some resources back. Senator Reed was from education and one of those units that were coming apart at the seams because we did not have faculty positions and other resources that had never been distributed in this University based upon enrollment patterns or other kinds of requirements. So she thought the idea was, best case scenario, that as enrollment grew, those monies would follow productivity. There was certainly a way there that if units that were below ROI did not take any steps to bring in additional resources, the Provost had said that he was not going to protect them and they could get budget cuts. But she thought from what she had heard him say, in units that had a low ROI or an enrollment problem that was based on a national trend and they were doing things to try to address issues, he wanted to work with them.

So we were the ones that made the decisions about how to implement ROI. It showed you based upon where your costs were and how money was coming in what you might do. Then how we operationalized this was where we started putting decision making behind it. She did not think we were

going to spit out a budget here based upon this model, but it gave us information we had not had in the past. One of the most telling things to her from an analysis that Dean Creel had done and in looking at some of the various other models we had like this that were proposed in the 90's, was the student credit hr. model. If we had implemented that, some academic units would have \$10 million more in budgets than they would have had. Obviously, that would have made some tough choices, but she thought the feeling of some of us was if our revenues were going to grow, if we did not have any model in place that ensured that some of that growth went toward productivity, we were going to be in the same position we were in now.

Senator Qammar added to Senator Reed's description in terms of it not being fully operationalized, most of the description so far had been on what the potential was for an academic unit to earn if they're above the 1.7. There was in fact no wording that said truly what was the potential for us who were at a college to lose if they were below 1.7? Those two elements were actually based on two different formulas. For the first year we implement, it was 10% of half the tuition revenues above what somebody could earn. But when you were below 1.7, there was no discussion about 10% of anything.

So we did not really know what price a college could pay. We had all had a lot of discussion about what the potential was for a college to earn, so where all that money was coming from was still up in the air.

Senator Harp said that when we voted for this he thought he misunderstood what we were doing and the problem with what had been described here. But he was getting the impression from the report and discussions he had heard that it was assumed that if a unit was generating more than 1.7 the excess generated from that unit, the quality money could only go to those units with lower than 1.7. Senator Franks replied that the quality side could go anywhere. Senator Qammar then stated that in the end, somebody did have to pay with all the money that would be going someplace.

Senator Franks stated that that was what he was trying to say in one sentence. That was why the quality side of this was so important because you could not just go and look at the productivity in terms of student credit hrs. You had got to protect the colleges or the schools that we knew were valuable to the institution.

Senator Harp then asked whether that were the issue. The whole point of the ROI was to make determinations about quality. This information was to assess quality, not to go on the assumption of what we all knew about a college or program. Senator Franks replied that he did not think we were sure what we know about all the schools and colleges. He was thinking of an example here - say we had a program that just could not reach an ROI of 1.7. The Provost had said that after a few years of applying this model the data that came in would tell us what the ideal ROI for that school would be. So at that point we would just say that once we knew what the ideal ROI for a particular school or college was, we would not expect them to meet their ROI. But the quality measures were the other 50% of the tuition revenues, so that gave us some criteria for distributing those funds, for allocating those funds to everyone, not just people who met the 1.7 ROI. Then there was also a third component which would probably be smaller that would also come out of that 50% of the tuition revenues. It did not figure in the ROI, and that was subsidy. The Provost, when he spoke about using that money, described a program that was on its way to becoming productive and on its way to supporting itself. We believed and the PBC and Provost believed that the program had merit and should be subsidized at least for a time. It was really all of these measures coming together to try to be fair and also not to harm the institution.

Senator John asked whether there had been any discussions of the committee as to the state subsidy

that programs received given the different levels? And did Senator Franks know what the University did with the state subsidy they received? He knew that in his department they did not get any of that in their budget, yet they generated a lot because of the high technology level in the department. Yet they saw zero dollars of that.

Senator Franks then replied that we had talked about that state subsidy figure from time to time and what we could and could not do to raise or lower it.

Senator Reed added that the units got credit for that in the ROI model because they used the actual different subsidy levels to figure out what your subsidy earnings were. So your unit would get credit for that. You did not get the dollars but it went into the formula.

Senator Norfolk then pointed out that he had been here a long time and as far as he could tell, we had never planned anything at this University. There had been big plans but in terms of planning being related to a budget, this was an attempt to do so. However, something that was very clear to him from the beginning - some people here were going to get hurt by this when we implemented it. There would be programs which died. There would be lots of faculty positions that were not renewed in certain places. That had to happen for the simple reason we were all eating out of the same trough. If you were going to give some people more to eat, some people were going to get less until there was not anything for them. No matter how we talked about redistributing quality dollars and so on, it would happen.

Senator Sterns then wanted to thank the chair for indulging in this discussion with other pressing business. But the only reason he raised it was because he thought it was very important that all of us understand and have the knowledge base so that we could support this and use it in a productive way.

Senator Lee added that he thought it was true that there was an important shift in budgeting philosophy that was reflected in this ROI plan which we all adopted after a dense 2-hr. discussion with what he remembered as being no dissent last fall. He remembered being surprised at that and thought it was appropriate for this body to have had a more thorough discussion about exactly what we were doing. Now that was not to say he did not support the ROI we passed but to emphasize this - we passed it with the clear understanding that there's a 5-yr. plan, but we were to carefully review the implementation of it as it went forward. So at some point it came back to this body after we got the first budget fleshed out that was based on this ROI. Was this really doing what we wanted? Was this really doing what it ought to do? Perhaps we ought to, with some experience with what it was going to do, revise, modify, fix the ROI plan as currently laid out. Maybe we ought to get it on the agenda at some point to have that more directed discussion about the theory on ROI.

Senator Sakezles had a question about information. At that special meeting the end of last semester she thought Senator Franks had stated that there were going to be some educational meetings about how the budget worked and then she had not heard anything. Was that still in the works?

Senator Franks stated that he had asked the Provost about that recently. We have just been very busy. But he thought the Provost still intended to do that, but we had been meeting every week and had something to deal with every week. Senator Franks would mention that to the Provost.

V. UNFINISHED BUSINESS – None.

VI. NEW BUSINESS – Chair Sheffer pointed out that the body had three proposals for consideration - one on the University Research Copyright and Patent Policy. The second was the Revenue Allocation Agreement, and the third was Conduct and Ethics: employee financial interests in private companies commercializing University discoveries, inventions, or patents. He wanted to provide a little bit of history. Part of this had grown out of the Revenue Allocation Agreement that came to the Research Committee, and at one point we were going to bring that to the Faculty Senate. The Revenue Agreement was looked at by several individuals on campus and the Chair's telephone went through a meltdown as a result of the first go-around, and that was a good way to characterize it. We met in December, and Senators could see the names of individuals that were listed on the email that should have been in the packet first received of these three proposals. These were the individuals who met together. Most of the individuals that came to that meeting were people directly involved with revenue allocation agreements. They were the ones who were really quite concerned about them. The email Senators had described a great deal of the conversation that took place in that meeting, and then revisions were made. At this time we sent these out to Senators two weeks ago to look at to be prepared ahead of time.

Now in the package of three, received first was the University Research, Copyright and Patent Policy and it was the wrong one. Again, the Chair's phone disappeared for a while. People certainly saw the section on publications. If Senators recalled, it meant that we had to take all of our publications and run them by the President for his approval. And we felt perhaps we should do this, but then he contacted Mr. Preston and he got the corrected version. Senators should have received that in a second mailing. So there were three - a proposed policy, a revenue allocation agreement, and the conduct and ethics paper. Since Vice President Newkome was not here, Chair Sheffer had asked Mr. Preston and Mr. Watkins whether they would come to the meeting today to answer questions Senators might have about these proposals. Since these were new business, whether we could take them one at a time, he then called for a motion to approve the University Research, Copyright, and Patent Policy. Senator Sterns so moved, and Senator Norfolk seconded the motion. The Chair then opened the item for discussion.

Senator Hajjafar stated that he thought the research document had to be recommended by the corresponding committee, which was in this case the Research Committee. This was not endorsed by that Research Committee yet. Was that correct?

Chair Sheffer replied that, no, articles could come to this body as new business. If there was a wish to send them to the Research Committee, that was fine. Bear in mind that this went to the Research Committee first and they had approved the resolution, and then the resolution on the revenue allocation agreement.

Senator Hajjafar then stated that later on it was withdrawn and the report was given to the Research Committee that that was not acceptable and now they're working on it. But it did not come back to the Research Committee. Chair Sheffer agreed, saying that no, it had not come back and he thought that had been discussed in the Research Committee, which had said it needed to be looked at by this ad hoc group that revised it and then sent it to him.

Senator Hajjafar stated that he thought that after revision it should go back to the Research Committee and then come to the Senate. The Chair stated that if the Research Committee required that, yes, it would have to. Senator Louscher added some follow-up on that point. He asked, why would we have such a committee if they did not review it? The work done of the full Senate was one done in great haste. We only met eight times a year roughly for an hour to debate the issues. If we could not depend

on our subcommittees to make sure these things were analyzed carefully, then we were not doing much at all.

Senator Hajjafar moved that this to be returned to the Research Committee and then come back to the Senate. Senator Sterns seconded this motion. Senator John then asked whether there should be a time period as to when the report should be made to Senate so that this did not drag on. He offered a friendly amendment that the Research Committee bring their recommendations or acceptance or denial by the time of the next Faculty Senate meeting in March.

Senator Sterns then made a point of order. The motion to refer took precedence over the original motion. Chair Sheffer asked whether Senator Hajjafar had been referring to all three documents, who stated yes, he did recommend them to be reviewed by the committee.

Senator Lyons then stated that he was on the Research Committee, and in reviewing these documents the Revenue Allocation Agreement did not seem to be any different. Was it not exactly the same as what we had approved?

Chair Sheffer stated he believed there were some differences. He asked Mr. Preston to help clarify this. Mr. Preston stated that there were no substantive changes in the revenue allocation part. But the revenue allocation part was merely an implementation of the overall policy and there were significant changes in the overall policy. So it was an implementation document for the overall policy.

The Senate then voted to refer these items to the Faculty Research Committee.

VII. GOOD OF THE ORDER - Parliamentarian Gerlach requested permission to speak to the body. This granted, he stated that he regretted he could not be here at the Valentine's Day meeting. He wished all the very best since we had gone through this sort of thing a few years ago. He was on his way to Australia and asked that the Senate not hold a meeting until after the 3rd of March.

Senator John then asked, in reference to the gathering next week, whether it was going to be somewhat organized. Sometimes you get into these little "hodge-podge" discussions everywhere.

Chair Sheffer stated that he was going to bring the four issues and, if there were additional ones, those as well. He felt we would try to maintain some semblance of order.

VIII. ADJOURNMENT – The Chair then called for a motion to adjourn. The body voted its approval of the motion. The meeting adjourned at 4:38 p.m.

Transcript prepared by Marilyn Quillin