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 October 31, 2012.

Presentation to the Board

Dr. Frank Douglas gave a presentation titled Austen BioInnovation Institute in Akron: Coming of Age. The president and CEO of ABIA, Douglas described and discussed progress to date by the unique collaboration, which “is establishing Akron as an epicenter for patient-centered discovery and enterprise” through its efforts in product innovation, forming the next-generation workforce and improving community health.

Finance & Administration Committee

1. Personnel Actions

The personnel transactions approved by Trustees as amended are posted online at http://www.uakron.edu/bot/docs/personnel-reports/Personnel-transactions-October2012.pdf.

2. Holiday Leave

The University of Akron has, for the past seven years, provided additional days of paid leave for staff and contract professionals between the Christmas and New Year’s holidays, in recognition of the significant and collective efforts of those employees in contributing to the institution’s growth and student success in their supporting roles. With the University already scheduled to be closed on December 24-25, 2012, and January 1, 2013, for holiday observances, by awarding four additional days of paid leave, most of the University—with the exception of facilities and personnel required to conduct previously scheduled events and maintain essential physical infrastructure and
safety—would be closed on December 24, 2012 through January 1, 2013, allowing savings in utility and other operational costs. Past experience indicates that closing for a slightly longer period should not inconvenience the University’s students.


For July-August 2012, total giving was $5.6 million, 22 percent more than the $4.6 million received for July-August 2011 and 42 percent more than the five-year average of $3,943,691. The number of gifts increased from 1,930 for July-August 2011 to 2,431 for this fiscal year to date.


The FY2013 budget trailed estimates by $3.7 million for the first quarter, excluding transfers. The variance results from total revenues falling short of the budget estimate by $5.3 million (2.9 percent) and total year-to-date expenditures being slightly below the budget estimate by $1.7 million (1.8 percent). In addition, there was a $2.9-million favorable net variance in transfers.

The year-to-date shortfall in tuition and fees is $5.1 million (3.3 percent) relative to original budget. Other sources are $0.3 million below estimate (4.6 percent).

Overall, total expenditures are less than the first quarter budget projections. As the details of the budget reductions are finalized, the original budget will reflect departmental reductions and position reallocations. As of the close of September, a large portion of those adjustments had not been entered into the financial accounting system, making it very difficult at this point to explain some of the larger variances within the detailed expenditure pools. The next financial report to the Board will reflect all of the changes as well as a plan to address the anticipated revenue shortfall.

With the inclusion of transfers-in and transfers-out, the net change in the current fund balance is $0.7 million less than the year-to-date budget projection.

Year-to-date combined Auxiliary revenues were $23.2 million, and combined expenditures were $27.1 million. The actual negative variance of $3.9 million differs from the projected negative variance of $5.0 million. There are significant variances in Residence Life and Housing, Dining Services, and Athletics.

5. Quarterly Investment Report, July-September 2012

The Quarterly Investment Report for July-September 2012 reflects a first quarter rate of return of 0.7 percent and an annual return of 2.0 percent for operating funds. Those investments generated $561,219 in income for the first quarter. The market value of endowments increased $2.7 million in the first quarter of FY2013. The portfolio composite of the pooled endowments posted a 6.1-percent rate of return for the first quarter and a 19.4-percent return for the past 12 months.

6. Purchases for More Than $350,000

The Office of the Vice President for Finance and Administration/CFO is proposing the award of a contract to Ampco System Parking of Cleveland for the operation of the Roo Express shuttle system. The initial contract will be a three-year contract effective January 15, 2013, renewable for up to two additional one-year periods. The hourly rate will be $31.98 per hour per bus in year one. The University provides all maintenance, fuel, etc. for the buses. Based upon the currently scheduled routes, the total estimated amount for year one will be $1,141,078. The new rate reflects
a significant savings to the University, because the current rate is $37.27 per hour per bus for the same service. This represents an anticipated cost reduction of $188,753 in year one.

The Office of Talent Development and Human Resources, in consultation with Towers Watson, is proposing the award of a contract to Life Insurance of North America (Cigna) as the University’s LTD insurance program for a three-year period ending December 31, 2015 at an annual gross cost of approximately $327,000, which is approximately $77,000 less than our current contract annually.

The Office of the Vice President for Finance and Administration/CFO is proposing the award of a contract to Workforce Software, Inc. for the licensed use of their Time & Attendance and Absence Management software for a period of five years and the consulting services necessary for the implementation of their software. The total estimated award for the five-year use of their software and implementation services is $1,075,287. Of this total, $423,495 will be utilized for the first year’s use of the software and all implementation services. For years two through five of this agreement, the cost for use of the software (which is offered as Software as a Service, or SaaS) will be $162,948 per year.


The Board approved the tentative agreement for the 2012-2013 wage reopener, which provides for a three-percent, across-the-board increase to the wage rates set forth in the 2011-2013 Collective Bargaining Agreement for July 2012-June 2013, as presented by the University’s negotiating committee and containing all of the tentative agreements and memoranda of understanding reached between the negotiating committees of the University and the FOP, Ohio Labor Council, Inc.

8. Collective Bargaining Agreement Between The University of Akron and the Communications Workers of America

Trustees approved the draft of the Collective Bargaining Agreement, which contains all of the tentative agreements and memoranda of understanding reached between the respective negotiating committees of the University and the Communications Workers of America, Local 4302, for a three-year term ending on September 30, 2015. The agreement includes a three-percent wage adjustment for 2012-2013.

9. Robert E. Helm, Jr. Post-Doctoral Fellow in Polymer Science and Biomaterials

In 2012, funding for this endowed fellowship was provided by Robert W. and Margaret O. Helm, son and daughter-in-law of Robert E. Helm, Jr. The elder Helm earned a chemistry degree from The University of Akron in 1950 and had a successful career as a researcher in the tire industry. Annual funding from the endowed earnings account held by The University of Akron Foundation will be provided to support a deserving post-doctoral candidate in the biomaterials discipline in the Institute of Polymer Science of the College of Polymer Science and Polymer Engineering. Eligible candidates will be selected annually by the bio-related college faculty.

10. Procurement of Solar Electric Energy Resources

The administration made a collective decision to publicly bid a 650kw-solar-array project in lieu of accepting an earlier single proposal. Bids were received on October 17, 2012. Capacity consideration proposed panels being installed on both the Louis and Freda Stile Athletics Field
House and the Student Recreation and Wellness Center. Three respondents submitted bids. Carbon Vision was determined to be the lowest and best bidder.

**Academic Issues & Student Success Committee**

1. Course Calendar

The [course calendar for 2013-14 and 2014-15](#) aligns closely with those of Kent State and is fairly similar to the calendars approved at Cleveland State and Youngstown State.

2. Research Grants and Sponsored Programs Reports, July-August 2012

For July-August 2012, funding for externally funded research and other sponsored programs totaled $9,500,876 for 151 awards, as compared with $15,871,914 for 120 awards for the previous year. For July-August 2012, 4 new patents were issued, 8 patent applications were filed, and 14 disclosures were submitted—compared to 0, 1 and 6, respectively, for July-August 2011.

3. Robert W. Briggs Honorary Degree

Attorney Robert W. Briggs, a vibrant and outstanding force for the advancement of Northeast Ohio and a leading figure in its growth and development for more than 30 years, also has been a contributor to The University of Akron and, through his service on Knight Foundation and GAR Foundation, helped to provide strong support for the University. He was nominated to receive an honorary Doctor of Humane Letters degree in appreciation of his noteworthy achievements, valued leadership and outstanding service to his community and the University.

**Rules Committee**

1. O.A.C. 3359-46-02, Parking Permit Fees

The proposed revisions to this Rule will provide students and employees with the opportunity to apply for enhanced parking privileges to include a 24/7 parking permit at specified parking locations. Participants will pay a special transportation fee (amount to be determined). Qualified residence hall students will receive this parking privilege as part of their residence hall contract without an additional fee assessed.

**Notes**

1. President's Report

I began my remarks by saying I had the privilege, over the last two weeks, to attend two important meetings of the National Academies. The first was the Government-University-Industry Research Roundtable (GUIRR), of which I am on the council, and the second was the Science, Technology and Economic Policy Board, of which I am a recent member, attending only my second meeting. I wanted to share a couple of thoughts derived from those meetings because they clearly impact what the University is doing and needs to do.

The University has made tremendous progress over the last few years, and at the same time we are facing new challenges. The entire economic downturn that began in 2008 continues, and the convergence of various kinds of technologies against the pressures of the economy are creating considerable room for innovation, new opportunities, and certainly a sense that we had better
understand what is happening if we are to take advantage of it.

I said those of us attending the GUIRR meeting were privileged to hear firsthand reports from the originators of Coursera, from Stanford, and edX, from MIT and Harvard. Those were remarkable presentations with illustrations about how the course was developed, how it has, in some cases, reached 100,000 students around the world, and how this is likely to impact the educational attainment of people throughout the world for little or no cost. At the same time, they provide unprecedented levels of interaction automatically for the student with the professor through the massing of frequently asked questions, the kinds of interplay that can so effectively be made available through Web or computer technology. One provider said that the green checkmark that they attach to a student, anywhere in the world at any one moment or picosecond, for getting something right has become something that those students value greatly.

I was struck by the thought that, as truly marvelous as that technology is and as effective as it will surely be in raising the educational level of people around the world, we need to be attentive to how we create economies of scale that enable us to be able to deliver that same kind of benefit of effective instruction at lower cost to our own students in the United States. I took particular note a few days before the Board meeting when Antioch University announced that it was licensing some courses from Coursera and was now going to be able to offer those courses for credit at Antioch. Now this begins to change the landscape a little bit; Antioch will be able to use Stanford courses, or courses from any of their partners, as part of their curriculum and make the assessment to provide a student with credit or no credit for the course, independent of Stanford or any of their partners.

This begins to foreshadow the opportunity of universities to collaborate as they have in Western Governors University, where several governors of western states got together and created a similar platform for sharing courses across state lines. They are beginning to amortize the cost of very, very good courses, both across institutions and across students. Rather than having individual instructors develop courses at a very high cost as a result of the amount of time and effort and support that are needed, colleagues can get together across universities, bring the quality to a higher standard and, in so doing, be able to offer it through licensing agreements and bring the cost to the individuals down to significantly lower levels, perhaps not free in all cases.

I noted that I had previously mentioned a book called DIY U that suggests there are so many resources out there on the Web that, if you are diligent and intelligent, you could conceivably construct your very own university curriculum. The remaining problem then is, how do you get your knowledge properly recognized and credentialed and perhaps move toward the awarding of a degree.

I informed the Board that we would start a national conversation at the Association of Public and Land-grant Universities in the coming week about beginning a framework in which we will have a platform that integrates available resources and different mechanisms for assessing competency or knowledge regardless of where or how it was acquired. There are interesting times ahead.

In a similar matter, at a meeting of the Science, Technology and Economic Policy Board, we discussed many important topics. Because one of the members of the board is a chief economist for Google, the two-day meeting was hosted at Google headquarters. At the meeting, the board recognized that the economy is still measured in ways that were defined in the 1930s and 40s. Today the industrial revolution maybe continues in some ways, but it certainly has transitioned into a knowledge and conceptual economy, though the economy has not yet found ways to value the intangibles or to value, in a market sense, education. So the STEP Board is starting a conversation
as to how to redefine the ways the economy is assessed and how to create tradable instrumentalities that might value, in a true market economy, the worth of an education.

I alerted Trustees to a number of recent accomplishments closer to home.

- The University had the ribbon-cutting for the Timken Engineered Surfaces Laboratory, which was very, very well attended. Jim Griffith, the CEO of Timken, led the Timken Group. Colleagues from Engineering assisted me in sharing with the attendees the very special nature of this partnership. When I recently asked the presidents of Stanford and MIT about this type of agreement, they said they did not know a similar example anywhere in the country.

- Likewise, The University of Akron and several other universities signed a Memorandum of Understanding with MAGNET, the Manufacturing Advocacy and Growth Network in Northeast Ohio, to create a very comprehensive partnership that makes University resources available to small- and medium-sized manufacturers. The University was the lead institution in that enterprise.

- I then congratulated Dr. Stephen Cheng, dean of our College of Polymer Science and Polymer Engineering, on his selection as the 2013 recipient of the Polymer Physics Prize of the American Physical Society, a national honor of distinction.

I concluded my remarks by noting that I would address some of these topics in more detail at the annual State of the University Address in the coming week.

2. Provost’s Report

Dr. Sherman said that while we all are anxiously awaiting the results of the election next week, it does not mean we can wait on pursuing the goals and objectives of Vision 2020, in particular, focusing on student success.

He reminded the Board that the Higher Learning Commission reaccreditation visit will be in March, with particular interactions with Trustees planned to happen between now and then. He said the first draft of that report was released to receive feedback from campus during the week of the Board meeting. He said the Board could anticipate an interaction with the Board and its committee at the December meeting before that report is submitted to HLC in late December.

He said that shared governance is an important aspect of that report, and, less than a year ago, we convened the first meeting of the University Council. Shared governance was brought up as an issue at the last visit, but our providing them our proposed structure for the University Council resulted in a stamp of approval prior to their visit, he said. We hope, and we anticipate, the continued work of the University Council through its important committees will bring again another stamp of approval for consultative decision making at The University of Akron, Dr. Sherman said.

He said that, because the State Teachers Retirement System has made some significant adjustments in retirement plans, his office is working with the deans and with Becky Hoover in Talent Development and Human Resources to understand the potential retirements from our faculty, to identify where gaps might emerge in instruction and to assure that those gaps are being filled to maintain the excellence of instruction. So we are being proactive in that regard, he said.
Dr. Sherman reported that there have been many conversations about UA Online, and the University clearly needs to move in that direction judiciously. He said the University will focus on adult markets and on markets where there are unique needs, in addition to UA Online, as significant components of recruitment and retention. He said the University is offering 85 courses and about 120 class sections online this fall, generating about 5,000 student credit hours of instruction. Working with the colleges through developing Vision 2020, plans are in progress for each one for how they will move courses in an appropriate way into the online arena, he said.

The Provost said they also have discussed a commitment to offering evening and weekend courses. Currently, the University offers almost 60 programs and certificates that can be completed entirely in the evening and weekends, including 2 associate programs, 15 baccalaureate programs, 29 masters programs and 13 certificates, he said. He reported that 840 evening and weekend courses are generating about 72,000 credit hours of instruction. He said, once again, we have plans from each college for how we will add value to our evening and weekend offerings so as to serve a broader audience in northeastern Ohio.

Dr. Sherman said he and I had our first college visit the past Monday and were pleased to say that Dean Chand Midha did a great job in bringing together about 250 faculty to discuss with them Vision 2020 and the leadership agenda. We also recognized faculty efforts in teaching, research and knowledge generation, acknowledged their importance in general education reform, recognized the success in the convergence of colleges last year, and offered to provide full support of possible other convergences of departments possibly into schools.

Noting that Student Trustee Alan Bowdler had mentioned the campus career fairs earlier in the week, Dr. Sherman said those were outstanding and very positive events for The University of Akron and its students. There were 147 companies in the first fair, with about 1,000 students having that opportunity to interact with those companies, he said. In the second fair, there were 124 employers, about 742 students engaged with them and a couple dozen of University of Akron alumni who came to take advantage of that career fair, he said. Perhaps a sign that there is some recovery is that there were about 20 percent more companies in one job fair and about 61 percent more companies in the other job fair engaging with our students about possible co-op and internship opportunities, he said. Dr. Sherman said he had the pleasure of walking through those job fairs and interacting with numbers of those potential employers and, when he asked them about our students, they said, “Your students are the best.” Dr. Sherman said he thinks we would all agree that The University of Akron’s students are the best.

3. Next Regular Meeting

The Board’s next regularly scheduled meeting is Wednesday, December 12, 2012 in the Student Union, Board Room 339, with an executive session to begin at 7:30 or 8 a.m. and the public session to begin no earlier than 9 a.m. Committee meetings will be held on December 3.

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