

MINUTES OF THE FACULTY SENATE MEETING OF APRIL 3, 2003

The regular Faculty Senate meeting was held on Thursday, April 3, 2003, in Room 201 of the Buckingham Center for Continuing Education. Chair Dan Sheffer called the meeting to order at 3:00 p.m.

Forty-nine of the sixty-three Faculty Senators were in attendance. Senators Barrett, Dalton, Drew, Gerlach, Graham, R.Huff, Rasor-Greenhalgh, and Sterns were absent with notice. Senators Redle, Soucek, Stinner, Trotter, Wallace, and Wilkinson were absent without notice.

SENATE ACTIONS

* APPROVED SPRING 2003 SPRING COMMENCEMENT CANDIDATES.

* APPROVED RESOLUTION TO SUPPORT BOT NAMING APRIL AS TEACHING AND LEARNING MONTH AT THE UNIVERSITY OF AKRON.

* APPROVED PBC RECOMMENDATIONS REGARDING RAISE POOL AND HEALTH INSURANCE COST SHARING.

* APPROVED PBC RESOLUTION TO SUSPEND USE OF ROI TO CALCULATE DISTRIBUTION OF ACADEMIC OPERATING BUDGETS UNTIL BENCHMARKING AND QUALITY MEASURES ARE COMPLETE.

* APPROVED WELL-BEING RECOMMENDATIONS REGARDING FRAMEWORK FOR HEALTH INSURANCE PREMIUMS.

* PROPOSED SENATE BYLAW CHANGE REGARDING CHAIR/CO-CHAIR POSITION OF APCC TO LAYOVER ONE MONTH.

I. APPROVAL OF THE AGENDA - The Chair called for a consideration of the agenda. He stated that there was one amendment to the agenda, which was to consider only the minutes of the Faculty Senate meeting of March 6, 2003, and not March 20, 2003. He called for a motion to approve the agenda as amended. Senator Wilkinson so moved; Senator Yousey seconded the motion. The body then voted its approval of the agenda.

II. APPROVAL OF THE MINUTES OF MARCH 6, 2003 - Senator Yousey moved to approved the minutes of March 6, 2003; Senator John seconded this motion. Secretary Kennedy reported that she had not received any corrections. The body then voted its approval of the minutes.

III. REMARKS OF THE CHAIR - Due to the very long agenda for this meeting, Chair Sheffer indicated he had no remarks to make.

IV. ANNOUNCEMENTS - Chair Sheffer indicated that approval of the Spring 2003 Commencement candidates was the next item of business. Mrs. Marilyn Quillin had a copy of the list

of candidates with her if anyone wished to examine it. Senator Wilkinson made the motion to approve the list of candidates; Senator Kreidler seconded the motion. The Senate then approved the Spring 2003 Commencement candidates.

V. REPORTS

EXECUTIVE COMMITTEE - Secretary Kennedy began her report by stating that the Executive Committee had met several times, on March 31 and April 1. Her first item was to introduce the following resolution for Senate approval: **In recognition of The University of Akron's selection as one of the Carnegie cluster of campuses nationwide and the Institute for Teaching and Learning's second annual celebration of teaching and learning, we, the Faculty Senate, hereby support the Board of Trustees in their naming of April as teaching and learning month.**

Chair Sheffer called for discussion of the resolution. None forthcoming, he called for a vote on the resolution. The Senate unanimously supported the resolution.

Secretary Kennedy continued by stating that the Executive Committee had received a request from Senator Hebert asking for assistance in interpreting the University rule regarding review of department chairs. The Executive Committee had since referred this to the Reference Committee for its assistance.

We also met with President Proenza and Mrs. Becky HerrNSTein Hoover on April 1. At that meeting we were briefed on budget information at the state level. Also, a good part of our discussion focused on the role of Faculty Senate given the new collective bargaining unit, particularly as related to University budgeting and planning. The Executive Committee stated that it would like to continue to take part in planning and budgeting at the University outside those mandatory subjects of bargaining that must go to arbitration. President Proenza, citing the decision making task force created to examine the University structures and committees, also supported this position, stating he believes we could continue to work together.

Chair Dan Sheffer then invited President Proenza to address the Senate.

REMARKS OF THE PRESIDENT

"Thank you, Mr. Chairman. I just want to take a few minutes to bring you up to date on what seems to be happening in the state. It is too early to have any assurances either on the positive or the negative side, but suffice it to say that things do not look particularly encouraging. As you know, earlier in the year the Governor put forward a budget, which had the legislature acted upon his basic recommendations with regard to balancing the current year budget, would have left us with no cuts and with the prospect of having done things with sufficient timeliness to begin planning for what he had recommended for the two years of the biennium; namely, a 3% increase in the first year, and the second year having a 4%. As you know, the legislature chose not to enact his recommendations and did not come up with an alternative but equivalent revenue package, and as a result the Governor enacted a 2.5% cut. We were fortunate in the sense that we'd been planning for it and we'd enjoyed a larger than anticipated enrollment increase, so there were no further cuts internally that we had to enact. Enough planning had gone on that we absorbed that comfortably.

Now as we move forward, the picture is looking of course a little bit more cloudy and perhaps ominous.

Let me tell you two or three touch points and happily answer any questions you may have. Over the past month the Governor has been going about the state and I've attended some of those meetings.

He's been meeting first with business leaders and community leaders and most recently he's begun to meet with university presidents and boards of trustees. I've attended meetings of both types of gatherings, and the message fundamentally is very similar, with the second one focusing a little bit more on the budget for higher education, but generally, beginning with the Governor's perspectives, his office perspectives on the current budget. It isn't anything you haven't heard before; the state is facing a structural deficit of about \$4 billion+ dollars in the forthcoming biennium that somehow has to be taken into account. The major drivers for that structural deficit are the major revenue decreases that have occurred as a result of the recession/depression, whatever your favorite word is, which is not unique to Ohio, and I trust all of you are seeing what is happening elsewhere throughout the country.

One of the other major issues is that a very, very large component of increases has come in terms of charges to Medicaid, and that has been growing at double-digit percentage increases annually with no foreseeable decrease without some major restructuring of that very program which has to be considered. If we do nothing, there will surely be additional budget cuts. The Governor therefore has begun to propose and will be submitting to the legislature some ideas for a comprehensive tax restructuring for the state of Ohio. Again at this point they are ideas, but he is calling fundamentally for business leaders,' community leaders,' and university leaders' support simply getting down to brass tacks and working on these issues because otherwise he is very simply saying there will have to be cuts.

In the meantime then, I had mentioned to you that there was the ongoing dialogue about the budget which is going to heat up now with the legislature beginning to deal with the 04-05 biennial budget, and secondly, the broad policy discussion which I told you had begun with the legislative committee from the House, Representative Hughes' Committee on Higher Education and the Governor's proposal to appoint not yet announced but should be imminent at any moment, this Commission for Higher Education and the Economy.

With those two things now crashing together in light of the budget realities, Columbus (and I don't know the words best to use - slash and burn mentality/cut, cut, cut mentality/why does every university need an english department/why does every university need a sociology department - you pick your own favorite), and they're thinking about it. You may have read in the paper that they are considering recommending a merger of some of our medical schools, the possible abolition of at least one law school, and other things that are not far behind. One of the major things that Ohio has yet to do and other states have done better is to have a good articulation agreement between 2-year programs and 4-year programs. They're also quite simply saying there's waste and mismanagement throughout the system. Never mind that statistics show that we're below the national average in the average cost of providing a public higher education, etc.

In short, as we ourselves want to do, facts don't seem to matter. So in that context there are some rather alarming things being discussed - additional cuts from higher education of anywhere from a few hundred million dollars to as much as 500 to 600 million dollars. Four hundred million dollars is a frequently mentioned picture. By comparison, the cut that resulted in a 6% reduction in our budget was \$126 million. If you're talking about 400 million you're easily talking about a 15-20% decrease in state funding and it could be larger. So the message to leave you with is my own assessment that they will talk very outlandishly, make everybody extremely afraid and unhappy, and then will come in with a proposal we won't like any better but we'll like a lot better than a \$400-600 million cut. So my prediction is that regrettably we are likely to be faced with some kind of budget adjustment in a downward side despite the Governor's best intentions to the contrary. We're also likely to see some major proposals put on the table and maybe some enacting about mergers or eliminations or some kind

of restructuring. I trust that those will wait for the Governor's commission to put forward its recommendations, but I do not know.

As a result of that, as you may recall I mentioned to you at the last meeting that I had advised the Planning & Budgeting Committee and would so advise you today, that anything you do today must be considered as provisional. If we take it as you submit it or amend it further between now and the time our Board meets, it will have to be considered as provisional because other things will change. Some things have already changed since the last time we talked. Equally, I've said at a second meeting with the Planning & Budgeting Committee, that it is most important that we begin to focus on opportunities for revenue enhancement and new revenue generating opportunities. I would hope that you begin to have a broader dialogue on that, because figuring out who you dislike the most and who is going to absorb a cut more than someone else is simply not going to be productive."

Senator Witt then had an issue to bring to the President regarding revenue enhancements, new revenue streams, and methods by which we could figure out ways to be more productive in our provisional instruction. One of the things he was failing to grasp (and Senator Harp had talked about this last time) was the idea of summer teaching where we had courses offered but had not budgeted somehow for part-time instruction. He was having a difficult time understanding how we could see money in front of us and yet could not claim it.

President Proenza stated that it was up to individual departments to determine how resources were allocated. It was up to us to determine those areas that were producing revenues and those that were not and act upon them. It was a very good observation.

Senator Witt then asked whether it would be possible to submit proposals rather than some kind of blanket permission to issue courses. Could we submit proposals for courses that we knew we would make and analyze our productivity so far?

Provost Hickey stated that the control of the part-time money was currently at the deans' level. Such proposals could certainly be made to the deans. An idea that had been floated (and he was perfectly willing to do this if this was what people wanted) was to take all part-time money centrally in his office and allocate it based on those areas where we have opportunities to serve large numbers of students and meet the student demand you're talking about. Arts & Sciences was facing right now the potential cancellation of 116 sections next fall semester at the same time that the admissions and recruitment people were telling us that we could see a significant increase in enrollment. Obviously, that was not a situation that we wanted to see happen.

Senator Maringer then asked about possible cuts. It would probably be prudent that we as an organization developed some sort of plan to retrench. Could the President share with us some of the ongoing activities or his thoughts about what might happen in the future for us to prepare for?

President Proenza stated that he thought that to be a little premature. Obviously, as Senator Fenwick would report, on our assumptions in terms of some possible revenue opportunities such as enrollment, we had tried to be very conservative in working with the PBC. Beyond that, it would be his proposal that as soon as we started getting a little clearer picture, we sit down and try to explore the situation. He certainly intended to discuss with our Board of Trustees this rather ominous picture. Two of our trustees attended the Governor's briefing last week, but if the cuts were 15-20%, there were not many options here. By virtue of the way the state employment structure was set up, in addition to our

universities, many of those savings that were thought to be had overnight could not be actualized for quite a period of time. There was certainly not any forward thinking in the legislature about what programs the state really needed and what the long-term economic consequences to the state would be.

So as he had said before, if there ever was a time when each should be writing his/her representatives, senators, the Governor, the legislature's leadership, it was now.

Senator Sugarman then stated that last month Senator Gerlach had asked the President a question related to the retiree representative for the Well-Being Committee. The President had stated that he would come back with information.

President Proenza stated that that was correct. He had now received a recommendation for a slight rewording, but fundamentally the acceptance of the proposal with the slight rewording involving sensitivity to the fact that we increasingly would have several faculty who had retired but had come back. We did not want to get that category of faculty confused with a "true retiree."

Chair Dan Sheffer then invited Provost Hickey to address the Senate. The Provost, for the sake of time, stated he would forego his remarks but was willing to take any questions.

Senator Hebert returned to Senator Witt's remarks and, with regard to the President's comments about revenue, gave a concrete example from a department in the College of Business. We had a situation where, in terms of the budget the Provost's office has allocated in the summer, we were probably going to have to cancel some classes. If we did that, we would forego the revenue we would get from these students. Yet we could collect that revenue if we went over the budget pay for that class and generated more money for the University. He was wondering why the Provost's office was reluctant to go ahead and let that happen.

Provost Hickey replied that he had combined - at the request of the deans - summer budgets and part-time budgets along with the academic year budgets. The deans had complete freedom to budget those funds as they saw fit. In doing that he took all of the flexibility he had in terms of additional resources to help units hire more people. It was the deans' responsibility to allocate those resources accordingly. Now if faculty did not wish the deans to have that responsibility or the deans did not want that responsibility, he would be more than happy to take part-time money and summer money back into his office, develop some very clear rules on which it was allocated based on levels of productivity in terms of the classes, and we could start all over with the allocation of part-time money and summer money. But all of the money was out there, and if the deans had an opportunity to make money in the summer and they were not taking it, the question he was going to ask was how were they spending their money? Why were they not taking advantage of that opportunity?

Senator Hebert then asked about the Provost's statement about all the monies being out there. Did that not ignore the revenue side? How did we know what the revenue side was before the fact?

Senator Maringer stated that when we budgeted the expenditures, we were also budgeting expected amount of revenue. So that revenue was already anticipated in the budget. The real problem here was that it was frustrating to see an opportunity where one could say on a very limited basis that this class would bring in more than what it cost to run it. It was frustrating to understand why in our budgeting process which separated all the revenue from all the expenditures, we only decentralized the expenditures and not the revenues. We were struggling with these types of consequences as a result of that.

Provost Hickey added that in reference to Dr. Hebert's questions, he would want to look at the College of Business' summer expenditures for this year and in years past. He would want to see how much money was being expended for faculty to teach graduate students or to teach individual students in a 1-on-1 instruction; how much of the dollars were being spent in that way. He never brought up something he did not already know the answer to, so there was probably no desire to have him describe what the past history had been in terms of the allocation of those dollars. He would argue that there was the capability of refocusing some of the summer money and some of the part-time money in ways that covered courses with larger student enrollments as opposed to paying faculty to teach an individual student in an individual study class during the summer.

Senator Witt then stated that he had talked with his dean's representative who dealt with our budgeting problems. He had maintained a kind of, "go ask your mom," attitude. He thought what we needed to do was convince the Provost's office that the budget they were working on for this summer was based on low projections for last year when they came along with this. They were budgeted what they asked for last time, but they also had unallocated salary money they could use to shore up part-time budgets. Now they did not have that money, yet we were expected to produce the same number of credit hrs.

Chair Sheffer thanked the Provost for his comments. He then asked for the Senate's indulgence by asking whether there were any objections to the Senate taking the Planning & Budgeting Committee report out of order and addressing that report now. No objections forthcoming, Chair Sheffer called Senator Fenwick to report.

PLANNING AND BUDGETING COMMITTEE – Senator Fenwick began his report by stating that there had been very few changes that PBC had made since the report of two weeks ago. (See **Appendix A**.) He then began going through those and asked to be permitted to address some of the questions that Senators had asked regarding the proposal. The basic assumptions had remained the same, but PBC had tied together the raises and the insurance cost sharing. We adopted the recommendations that came from the Senate over the last two meetings. First of all, PBC was recommending that the base pool for the raise would be at least as great as the total shared health care costs. The second sentence in that recommendation was that this did not assure that the raise for any individual employee would offset that individual's health care contributions. Senator Fenwick then presented recommendation number 1 from PBC: **A portion of the salary pool will be allocated in an across-the-board fashion as a percentage of the salary in an effort to offset some or all of the increased health care contributions of faculty, staff, and contract professionals.**

Another suggestion from Senate was that PBC look at audited budgeted statements of what had actually been spent. PBC was working on that for next fall. We talked to representatives from the Business School and decided that a month's time was not enough time to incorporate and articulate the statements from auditors and the budget statement as presented here, but PBC was working on it for the fall. So the structure of the budget had stayed the same. In fact, there was only one change from the budget that we presented last time. That was to separate out the budget for the Global Business Institute from the operating costs of the Business School in general.

Senator Kahl then took issue with that part of the budget. He stated that money that was broken down and should go in the proper place. There were faculty salaries of \$467,000 that belonged over in faculty salaries; IGB staff of \$104,000 belonged in staff salaries. There were stipends of 12,000 that belonged with the stipends; fringes of 150,000 that belonged with fringes. Fee remissions of 21,000;

scholarships of 250,000 and assistantships of 60,000. There was \$1,059,000 in that line that did not belong there; it belonged in the places where the money was. He would like to see it reflected there rather than with operating budget. Only 86,000 of that 1.145 million was actually operating money; the rest belonged somewhere else.

Senator Fenwick stated that he had forwarded Senator Kahl's comments to the business office. Amy Gilliland was here and would address those comments.

Amy Gilliland began by stating that she did not believe the allocations as Senator Kahl had suggested should be made. This was a separate line item from the state of Ohio, and perhaps should be shown as a continuing obligation. It was equivalent to the revenue that was brought in from the state, and regardless of how spent in terms of the breakdown between compensation and non-compensation, that was the amount available for that program.

Senator Kahl stated that that was not correct. For example, they were being charged ROI on that entire \$1,145,638. No one else was charged ROI on scholarships, be they for a specific department or general University scholarship. So this unit was being charged ROI on scholarships when no one else was. They were not only paying salaries but also fringe benefits of 17%. So they were contributing 17% to fringe benefits and then being charged ROI on the fringe benefits that no other units were. Monies were not allocated in the proper places. It could be separated out into IGB, but salary money ought to be treated as salary money; scholarship money ought to be treated as scholarship money; graduate assistant money ought to be treated as graduate assistant money. It should not be treated like some giant slush fund because it was not.

Amy Gilliland then stated that the ROI calculation did include scholarships for all the colleges. There was a subcommittee that was looking at the calculations; IGB was one of the considerations of that subcommittee right now.

She continued. She had just received notice from the Regents today that the budget amount for the IGB was reduced 2.5% for the year. What was presented in the budget was a 2.5% reduction for the current year and 2.5% reduction for the following year. This budget was based on the anticipated current year receipts, not the anticipated current year budget.

Senator Harp stated that when we talked about comparing different units in accordance with operating budget and full-time faculty, that that was what we had ROI for. If we were going to use these kinds of numbers for that kind of purpose we had to be looking at student credit hr. generation, total costs and the ROI components. To sit and look at various units and to break it down per full-time faculty member ended up being misleading, because some units such as Fine & Fine Applied Arts, A & S relied heavily on part-time faculty instruction. That kind of comparison could not be done. One system that had been passed by the Senate, PBC and the Board of Trustees was ROI.

Senator Steiner then referred to the PBC amended recommendation suggesting that the salary raise pool be at least as much as the increase in health care costs. He was confused by that because the budget had allocated approximately \$3 million for a salary raise pool. The additional cost we were picking up for health insurance coverage was 1.9 million, so the pool was already larger than that amount. Was this allowing now the pool to shrink to that number?

Senator Fenwick replied that the intent of putting that statement in was in response to David Witt's

email. His concern was that with further state budget cuts the raises would go away and we would be stuck with the \$1.9 million premiums. The recommendation was that if the raises went away, so did the cost sharing agreement. So in order for us to approve cost sharing premiums, the raise pool would have to be at least \$1.9 million or whatever it turned out to be by recommendation of the Well-Being Committee.

Senator Erickson then offered a question that had been raised in the Well-Being Committee. If a 1% raise pool equals 1.2 million dollars, why was the raise pool of 3% not equivalent to 3.6 million dollars?

Senator Fenwick replied that the 1.2 also includes fringes and so goes under the fringes.

Chair Sheffer interjected that the point of this discussion was to allow PBC to bring these recommendations and for the Senate to vote on them. He then called for any further discussion of recommendation number one. None forthcoming, Chair Sheffer called for a vote. The Senate approved PBC's recommendation number one.

Chair Sheffer then addressed PBC's recommendation number two. Senator Wyszynski asked whether those decisions were not the prerogative of each individual unit. Senator Erickson echoed the Senator's comments, asking at what level these decisions about across-the-board were made - at the University level, college level, or department level?

Senator Fenwick replied that it was his understanding that the salary pool, whether it was merit or not, was decided at the departmental level. This was PBC's recommendation.

Senator Wyszynski asked again whether this would be a recommendation to departments? Senator Fenwick replied that it would be to departments and the administration, primarily to departments because it was in departments where these were decided.

Senator Maringer replied he thought that when we were talking about premiums from employees, we were talking about all employees University-wide. When we were talking about the salary pool, it was all employees University-wide. Why would we not make this a University-wide, across the board to help defray some of those costs? Why did it have to go down to department level where there could be inconsistency of its application?

Senator Braun then replied that if in PBC there was a discussion and the tenor of the discussion was that once the money was allocated, each department should be flexible about that. This allowed for responsibility to be at the grass roots.

Senator Maringer replied that he was not sure and hoped he was not in a department that used the discretion to say all of that had to be merit. Because he could be one of those really hurt by any increase. The idea of having some of it across the board was to make sure that everybody did get some money in this process to accommodate any premiums. There would still be flexibility of anything above what that set percentage was for the department to use flexibly for merit. It was not to take away that flexibility; it was just simply to provide some sort of downside minimum that everybody was going to get.

Senator Jimenez stated that he thought the intent of PBC was that it would be University-wide, across the board with any remaining dollars in the pool at the department level to be allocated as a merit or as across the board at the department level. So it was not intended that departments would have authority

to allocate the cost-sharing part to their discretion. It was for health care, the remaining balance in the salary pool at department discretion.

Senator Wyszynski stated that he agreed in principle with that, but his question was the mechanics for realizing that. In his department all increases were based on merit. For this to be realized within his department they would have to have a mandate from the dean or Provost. That was his concern - where was that authority coming from? Was this a recommendation or was this a binding rule?

Senator Hebert stated that when he had made that suggestion it was for that portion to be fixed at the University level. In other words, if we were absorbing 1.9 million in health care costs, then that proportion of the raise pool would be allocated across the board at whatever percent to help particularly in this first year where we were going to get socked with it. So the idea was for that to be at the University level.

Senator Kreidler stated that PBC agreed, and that was why PBC was presenting this. PBC could only recommend to Senate, as this was where it had to start.

Senator Fenwick stated that there was another issue here, that by University policy, raise decisions were based at the department level. We would have to adjust the rules of the University to change that.

Senator Kahl then asked why it was always that we could change the rules or change things to required faculty contribute to health care, but we could not change things about how the pay raise pool was put out?

Senator Fenwick stated that the Senate changed this in the fall to allow for across-the-board raises. The wording was something to allow departments to include in their raise pool across-the-board sharing. We defeated an amendment that would have mandated that, so that was why we did not say that this was mandated at the department level.

Senator Witt then asked whether Senate had not just looked at that rule. He remembered Senator J. Yoder suggesting that pay raises would be based in part on merit instead of all on merit. Was that now the rule? That was part of the departmental pay raise evaluation team's efforts. Each department would have to figure out what they would do, but it was perfectly feasible that each department could.

Chair Sheffer stated that that was passed by Senate and was recommended to the President. Chair Sheffer stated that he believed the President had taken that to the Board of Trustees. Senator Witt then stated that this meant that it was incumbent upon each department to figure out what they were going to do with any pay raise money with respect to merit.

Associate Provost Nancy Stokes then asked for permission to address the body. Associate Provost Stokes stated that the rule with Senator Yoder's friendly amendment did pass the Board, but the rule required that all departments create an evaluative process and procedure and a merit process and procedure to tie annual evaluations to the merit pool. Those had to be approved by the dean and by the Provost. Until the departments had those processes and procedures in place and approved, she was not sure they could be implemented.

No further discussion of PBC recommendation two forthcoming, Chair Sheffer called for a vote. The

Senate then approved the recommendation.

Senator Harp then inquired about a motion made at the last PBC meeting which dealt with the abolishment of ROI. Would Senator Fenwick address that?

Senator Fenwick replied he did not remember that motion being made seriously. There was a motion this morning in response to discussion of ROI. PBC recommended by majority vote that, until other elements of ROI including the quality component and the benchmarking were complete for all units, ROI not be calculated in this budget. That was a recommendation coming from committee to Senate.

Provost Hickey asked whether Senator Fenwick would share the numerical votes. Senator Fenwick replied that the vote was 7 in favor of that, 4 opposed, and 2 abstentions.

Chair Sheffer added that, indeed, it had not been a unanimous decision. He then called for discussion of the recommendation.

Senator Harp stated that he saw this as PBC violating a decision-making process that was approved by PBC, the Senate, and the Board of Trustees. This year, half of the allocated quantitative part was implemented as other units held harmless, or something to that effect. But to basically put it off into never-never land seemed to be a violation of what we had passed, which originally was 10% the first year, 20% the second year, 30% the third year, and so on.

Senator Braun then responded to Senator Harp's comments. First, it was not being put in never-never land. The part of this resolution that was adopted at PBC this morning, stipulated upfront that PBC was in full approval of the application of ROI and did not object in any way, shape or form to the concept and application of ROI. However, due to the financial difficulties that we were encountering and due to the fact that the benchmarking was not complete, and due to the fact that the quality measures were not complete, the decision today was made and was not meant to be an obstruction in any way, shape or form. In fact it was made in the sense that under the prevailing circumstances to try to hurt as few colleges as possible and to wait until the ROI was complete. We were planning to have the quality measures completed by July or August, but he did not know about benchmarking.

Senator Witt, for clarification again, asked whether ROI was still an incomplete device originally conceived with a quantitative and qualitative side? Provost Hickey replied affirmatively. Senator Calvo then asked what was holding this benchmarking and quality measures up? The University had had this for two years now – what was going on?

Senator Braun stated that what was happening here was simply this - the information that was needed for benchmarking was not so easy to get. For instance, the College of Engineering had started this process in December and was not yet finished.

Senator Calvo asked whether the benchmarking was not introduced after the original ROI was made. Was this not an adjunct and did not have to be completed for ROI to go on?

Senator Braun replied that no, the benchmarking was an integral part of this ROI because unless there was benchmarking the exact numbers to hold to every college were not known. Not every college was going to have 1.7%. Some might be held to a higher number, some to a smaller number. Without those numbers people who are under were punished and people over were rewarded.

Senator Lee added that it was clear that when ROI was adopted the promise that was made from the floor of the Senate was that ROI was to help as a guide. That ROI was going to provide data that would help us make decisions that would be applied in a common sense and not a formulated way so that we could make open, transparent decisions about which unit needed what kind of support. When the subcommittee of the PBC met last fall to reveal how the first ROI had come out, we produced a 7-page report within PBC detailing a list of ways in which a blunt across-the-board 1.7 ROI did not make sense. If a unit's ROI was 3.0, the ROI formula suddenly provided no incentives; the unit could continue to be as inefficient as it wanted because there was no threat of ever getting to 1.7. If a unit's ROI was 1.2, there was no way to ever get to 1.7, and again, ROI provided no incentive whatsoever. So one of the few active things that PBC did last fall was make a commitment to at least get the benchmarking data to find out, compared to all the other schools of education, what a reasonable comparison was for an ROI number for schools of education. What happened to that request? PBC was just as frustrated as Senators were. PBC was not getting any reports back; the deans were making slow progress on this request, and PBC did not have any magical way to get it. He did not think that that meant that we were to go forth with the flaws in the program that we knew about just because we could not get that information.

Dean Capers then asked permission to address the Senate. So granted, she began, stating she wanted to respond to three points - one, regarding ROI as an incentive. The College of Nursing did indeed have an ROI of 1.17 to 1.22. She wanted all to know that ROI did serve as an incentive. Nursing did recognize however that it would not reach a 1.7 but was looking to see how it might be more efficient. The college was doing that with the understanding that it could make a contribution overall to the University's management, budget, and use of resources. The college also recognized that the quality element would be there eventually. She would like to think the other academic units were doing some of the same. The other thing she wanted to comment about was the progress of deans in getting the benchmarking. Some deans had attempted to move forward with getting benchmarkings, but Senators might be well aware of the fact that the formula used for ROI was quite complex. It could not be sent out to other units with expectations that other units were going to give the same numbers in order to have a point of real comparison. We wanted valid data. So the deans were looking to see how we could work through that formula and come up with key questions that could be sent to programs, schools, colleges, whatever was needed for that benchmark to occur, to get some real data that would help us. So we were relying on other resources within the University to help us do that. Some units had identified those programs that might serve as the benchmark programs and schools, but it was correct to assume that that the data was not going to come quickly.

Dean Capers continued. The other point she wanted to respond to was the work of PBC. Just as Senate deliberated here, deliberations occurred in PBC. They occurred in wanting to be very responsive to the questions, very much aware of the context in which we were making decisions, very much aware of the confusion about how information came in, how it went out, and how it would be used. But every minute of the PBC meetings were directed to try to be a responsible committee and address this budget issue. That then meant that the work of subcommittees might not surface as the priority topic for that particular meeting. We had already discussed the possibility of retreating so that we could collect more information and move forward, and sometimes we repeated ourselves. That became frustrating, but it did emphasize the necessity of making sure that we covered all points. We did hard work; we did good work, but the work was not sufficient. So she hoped Senators would understand that PBC was a very active committee trying to serve the Senate and the University.

Senator Clark then stated that she was on the subcommittee of PBC that was dealing with the quality measures. They had met extensively in the fall semester. Something they had found about the ROI model was that not many institutions had figured out how to implement in some across-the-board, equitable quality measures. It was very difficult to figure out how to compare engineering, fine & applied arts, polymer science. So in this committee they were literally creating ways and categories that our campus could try to figure out ways to turn those quality measures into numbers that were readily accessible as a starting point. So that was the proposal brought to PBC - about the same time when we had to take it off as subordinate to the budget process. She thought that as soon as this budget was approved, the PBC subcommittee was planning to go back to it. We were hoping to have something that could get PBC approval by the Board of Trustees meeting at the end of the summer. That might be a first step in trying to have quality measures that were implemented.

Provost Hickey stated that Senator Lee's recollection of the discussions that took place of ROI was very accurate. In general, the tone was that we would use common sense in implementing ROI along with numerical values that came out. The other component of the ROI was beyond credit hr. production or quality measures; it was clear from the outset that we needed to move forward doing those so that we could allocate resources based on both halves of the ROI. Right now the one allocation that we had was based strictly on credit hr. production. Those dollars that would have been allocated based on quality measures had simply been left in place in budgets as cross subsidization. The other agreement with ROI was the understanding that the impact of the ROI would be evaluated annually by PBC and that points of concern would then be addressed and amendments to the ROI could be proposed as we worked through this document. Now that did not say that we would stop the administration of the ROI while those proposals were being suggested. The benchmarking was clearly one of those proposals to tweak the ROI. The process that was approved did not agree to stopping the allocation based on ROI while that tweaking took place. So as Senators might guess, it was more than 4 votes against this proposal. This was now a recommendation that had to be voted on by this group as a whole, this recommendation might not get through today's meeting.

Senator Maringer had another question. Was the allocation to ROI this year a reallocation from other budgets, or was that money that came out of a special fund? Provost Hickey replied that the one allocation thus far was a total of \$561,000. That represented a 5% allocation based only on credit hr. production, whereas the formula was to do 10%. We simply did not have 10%. It was money that had been budgeted for residence halls auxiliaries back during the period of time when a number of the residence halls were off-line for renovation and thus could not pay their bills. So it was the subsidization of the residence hall auxiliary during a period of time when they were unable to pay their bills. The residence halls were open now, on maximum capacity, and were paying their own bills. He had made the argument, which was supported by Vice President Roney, that that subsidy of student housing was no longer needed,. That \$500,000 budgeted as an annual subsidy was moved from auxiliaries into reallocations of the ROI. So the first allocation of the ROI did not cost anybody money other than the residence hall auxiliary.

Senator Maringer replied that that was his follow-up. It did not look as though in the tight budget we had now that there was a pool of money in that character that we might reallocate to continue work towards implementing ROI. If we implemented ROI at this point, we were talking about reallocating among the various units winners and losers. He thought that was the sense; a fear that until we had a system that we were comfortable with, we were reticent to adopt a system that used 1.7 as a one-size-fits-all model and had no quality measure with which to reallocate money from one unit to another unit in this budget. He did not think the committee was against using ROI, but it would have been nice on day

one if we not only had had the idea for ROI but the details of ROI. We were still creating the wheel as we went, unfortunately, and the devil's in the details. We had never fully implemented ROI as we thought we might down the road. Yes, it could continue to get better over time, but he was not sure we were at the point where we would be willing to accept the outcome if we really tried to implement ROI. We had not done so yet because as soon as we thought about doing it, we automatically started talking about how to change the ROI to fit so it would not hurt any one unit.

Senator Norfolk made a comment that one possible way of beginning the ROI allocation would be to allocate any pay raise increase based on the ROI calculation in colleges. (He was sure that would make some of his colleagues absolutely delighted.) Senator Norfolk also asked about benchmarking with other institutions in regard to the portion of money spent in academic colleges and libraries versus the portion spent otherwise. He believe here the academic side of the budget was about 55% of the costs roughly, so he was curious how that stacked up with other universities.

Senator Calvo then asked, in regard to the \$561,000 that was allocated in the one-time run as a partial ROI, could Dr. Hickey say that revenue for the University had been enhanced because of that allocation?

Provost Hickey replied that he could not. Could he provide documentation that that had occurred? No, because it was put into the budgets of the deans of the colleges that earned it. They allocated it as they saw fit.

Senator Calvo then followed up by asking whether there were any data based on our experience with ROI that would indicate that we in any way impacted the revenue of the University by this redistribution.

Provost Hickey replied that in a way it could be done; not from a single data point but, in the long run, if the money went to the college and their ROI stayed stable or went up, then that would indicate that college was investing money in ways that generated more resources.

Senator Calvo then asked whether that was not then one way in which we could start to investigate the ROI and see whether it was going to work and what to do about it. Could we not just start making allocations and then make adjustments based on what happened instead of going through many more years of benchmarking and decisions about quality measures?

Senator Harp replied that he only knew about his experience with his college and from conversations with his dean, Dr. Creel. Most of the ROI that went back to A&S, a major recipient, went to covering a deficit. That current deficit was caused by part-time instruction. If that money had not been used to cover the deficit and there were ROI dollars sitting in the dean's account, he would right now be using those to open the 116 sections the Provost referred to earlier. That included many sections of english composition so that we would have instructors for the even larger number of students coming next fall to actually teach those classes. The reason the dean had a deficit was not that the dean was a spendthrift. The reason we had deficits was that we had across-the-board cuts. The reason Senator Harp had brought up ROI at the last meeting was that we were again looking at figures that had across-the-board cuts. The discussion was taking place as if there were a static budget. If we got some new money, we would use it for ROI. That was not what was happening in this budget, but we were still talking about across-the-board cuts. If we had an ROI system, why were we doing across-the-board cuts? Because what we were basically causing was a situation in which any ROI dollars, if they existed, were going to be used to hire part-time instructors. He could not understand how there could be no resources

for a 2-hr. class which paid instructors as little as \$1,200 and generated about 4-5 times that amount.

Provost Hickey replied that the calculation was 5 times the amount just based on tuition dollars, not even including state support.

Senator Gunn stated that we had to look at putting some money where we had a chance of generating. It was foolish to cut 116 sections in English. Even in a college that was not generating 1.7, cutting the part of the University that was generating money would result in less to go around for everybody. She was in the College of Fine & Applied Arts, one of the generators but nowhere near what A&S was. However, Fine & Applied Arts had been growing for years with no additional income. There would be a point where there could be no more growth; no more students could be fit into any given classroom. We had situations with 40 students in a class and a part-time teacher getting paid \$1,800 for 40 credits of tuition. That was what they were doing in F&AA. However, if the resources were not made available then we would have to cancel those classes. We then would not be generating those thousands of dollars. We were not highly paid; that was why we had a 1.7 ROI. Even within our college we had units that needed help and units that generated. If the cash cows were totally killed then they would not be bringing university money that everybody benefited from, especially units, departments, and colleges that could not generate that. Resources had to be given to those that could bring in revenue and not cut off at a time when the University needed revenue. It just seemed that would be so much profit for this University. But, if there was no money, it could not be done. The last ROI did not cost anybody anything. The College of Fine & Applied Arts, College of Arts & Sciences got some money, but it was not taken out of anyone else's pocket. She thought this a wise investment to help us get through trying times.

Senator Covrig stated that he planned to vote against the PBC recommendation because the baby steps, increments of ROI, to him seemed very reasonable. Senate should not stop this just because right now it was incremental and was extremely small as we figured out other aspects.

Senator Conrad added that it was not clear in analysis how additional sections necessarily translated to overall higher revenue. What was the average class size? If that extra section was not available, did those students disperse into other sections and make class size higher? His questions was this: We had an average class size in business of 34-1/2. The next closest was Arts & Sciences at roughly 28. We were talking about analysis here. The point of this is his question - was President Proenza even going to present to the Board a budget with differential cuts between so-called non-revenue generating units of 10% and so-called academic revenue-generating units of 5%? He did not believe that for a second. If Senators thought the President was going to close down a college to put money into ROI, their alarm clock did not go off this morning. That was the political reality of the situation. He thought we were wasting tremendous amounts of time on this ROI discussion. He was willing to bet quite a bit of money with anybody in this room that ROI would not happen this year, no allocation, and suggested getting to the point of looking at this budget and understanding it.

Senator Hoo Fatt then asked, to be clear, what exactly was Senate going to be voting on with respect to PBC? Was PBC saying to not do anything for one year as far as ROI, to basically delay it one year, or was it saying to give us until August to come up with the other half - quality measures?

Senator Fenwick then read the resolution as he had transcribed it from the earlier PBC meeting: **While PBC supports the principle of ROI, given the fiscal situation of the University and the lack of quality measures and benchmarkings for ROI, the committee feels that ROI not be used to**

calculate distribution of academic operating budgets for the FY04 budget.

Senator Erickson stated that Senate had a position on this and so did PBC. To a certain extent we had to be consistent if we had any chance at all of making this happen. She was inclined to agree that the President did not want the budget this way; he did not want a 5 versus 10% cut differential. The President has indicated he wanted a straight across-the-board cut. To her, that did not make any sense.

However, when no one is prepared to say what their highest priorities were, essentially she started thinking that maybe they wanted to stay across the board. Senate and PBC have both stated that we were not doing that; we were doing 5% cuts for the academic units and 10% cuts for the non-academic units. She had not heard PBC assert why they were doing this but did assume it could. However, this differential cut did not seem consistent with the resolution now under consideration. As Senator Covrig had stated, we had to make the baby steps of ROI to generate revenue.

Senator Kahl then added that, if the goal was to simply maximize ROI, the solution was simple. Become a junior college, teach freshmen and sophomores with part-time instructors. That would maximize ROI. Those quality measures, those comparisons were absolutely necessary if ROI was going to be done without destroying whole pieces of this University. Implementing it without that would produce serious damage to things like nursing that maybe we did not want to throw out in the trash. We might well want to keep a nursing college even though it did not have a 1.7. The last time he was in the hospital some of the nursing school graduates were quite useful and he very much appreciated it. Somebody had to train them, and some of those people took a whole bunch of credit hrs. very early in their career from some very inexpensive instruction that was not in the college of nursing. But if that was eliminated or if the college of nursing was destroyed, how many of those people in the nursing school were going to suddenly decide they want to be accountants? How many of them were going to decide they would rather go to Kent State to be a nurse? The same thing was true of Professor Conrad's accountants - if his accounting school was destroyed, they were not going to become nurses; they were going to go to Kent State to be accountants. You were going to lose not only the low ROI numbers they generated, but the high ROI numbers those students generated as freshmen and sophomores. Quality measures were needed to know what we were doing. He concluded by asking Senate to please not go bumbling off blindly with a 1.7 overall.

Senator Harp then pointed out that the English comp. sections being cut were full sections. To his knowledge those sections were filling up, so we were talking about maximum of 25 taught by one of these people who could be earning \$1,200. The break-even number he was always told in Arts & Sciences was 7. If a class had 7, that would average about \$800/credit hr. It was a break even point and everything above that was profit for the University. When sections at 20 to 25 were cancelled, that lost a lot of revenue. We were also potentially forsaking those advance-level students. A student came in with a presentation this morning from Admissions (and they're doing a much better job at Admissions than when he got here ten years ago). They were bringing these people in and they were horrified to find out that there would not be sufficient sections of English comp. for those students in their first year, and we potentially lost them as upper-division students because they were not staying here.

Senator Lee then spoke, stating that while he was too young to be a repository of institutional history, the motion from PBC as the chair stated was not quite complete. The full motion included the part about recognizing the need to accomplish ROI in the long run, not to implement it this year until there was information about benchmarking and quality measures available. That was just a technical point. On the point of broken commitments and promises, ROI was presented as a package and it was passed unanimously - not a single dissent. Low ROI units, high ROI units, all allowed this to go

through because there was something offered to each of them. Going forward with half a formula was not what we had agreed to and it was not what was voted on. When it happened last year out of new money, there were no objections even though we were only moving forward on half a formula because it did not hurt anybody. Now to say let's continue to try in little bits, the little bit for Arts & Sciences was a whole lot for some of the smaller colleges. So to do this little bit and say let's slash our operating budget as an experiment to try it over the next couple of years in escalating portions to see if it worked did not sit very well. We heard a lot about benchmarking and had not gotten any data. It struck him that we ought to get some. Although this would sound parochial, the Law School was one of the few units that was able to collect accurate data. We did a poll and got over 70 responses from other law schools. As it turned out, our law school was the poorest funded law school in the state of Ohio based either on ROI or absolute dollars for students. Yet our incoming students numbers were competitive and our Bar passing rates were competitive. It was a pretty good argument that we did a good job without money. It was a pretty good argument that it was an efficient unit. Our ROI was nowhere near 1.7, so the 1.7 across-the-board formula that was half of what we all agreed to when we voted on it was not responsible.

Senator Norfolk began to discuss the magnetized effect of ROI. That was the whole point of this magnetized effect - 20% of all these dollars were already being allocated in an ethereal sense to the colleges from which the students came. So that was already built in; you did not get two bites of the apple. Now in terms of Senator Harp's comments about part-time usage, we had the data from two years, and he would like to see just the raw ROI figure by college from July 2002 and July 2003. The reason he wanted to see those figures was because those would reflect the real marginal cost or marginal revenue that was expected. There would be a data drop from the colleges which used heavy part-time usage, and that would then be what it would cost to not give money to those units.

Senator Broadway then spoke, stating that he was from the College of Education and therefore these comments might be seen as being self-serving. The College of Education was a professional school. The majority of our students were juniors and seniors with very few sophomores, and probably no freshmen. We did have a very high ROI, and were a unique institution in the College of Education. We were very much a professional school, and we had because of many factors beyond our control been able to produce a very large ROI and benefit from that.

Senator Hebert called the question. This was seconded by Senator Norfolk. Chair Sheffer called for a vote on the motion to call the question. This passed with the necessary two-thirds majority. Chair Sheffer then called for a vote on the motion from PBC, and Senator Fenwick read the motion: **While PBC supports the principle of ROI, given the fiscal situation of the University and lack of quality measures and benchmarking, the committee feels that ROI not be used to calculate the distribution of academic operating budgets until benchmarking and quality measures are complete.**

The vote was 31 in favor; 11 opposed. The recommendation passed. Chair Sheffer then called for any additional discussion of the budget as presented by PBC. None forthcoming, he called for a vote on the budget. The Senate then approved the budget.

Senator Fenwick, on behalf of PBC, thanked Senators for their input, comments, and patience. PBC would continue to monitor and bring updates on the quality measures of the ROI as they were brought forward and other planning and budgeting items.

Chair Sheffer thanked Senator Fenwick and all members of the PBC for their hard work.

UNIVERSITY WELL-BEING COMMITTEE Senator Erickson began her report by stating that she was only going to bring the recommendations of the Well-Being Committee to the Senate. (See **Appendix B** for full report.) Last month the committee had brought a report with a set of recommendations for discussion. We took the comments made by members of the Senate and reviewed those. These were the recommendations with respect to the framework for health insurance premiums, which were the basis of the discussion we had last time. Senators would notice that Well-Being's recommendations attempted to work within those of PBC, and a rationale for the recommendations was also provided. Senator Erickson presented these as a motion coming from committee.

Senator Norfolk stated that, while he realized these were all provisional figures, would there not be a real mess if everybody on the PPO and the traditional indemnity switched to the HMO's? That was going to raise all of the figures under the HMO cost-sharing difference, would it not?

Senator Erickson replied that the actual cost increase would then go down and there would be less to share, and that was the whole point. The HMO's were cheaper than the PPO's.

Senator Jordan moved to amend the recommendation by deleting the first three items and inserting instead the following language: "Amounts paid by employees to help cover health insurance cost increases (for particular providers) shall be determined by multiplying a set percentage times the employee's salary. No additional cost shall be imposed for coverage of dependents."

Senator Kahl seconded the motion. Chair Sheffer then asked Senator Jordan to provide a rationale for his motion.

Senator Jordan stated that he wished to focus attention on the point of this amendment which was really the second sentence that, "No additional cost shall be imposed for coverage of dependents." It seemed to him that refusal to cover dependents without additional cost was a bad social policy. It was an anti-family policy; it was an anti-child policy; it was an anti-choice policy. It tended to force both spouses into the work force rather than allowing one to stay home and care for children and otherwise care for the household. In his case and certainly in every other case of people who were hired here, his expectations were that we would have health insurance coverage for dependents and there was no difference between him and his dependents. It was more important to someone who had a family that the family be covered than that he/she be covered. He thought it was also important to recognize that we were already making central policy decisions. We had already decided that there should be some members of the University community who subsidized other members. It was those members with higher incomes, at least higher incomes paid to them by the University, who should subsidize those with lower incomes that they get from the University. There was not a question of whether one group should subsidize another; it was the question of who should subsidize what? In his view we were a community. Hillary Rodham Clinton wrote that it took a village to raise a child.

Senator Witt speculated that Mrs. Clinton plagiarized that. To which Senator Jordan replied that if she plagiarized it, that suggested it had a broader acceptance before she came to it.

He continued. It seemed to him that social policy should protect children and maximize the family's

choice as to whether one spouse should stay home or not. One of his assistant scout masters in his scout troop was an example. His wife was on our faculty and he stayed home - he did the PTA work, the volunteer work, school involvement, etc. Those were appropriate things for our system to support. I would add that those of us who had children would eventually no longer have dependents who would be supported by the University. We would go from getting benefits for our families to supporting benefits for others who had families. So we would go into the system, and we would go out of the system. Those children were our future, and their well-being was the well-being of our society. With the enormous pressures on families, now was not the time to adopt a blatantly anti-family, anti-child policy at the University.

Senator Kahl then spoke in favor of the motion. If we simply took whatever percentage it was that was going into the health care dollars and made that an across-the-board pay raise and then charged each faculty member that amount, that percentage of the salary would serve as a cost for insurance if they took advantage of The University of Akron health care system. That would be an advantage to everybody – it was a win-win situation. It would provide what the University administration was looking for in terms of getting that camel's nose under the edge of the tent for faculty paying and other employees paying for part of the health care costs. In terms of administration it would be very easy to administer – an employee's pay raise was x percentage across the board; your charge for health care was x percentage of your salary. It was unbelievably simple to administer. The second piece was there would be no net cost to UA for employees taking UA health care no matter what their family situation was. If they took it for themselves, if they took it for themselves and their spouse, if they took it for themselves and their family, there would be no net cost for any of that. They got the plus that their base salary went up for pension purposes and that was non-taxed dollars. For those opting out of the system, they got to keep that pay raise plus whatever the amount was you get for opting out, which is \$500. They would keep the pay raise and they would not pay the same percentage charge for UA health care, so they came out ahead. Not only that, the incentive for opting out had been increased. That should save the University total health care dollars because more people should then opt out of the system. Finally, just as a general comment, this was a terrible time to institute a regressive system that was coming from the Well-Being Committee at a time when there were budget cuts coming and financial hardship in the community and a time when initial union negotiations would be starting. That was not the time to put in a regressive income redistribution system. Make it simple and make it a win-win situation for everybody at the University, a simple across-the-board pay raise matching an across-the-board charge for health benefits.

Senator Hebert stating that while he respected both colleagues, Senators Jordan and Kahl, he was going to speak against the motion. The net effect of this was going to be to raise the insurance costs for everyone to the benefit of those who had children. It was about time we took the responsibility to pay whatever cost it was that we incurred. A single person should not have to subsidize the insurance cost for a family of four. He supported the motion but was speaking against the amendment.

Senator Maringer also wished to speak against the amendment. He pointed out that even if we asked a spouse or a single parent or a family to pay premiums, we still had to recognize it was a portion of the true cost. If the remaining cost was examined, we were still subsidizing families to a larger degree than a single employee. So the idea that this was anti-family or not family friendly – it was not as friendly as we were before, but it was certainly not asking them to pay everything in costs incurred for a family. It was simply a small portion of what that increased cost was.

Senator Erickson stated that there was no one definition of fairness. The present system gave an extra

benefit to those with families. Just putting the payment onto those with families would reduce that inequity because as it stood, those without dependents had essentially lower total packages, and have had so for years. The committee wanted to maintain a free plan as a number of other state universities had done but recognized the problems with a single free plan in terms of adverse selection. We therefore moved to an employee-free plan to prevent that problem by providing a specific free benefit to those employed. We paid our faculty on the basis of their status; we did not pay them on the basis of whether they had families or not. The committee considered that this whole issue became a very complicated one and one that was not worth following. What we could do was provide a specific free benefit to those employed. The members of the committee had discussed it with their constituents. She discussed this with the entire committee and there were differing views certainly, no surprise. But the vote on the recommendation was 7 to 1.

Senator Steiner then spoke in favor of the amendment. Those faculty members and employees with dependents already had additional costs that they needed to meet with their salary by providing for their dependents. He thought this was a reasonable way to provide some relief for that and distribute the cost of the health care insurance.

Senator Jordan added, with respect to both Senators Maringer and Erickson, until now we had not charged for health care. Baseline therefore was not charging for health care. The question was what we did about the additional costs that we were going to impose upon people. In this situation if we adopted the proposal as it stood, which was that employee health care itself should be free, it turned out that it was the people who had dependents who paid for all of the additional health care costs for everyone at the University, including all the employees who paid nothing for the additional health care cost. His preference reflected in the amendment he had offered was that we had a straight across-the-board payment and that avoided that issue, and that we shared this burden as we shared other burdens here at the University.

Senator Kreidler said she would like to speak to the amendment. She understood what Senator Jordan was saying, but she supported her husband who did not have insurance. She believed the committee had anguished this issue just like PBC anguished everything we had talked about. Well-Being was presenting to Senate what it had gone through and what it believed to be best at this point. She was against the amendment.

Senator Kahl stated that there had been talk about ways of lowering health care costs by various programs that would increase the health of the faculty. Here was the first piece of something we could actually do. By voting for that amendment it would provide a financial incentive to people to reduce the health care costs. There was an incentive for healthier lifestyles; there were incentives for use of generic drugs whenever appropriate. There were incentives for trying to reduce health care costs in that amendment, and that was something we could do right now to effect that.

Senator Fenwick then addressed a question to both Senators Erickson and Jordan in regard to preventing dumping by spouses who had to pay for their dependents. Would that be shifted over to our health care costs and would that actually increase the cost of the University health care plan?

Senator Erickson stated that, while not in the rationale, it was part of Well-Being's discussion of the issue about spouses and those who took out health care coverage because it was free. They had perfectly good health plans at their own places of employment that they could belong to. If costs were relegated to dependents, then those dependents would think about being on other health care plans

which would stop precisely the kind of dumping that already existed. We wanted those people to go. Senator Kahl talked about the incentives to be healthful which she did not see in this formula as it was. The Well-Being Committee had discussed that in detail and there were all sorts of other methods that could be investigated and possibly implemented.

Senator Jordan stated that he had communicated his views to his constituents, and the responses he had gotten were in favor of the position taken here. Second, with respect to the dumping issue, it was a legitimate problem. There were answers that could be addressed that we had not had the courage as an institution to deal with. A required certification of spouses with their own health coverage may not always result in the most truthful responses. When found out – perhaps those employees no longer worked here. There were ways to deal with that problem; it was not needed as an excuse to avoid equity.

Senator Harp then pointed out that this amendment might be a pro-reproduction amendment which would be a good thing considering soldiers were being knocked off on a regular basis. Seriously, perhaps a parochial concern, but as a department chair, when he looked at the faculty within his department, those people who were the most noble were the ones whose spouses were not employed either at the University or elsewhere. It provided a further incentive for those people to be on the market. Now salary improvements, the compression dollars, had erased a big chunk of that problem. Even as compression dollars were integrated into the next years, this would eliminate some of that incentive to go elsewhere. At this point mainly for associate and assistant professors there were incentives to look for jobs elsewhere. One of the things they had to think about was that if they went elsewhere they were most likely going to pay dependent coverage somewhere else.

Senator Hebert made a motion to call the question. This was seconded by Senator Witt. The motion to call the question passed with 31 in favor and 3 opposed. The Chair then directed the body's attention to the amendment. A vote was taken and the amendment failed with 12 votes for and 33 votes against. The Chair then directed attention to the original list of recommendations regarding the framework for health insurance premiums from the Well-Being Committee. A vote was taken and the recommendations were passed.

ACADEMIC POLICIES AND CALENDAR COMMITTEE – Before Associate Provost Stokes began her report, Secretary Kennedy offered clarification of the items to be presented for consideration by the committee. The Visitors Policy which Senators had received earlier had been referred back to APCC. The Executive Committee had asked that APCC examine further child care and liability issues. Also, the Honors College proposal was sent back to the CRC and the PBC as had been outlined in the original referral back to APCC.

Associate Provost Stokes then stated that this left one item coming from APCC which was the Academic Reassessment Policy that was sent to Senators earlier (**Appendix C**). There had been two friendly amendments that were going to be included. On **page 2(C)(7)(b) at the bottom of the page is additional language that now says: "A student may choose a suitable substitution from the same category in The University of Akron approved general education list."** To clarify, if a student was missing a social science he/she had to choose a social science and not a fine arts. So it had to be in the same category. Then on page 3(D)(1)(a) and (b). **Letter (a) now read, "A student may repeat a change of grade in any course during the previous enrollment that has not been reassessed and that meets the requirement for the change in grade policy so that it's**

consistent with the change in grade policy." Letter (b), "The student may repeat any course that has been reassessed and meets the requirement for the repeat policy." Students could not do this unless it was within those two policies. Those were the changes that had been accepted by committee, and with those changes this came forward as a recommendation.

Chair Sheffer called for discussion of the recommendation. None forthcoming, he called for a vote. The Senate approved the reassessment policy as amended.

CURRICULUM REVIEW COMMITTEE - See **Appendix D** for list of curriculum proposals.

CAMPUS FACILITIES PLANNING COMMITTEE - See **Appendix E**.

UNIVERSITY LIBRARIES COMMITTEE - Senator Harp stated he had a formal motion from the committee to present to the Senate. When the committee met with Vice President Gaylord in November we approved of the principle of the library fee and the need to take that to the Board of Trustees. The motion the committee wished Senate to now consider was this: **The Faculty Senate approves of current administrative efforts to establish a library fee.**

Chair Sheffer called for discussion of the motion. Senator Jordan, stating there were different libraries and libraries in different places, asked how the fee would be allocated. Would every student pay it?

Provost Hickey replied that Law students were not included in this. As he had discussed this with Dean Aynes, the Law library already had one in effect.

Senator Robinson asked whether this fee was going to be something that was permanent or temporary. Provost Hickey replied that it would be permanent.

Senator Steiner asked whether there were any indication of what the amount of the fee would be. Provost Hickey replied that it was \$2.00 a credit hr. for undergraduates, \$3.00 for graduate students, and first-year students were excluded.

Senator Witt then commented on what he saw as the proliferation of fees. Why did we not just increase tuition 35% and abolish all fees? He realized that the library was in financial straits and so was everybody else, but how many fees did students now pay - 11 different fees? This would be 12, and he was not sure when this stopped. He wanted to support a "Beloved Professor Witt fee."

Senator Maringer added that we found ourselves in a situation where fees arose because of tuition caps. If a fee went in with a particular purpose, it was dedicated there. Those who were receiving it then felt some comfort and would continue to receive it, whether it was a technology fee or library fee.

Senator Witt then pointed out that we did not really know how fees were spent. We did not track fees; we were not responsible for who was collecting them. If we were going to impose a tax on anybody, he would like to know that it was going to be spent in a specific way and that there would be some accountability.

Senator Harp replied that the committee had talked about fees and there was not anyone who was pro-fee as a principle. But the committee had run into the bleak situation of trying to figure out where the money would come from. The issue always becomes, when we advocate for the library, where was the

money? This Senate passed a resolution last fall that said when the PBC brought a budget forward, it would have increased expenditure for the library to get us to the Association of Research Libraries within the next ten years. One would expect the budgets to reflect that, but they did not because they were all the other priorities. Basically, we support this fee or we were willing to see serials budgets, book budgets, be zero within two years. We would have nothing. Again, when we were talking about ROI he had kept hearing about college versus college. His support for this fee was for the students. We were to the point now where he could not send undergraduates into the library and assume that they could browse a book. If it was not an Ohiolink and they could not search it in time there was no hope for them. We were now reaching out with serials as well. He did not know what the alternative was. There were ways to the issue of accountability. He had no question as to whether the technology fees that were gathered by Dr. Gaylord made it into his domain. Issues could be raised about whether it should be for acquisitions of for personnel. He had seen the salary structure of staff in the library; he knew where the expenditures are going in terms of what the library got and what it expended compared to comparable institutions and even compared to what our administrative assistants earned in most colleges. If the money was going to be wasted by a 2% raise for the interlibrary loan guy who had a masters and earned less than our administrative assistants, he would not consider that a waste. It would be well spent.

Senator Witt added that, in some way, it would be spent. His main difficulty with the idea was that whenever there was a problem we looked to students to solve it every single time. That was not fair treatment. In terms of a student-friendly issue to vote on, we all had anecdotal stories about students who now do not buy books at the bookstore because of tuition increases. Students go through as much of the semester as possible without buying a book. We had seen book thefts go up as a result of these things. Now let's just slap a fee on these same folks?

Chair Sheffer then asked the Senate whether there were any objections to Dean Williams speaking. None forthcoming, Dean Williams addressed the body.

As a point of clarification, the recommendation for this fee came from the Libraries Committee. Dean Williams believed it originated there. However, he had had some input into formalizing the recommendation for Dr. Hickey. The one point that was important was that the request for the fee was for library material - books, journals, and book-like stuff, videos and those kinds of things. It was not for personnel and it was not for services primarily because it was his sense and, he thought, the sense of those with whom he worked, that if we were going to ask students for this money it had to be for something tangible and not for things that went with integral services. There was that commitment in the fee, at least in the recommendation for the fee as it went to Dr. Hickey.

Provost Hickey stated that he shared Senator Witt's concerns. There was simply no place else to get the money. The state was not giving us the money. By doing it as a library fee it did not impact the tuition cap, which we almost certainly would have imposed on us very soon. That was one of the reasons why freshmen were not included, because any fee that was applied to all students was viewed as a tuition increase. It pained him to do this as well, but the choice was we either did this or watched as the book budget and serial budget of the library literally go to zero.

Senator Witt offered that he would like the University to look at fees that are collected to see where the money goes, particularly as related to course fees. We may find that some of the money collected does not get spent at all. Senator Witt offered this as a motion.

Chair Sheffer then called for a vote on the motion to form a subcommittee to examine where fees are going and how they are spent. No further discussion of the motion forthcoming, the Senate then voted to approve the motion.

VI. OLD BUSINESS - None.

VII. NEW BUSINESS – Senator J. Yoder then introduced a Senate Bylaw change regarding the APCC. Specifically, the bylaw in question was rule 3359-10-02(F)(2), which dealt with the committees electing chairs at their first meetings. To this rule, Senator J. Yoder proposed that the following be added at the end of the item: "**... and with the exception of the Academic Policies & Calendar Committee.**" Then also under **(F)(4)(d), The Senior Vice President and Provost or said designee shall serve as co-chair of the committee. A senatorial co-chair shall be elected for a two-year term by the full Senate at its September meeting from a slate of candidates who are either Senators or Senate-eligible designees. The senatorial chair is eligible for a course reduction similar to that of the Senate chair. A meeting of the committee shall be called at the request of either co-chair. (e) The Senatorial co-chair of the committee shall report to the Senate at regularly scheduled Senate meetings. The senatorial co-chair will also regularly report to the full committee on the actions and comments of the Senate.**

Senator Norfolk seconded the motion. Chair Sheffer then stated that this would have to lay over one month before discussion. Although Associate Provost Stokes asked that this motion be extended to include CRC, Chair Sheffer stated that that motion had not been prepared at this time, and would have to wait.

VIII. GOOD OF THE ORDER - None.

IX. ADJOURNMENT - Chair Sheffer called for a motion to adjourn. The motion was made and seconded. The meeting adjourned at 5:20 p.m.

Transcript prepared by Marilyn Quillin