

THE UNIVERSITY OF AKRON



LUIS M. PROENZA
OFFICE OF THE PRESIDENT

January 30, 2009

Members of the University Community

I am pleased, Dear Colleagues . . .

. . . to forward for your information a summary of actions approved by The University of Akron's Board of Trustees at its regular meeting on January 21, 2009.

Presentation to the Board

Dr. Cynthia Capers, interim dean of the College of Education, and Ms. Maryann Wolowiec, director of the NIHF STEM Middle School, presented information on the new school, which will begin operating this fall.

Educational Policy/Student Affairs Committee

1. Research Grants and Sponsored Programs Report – December 2008

For July-December 2008, funding for externally funded research and other sponsored programs was \$29.3 million to support 245 projects. For the same period in the prior fiscal year, funding totaled \$24 million for 252 projects. For FY2009 to date, four patents were awarded, nine patent applications were filed, and 31 disclosures were submitted. For the first half of the prior fiscal year, one patent was issued, 18 patent applications were filed, and 24 disclosures were submitted.

External Affairs Committee

1. Cumulative Gift and Grant Income Report – November 2008

For July-November 2008, total giving was \$13.1 million, 39 percent less than the \$21.5 million received during the first five months of FY2008 but 9 percent greater than the \$12 million average for the previous five years. UA received 8,777 gifts in the 2008-09 fiscal year to date, compared to 8,616 for the prior fiscal year to date.

Facilities Planning and Oversight Committee

1. Wayne College Renovation and Expansion – Furniture, Fixtures & Equipment (FF&E)

Contracts were awarded to low bidders APG (\$354,729 for FF&E) and Doan Pyramid AV Solutions (\$114,158 for audio visual equipment). The combined bids are 14.75 percent under budget.

2. Multiplex – Student Housing

Trustees approved contracts with low bidders Crowe Masonry (\$3,411,000 for masonry and precast erection), C.T. Taylor Company, Inc. (\$258,000 for structural steel), and Schindler Elevator Corporation (\$352,485 for elevators). The combined bids are 17.5 percent under budget.

3. South Campus Parking Deck

The Board approved a \$4,558,740 contract with low bidder Donley's, Inc. for drilled piers, mass excavation, electrical, and superstructure work. The bid is 20.4 percent under budget.

Finance, Fiscal Policy, and Investment Committee

1. Purchases More Than \$150,000

The Board awarded the following contracts for purchases exceeding \$150,000:

- To Eclectic Studios, Inc., \$398,350 for the creation of interactive multimedia assets for 12 online educator professional development modules for Reading First Ohio Center (e-Read Ohio).
- To Sean P. Dunn Associates, LLC, \$162,000 plus expenses for governmental affairs consulting services for calendar year 2009.

Trustees also authorized the administration to proceed with the write-up process for a contract for digital on-demand printing, warehousing, inventory management, and fulfillment services for e-Read Ohio, which has an immediate need for those services to meet grant deliverables.

2. Personnel Actions

The personnel transactions approved by Trustees as amended are posted online at <http://www.uakron.edu/president/docs/Personnel-transactions-Jan09.xls>.

Among those approved actions are four appointments to deanships: Dr. Mark D. Shermis has been named dean of the College of Education, Dr. Chand Midha is acting dean of Buchtel College of Arts and Sciences, Dr. James M. Lynn is interim associate provost for health sciences and interim dean of the College of Health Sciences and Human Services, and Dr. Dudley B. Turner is interim dean of the College of Creative and Professional Arts. Except for Dr. Shermis, who will join the University in late spring or early summer, the appointments are effective immediately. More information on those appointments is available online at <http://www.uakron.edu/edigest/index.php?id=1765>.

Rules Committee

1. Rule Change to 3359-1-05, President of the University

The additional language in this Rule [item J] serves to define the president's authority in connection with service on corporate boards while also serving in a representative capacity on behalf of The University of Akron.

2. Rule Change to 3359-2-05, University Research, Copyright, and Patent Policy

Dr. George Newkome recommended the revisions to this rule be made to better control the signatory authority for agreements and contracts, as well as bring University Center managers to fiscal compliance.

3. Rule Change to 3359-3-01, Officers of Finance and Administration

This rule change [item (F0(2)(b))] expands the contract authority of the Dean of University Libraries and Law Librarian to include license agreements for library resources. Such license agreements shall remain subject to approval as to legal form and sufficiency by the Office of General Counsel.

New Business

1. IATSE Contract Ratification

A collective bargaining agreement between the University and the International Alliance of Theatrical Stage Employees was ratified.

2. Renewal of University Group Health, Medical, and Insurance Benefits

The Board authorized University administrators to negotiate potential renewals with the University's current vendors for group health, medical, and insurance benefits rather than utilize a Request for Proposal process.

3. Subcommittees of the Committee on Collective Bargaining

Trustees amended a previous resolution that established two subcommittees of the Board's Committee on Collective Bargaining by removing from the committees the Associate Vice President for Labor Relations and replacing that position with the Associate Vice President for Human Resources.

4. President's Performance

After reviewing documentation of the accomplishment of both 2008 one-year and 2006-2008 three-year goals, Trustees approved awarding the president performance payments of \$25,000 and \$60,000, respectively, as required by contract.

Notes

1. President's Report

Welcome to a new year of challenges and, with those challenges, a new set of expectations and opportunities. Certainly all of us are monitoring and watching closely the economic challenges that are facing the globe in its entirety.

Nationally, yesterday we witnessed a historic occasion when President Barack Obama was sworn in as the 44th President of the United States. If you had a chance to listen to his inaugural address, I think you might be optimistic as to the likely impact of this administration on some domestic issues; he referenced education and colleges and universities quite prominently. The stimulus package that is being proposed to Congress includes a number of items that should be helpful to all of us across the country in terms of supporting education in general and higher education in particular.

On a state level, I think all of you are aware that the Strickland administration and other leaders and legislators increasingly recognize that The University of Akron and others in higher education play a central and most important role in driving our state's economic vitality. Thanks to the state leadership, higher education budgets have not been as adversely affected as those of other agencies because of the projected deficit, even though Ohio has cut \$1.9 billion from its budget for this fiscal year alone. For state agencies other than Ohio's higher education institutions, this has meant a cut of nearly 13 percent from their current 2008-09 annual budgets.

By contrast, higher education has been minimally impacted. Going forward into the next biennium, the state-funding picture is less clear. You are aware, of course, of the estimated shortfall of \$7.2 billion over the biennium. The budget will be formally introduced by the governor on February 4, and obviously he will give some signals to that budget in his State of the State Address on January 28. That will be followed by a period of work with the legislature, and the budget for the state's next biennium will have to be signed by the governor by July 1.

I am optimistic about some things I am hearing, but there is no question that that \$7.2 billion deficit will reach far and wide into the budgets of state's agencies and other state entities. Please understand that, while state funding represents about a quarter of our revenues, The University of Akron is in a stronger position than many others to weather this recession, with or without financial reductions from the state. We have worked strategically and diligently to build a solid financial picture for the University. Enrollment is solid, and projections continue to rise for additional enrollment. Our strategies include—implementing cost-savings programs, pushing research funding and donations to record levels, benefiting from many years of favorable investments despite the recent recession, and, indeed, realizing the kind of enrollment increases that we have seen in the past three years, which exceed 15 percent.

As an aside, you might want to know that our January enrollment figures for Medina County University Center jumped quite dramatically since January 2008. In fact, the center showed an increase of 169 percent, more than doubling and nearly tripling its enrollment.

In addition to our own strategies, the University and its sister institutions in Ohio have agreed to

search for additional opportunities for working together to reduce costs and maintain affordability through collaboration.

Please be aware that the state conducted a test-run budget scenario with the new formula, as we begin to look at how we need to adjust to the formula that the IUC and the two-year colleges have discussed with the chancellor and that he will begin to implement as we move forward. In accordance with the chancellor's Strategic Plan for Higher Education, the chancellor convened an IUC subcommittee of the Ohio Board of Regents Subsidy Funding Consultation, where Dr. Stroble served as one of the members. It was charged with developing recommended changes in the state funding formula. This formula would not only shift ultimately state funding to be based much more on outcomes rather than simply the number of enrolled students, but it would include a "stop-loss" adjustment for the 2010 budget year that would prevent any school from having more than a one percent reduction at any one time.

In the short term, according to an article in yesterday's Columbus Dispatch, the formula would prevent schools from losing too much as they adjust to this new way of doing business. In that article, IUC President Bruce Johnson noted that, "There will be some who win and some who lose over time, but the most important thing is that we become outcome-based and resource-oriented by rewarding schools for student retention and graduation." That trend, by the way, is one in which your University is ahead of the curve in many respects. So, according to this exercise, that process has begun, and we will see a modest change in our funding, but most of the changes that we anticipate from the state will, I think, largely depend on what the governor himself proposes.

I want to note that I am reasonably and increasingly confident that most of our leaders in the state now understand that higher education is the infrastructure of our modern society and one of the soundest investments that either the federal government or state government can make to ensure a prosperous economic future for our common good.

2. Next Regular Meeting

The Board will reconvene on Wednesday, March 25, 2009, in the Board office on the third floor of the Student Union, with an executive session to begin at 8 a.m. and the public session to begin no earlier than 10 a.m.

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