

## Minutes

**The University of Toledo  
28<sup>th</sup> Meeting of the Board of Trustees  
Monday, September 21, 2009  
The Toledo Hilton Hotel, Faculty Club Room  
1:00 p.m.**

The twenty eighth meeting of The University of Toledo Board of Trustees was held on Monday, September 21, 2009, at the Toledo Hilton Hotel in the Faculty Club Room. Chair Summons called the meeting to order at 1:30 p.m. Joan Stasa, Assistant to the President for Board Affairs, recorded the minutes.

### CALL TO ORDER

The following Board members were in attendance:

Treyken M. Addison, Student  
Carroll L. Ashley  
C. William Fall  
Joseph C. High  
S. Amjad Hussain  
William C. Koester  
Susan Farrell Palmer  
Olivia K. Summons  
John S. Szuch  
Cynthia B. Thompson  
Krystalyn Weaver, Student

### ATTENDANCE

The following Board members were absent:

Susan E. Gilmore  
Richard B. McQuade, Jr.

A quorum of the Board was constituted.

The following individuals were also in attendance:

Jamie Barlowe, Professor and Chair Women's Studies  
John Barrett, President Faculty Senate  
Toni Blochowski, Executive Assistant to Chief of Staff and VP  
Governmental Relations  
Thomas Brady, Interim Dean College of Education  
Frank Calzonetti, Vice President Research Development  
Mark Chastang, Vice President and Executive Director UTMC  
Laurie Cooper, Senior Legal Counsel  
David Cutri, Director Internal Audit  
David Dabney, Vice President Finance  
Bob Demory, Controller  
Michael Dowd, Associate Professor/Chair Economics  
Husan Dudar, Reporter for the *Independent Collegian*  
John Gaboury, Professor and Dean of University Libraries

Jeffrey Gold, Executive VP and Provost for Health Affairs, Dean of the College of Medicine  
Rosemary Haggett, Provost and Executive VP for Academic Affairs  
Lynn Hutt, Compliance Officer  
Lloyd A. Jacobs, President  
Tobin Klinger, Senior Director of University Communications  
Kevin Kucera, Associate Vice President for Enrollment Services  
Chuck Lehnert, Vice President Facilities and Construction  
Matt Lockwood, Director Public Relations  
William Logie, Vice President Human Resources and Campus Safety  
Nina McClelland, Interim Dean College of Arts & Sciences  
William McMillen, VP Governmental Relations and Chief of Staff  
John McSweeney, Faculty Senate President-elect  
Mike O'Brien, Executive Director for Intercollegiate Athletics  
Peter Papadimos, Vice President and General Counsel  
Kaye Patten Wallace, Vice President Student Affairs  
J.C. Reindl, reporter for *The Toledo Blade*.  
Scott Scarborough, Sr. VP for Finance and Administration, CFO UTMC  
Matt Schroeder, Vice President for Real Estate and Business Development  
Vern Snyder, Vice President for Institutional Advancement  
Joan Stasa, Assistant to the President for Board Affairs  
Jon Strunk, Media Relations Manager  
LeSha Thorpe, Treasurer  
Kathy Vasquez, Associate VP Government Relations  
Mary Jo Waldock, Special Assistant to the President for Economic Development  
Jill Zdunczyk, Senior Staff Auditor

Chair Summons requested a motion to waive the reading of the minutes from the June 22, 2009 Board meeting and accept them as written. A motion was received, seconded, and the minutes were approved by all Board members present.

A request was made and granted to remove from the Consent Agenda item a) Policy for Dissemination of an Internal Audit Report. The policy will be sent back to the Committee for clarification of language.

Chair Summons requested a motion to separately approve Consent Agenda item c) Resolution No. 09-08-17: "Authorization to Transfer Property to the Ohio Department of Transportation for the Airline Junction Intermodal Project." A motion was received and seconded. A majority vote of the Board is necessary for the transfer of property; therefore, a roll call vote was taken – Mr. Ashley, yes; Mr. Fall, yes; Mr. High, yes; Mr. Koester, yes; Ms. Palmer, yes; Ms. Summons, yes; Mr. Szuch, yes; and Ms. Thompson, yes. A majority vote was received and the motion passed.

**APPROVAL OF  
MEETING MINUTES**

**APPROVAL OF  
CONSENT AGENDA**

Chair Summons requested a motion for removal of Consent Agenda item e) Resolution No. 09-08-19: “Authorization for the Adoption of a Mandatory Employee Furlough Policy” for minor language changes. The motion was received, seconded and approved by the Board. In the second WHEREAS, second line, she requested the word “will” be replaced with the word “may.” Also, in the fourth WHEREAS, she requested the word “if” be inserted between the words reductions and necessitated. After discussion among the Trustees, Chair Summons requested a motion to accept the Resolution’s changed language. A motion was received, seconded and approved by all members of the Board. Chair Summons then requested a motion to approve the Resolution. A motion was received, seconded and approved by all members present.

Ms. Summons requested a motion to approve all remaining Consent Agenda items. A motion was received, seconded and all remaining consent agenda items were approved by the Board.

Dr. Jacobs began his President’s Report speaking about UT’s journey to excellence. He spoke of the discipline, perseverance, risk taking and creativity that will be needed on this journey. He thanked Dr. Jeffrey Gold for his excellent presentation today at The Toledo Rotary luncheon about *“The Club of 100” Visioning the Future of Our Region’s Health Care*. The Club of 100 is an elite group of the top100 American Academic Health Science Centers.

## **PRESIDENT’S REPORT**

Dr. Jacobs reported on several UT items of excellence:

- UT’s receipt of The American Heart Association 2009 Heart Walk Plaque.
- The Scott Park Campus of Energy and Innovation dedication which took place that morning.
- The Landmarks Preservation Council of NW Ohio Maumee Valley Preservation Award for excellence in preservation of the Memorial Field House. Bronze plaques are given to buildings that meet the criteria for being on the National Register of Historic Places and which have been restored or well maintained over the last ten years.
- A Proclamation from Mayor Carty Finkbeiner congratulating The University of Toledo for their hard work and commitment with restoration of the Memorial Field House.
- Recognition by GI Jobs Magazine – UT Distance Learning as a Military Friendly School for 2010.
- U.S. News and World Report August Issue, America’s Best Hospitals, 2009 Gold Sustained Performance Award for The University of Toledo Medical Center.
- UTMC Transplant Survey Exit Conference ODH surveyors found zero deficiencies with the UTMC Transplant Program.
- Record student enrollment figure for seven consecutive semesters.
- Extramural sponsored program support set a record for 2009 with a total of \$70.8 million, which is nearly 20% greater than 2008 total

- of \$59 million, and 12% greater than previous best year of \$63 million in 2007.
- Leader's Magazine – July, August, September 2009 edition, Volume 23, Number 3, Article on Advanced Energy, reported that The University of Toledo is a leader in solar research and instruction, helping a region that was at one time heavily dependent on the auto industry. It further stated that UT's Clean and Alternative Energy Incubator, Affiliated with Ohio's Third Frontier Wright Center for Photovoltaic Innovation and Commercialization, is building upon the Glass City's heritage to become a global leader in solar technologies.

Dr. Jacobs reported that these are great sources of pride for UT and urged everyone to continue to strive for excellence in all areas.

Dr. Jacobs reported on the long negotiation process regarding proposed health benefits choices, which included:

- Paramount PPO
- MMO Consumer Driven Health Plan (tentative)
- OBA FrontPath PPO (available on Main Campus only)

One of the objectives was to keep FrontPath in the plan. Difficult negotiations and much work were ongoing for approximately 15 months. Much progress has been made and a conclusion is nearing. Open enrollment will begin on October 15 and run through November 15, 2009.

President Jacobs reported that for several years prior to the merger of The University of Toledo and the Medical University of Ohio, both institutions strived to be a part of the Toledo community and its environs. Since the merger, a stated goal has been to support this community by raising the stature of The University of Toledo, and in doing so, to make this community stronger and more prosperous. UT has contributed in many ways; by attracting a more diverse and more prepared student body and by preparing that student body for citizenship. The University of Toledo has contributed to the economic prosperity of this community by performing research that has enabled new industry and new technology. The University of Toledo has strived with its partners to raise the bar for health care quality and the quality of life in general. The single simple way to sum up these efforts is to say that UT has strived for excellence in everything it does. Our strategic plan document has on its title page the Aristotelian quote: "We are what we repeatedly do. Excellence, then, is not an act, but a habit."

People who have developed and can demonstrate a track record of excellence are in great demand. Groundskeepers and custodians who are excellent are of great value and even in these times are difficult to recruit and retain. Faculty members who are excellent teachers and researchers are in great demand and are worthy of being rewarded with appropriate compensation. Scientists who develop discoveries in chemistry or in photovoltaics are at a premium in today's world and are being heavily

recruited by other universities and by industry. Administrators who are able to guide and inspire and who can make an institution safe are highly valued in today's market. In summary, The University of Toledo is a place where excellence is practiced on a daily basis and we believe that the results are becoming evident; this community is in fact recognizing the value of the practice of excellence. Indeed, in a recent debate all mayoral candidates pointed to The University of Toledo as part of an optimistic future for the city.

There are many evidences of UT's commitment to excellence. We recently exceeded \$70 million in research funds. Our enrollment has increased for seven consecutive semesters. Our clinical enterprise has grown in market share and quality. Overall, The University of Toledo has begun to execute its promise to engage with the community and elevate its own stature and the stature of the community.

Now, excellence resides in people, not in buildings, not in computers or laboratory equipment, or CAT scanners. Excellence is a practice and a human practice at that; and its practitioners are in great demand and difficult to recruit and retain.

One tool for their recruitment and retention is an institution's compensation strategy. Other tools include a pleasant, safe work environment and recognition of personal accomplishment. The University of Toledo follows a well-established compensation strategy; namely, to pay market competitive compensation to all employees. Compensation is compared to market benchmarks and an attempt is made to pay at the mean of the comparison group. While full implementation of this strategy is still underway, much progress has been made on both campuses.

This compensation strategy has allowed us to recruit and retain excellent faculty, staff and administrators. These people contribute to the welfare of this community in many ways, whether they are custodians or scientists. Their being here in Toledo improves the community.

Many of these people are much in demand. One member of our staff received four calls from headhunters in a single, recent week. A senior finance leader was recruited to Stanford at a salary threefold higher than his UT salary. One of the top administrators at The University of Toledo Medical Center was recently recruited to a Florida health care system where his salary would have been four times his UT compensation. Please note that I am referring to the sum of all components of the salaries of these two individuals, not a single component.

To structure salaries with multiple components places risk upon the salaried person, not on the institution; and promote performance and continuity. We have so structured salaries whenever appropriate, including faculty, staff and administrator salaries. If the employee does not perform

or continue in employment, some components of the benchmarked salary are not paid. In general, while much progress has been made at The University of Toledo toward matching salaries to an appropriate benchmark for most job categories, senior administrators are more frequently paid less competitive salaries more frequently than person in other categories.

Compensation is structured and benchmarked at The University of Toledo to promote performance and to create excellence. To do otherwise risks a slide into mediocrity. To move from this strategy hurts our image and recruiting ability. Currently, we are recruiting for several faculty and staff positions. If prospective employees Google “The University of Toledo” and read articles, blogs or columns criticizing our compensation philosophy, the likelihood of their coming here to enrich our community is lessened. Let’s stay committed to excellence.

Dr. Jacobs also discussed an Executive Feedback Program and indicated that a good objective 360 degree feedback program is extremely helpful. He suggests that we search outside for external expertise, but utilize internal processes where applicable. Trustees commented that a good way to evaluate performance is to set goals and evaluate performance against those goals. It was suggested that these goals be difficult enough to achieve, but not unreasonable to attain.

Chair Olivia Summons welcomed new Trustee Mr. Joseph High, as well as new Student Trustee Mr. Treyken Addison to their first official Board meeting.

Ms. Summons reported that the last few weeks have been phenomenal with what the institution is seeking to achieve. She mentioned the College of Pharmacy groundbreaking ceremony for its \$25 million facility, which was held on September 11 on the Health Science Campus. She complimented Mr. Mike O’Brien and Mr. Dan Saevig for all their work in preparing for the UT v. OSU football game in Cleveland – the spirit and energy UT fans exuded was great fun! She congratulated Mr. Larry Burns and Mr. Kevin Kucera and all others who were involved with increasing enrollment and commented that no one is increasing enrollment around Northwest Ohio like The University of Toledo. She also extended kudos to both Provosts for their assistance. She thanked all those involved with the special dedication today of the Scott Park Campus of Energy and Innovation. Thanks were also extended to Provost Gold for his presentation today at the Toledo Rotary luncheon on what it means to reach the Club of 100. Mention was made of the work Mr. John Barrett is doing with Faculty Senate. She is looking forward to a wonderful year to continue moving UT forward -- UT is on a cusp of great things!

**CHAIRMAN’S  
REPORT**

Dr. S. Amjad Hussain, Chair of the Academic & Student Affairs Committee, invited Dr. Kaye Patten Wallace to highlight our new student Trustee, Mr. Treyken Addison. Dr. Patten Wallace introduced Treyken, who goes by Trey. He is pursuing a double major in Sociology and in Law and Social Thought. Trey is an exceptional student leader who is very involved at UT. He is a member of Student Government where he serves as a Student Judicial Counsel Justice. He is also serving a second term as President of the Black Student Union. This past summer, Trey took part in a Study Abroad Program to South Africa where he studied at the South African Supreme Court as a student intern. Trey is also very involved in the community as a regular volunteer with Habitat for Humanity, the Cherry Street Mission Men's Shelter, and the African American Legacy project of NW Ohio. Trey was welcomed by the Board with applause.

Chair Hussain introduced Mr. Michael O'Brien and invited him to give an update on the UT Department of Intercollegiate Athletics. Mr. O'Brien thanked the Board for the opportunity to be at the meeting and thanked Chair Summons for her earlier comments. He reviewed the Mission Statement for Athletics and read Athletics "Big Audacious Goal" -- *To establish UT as a nationally recognized leader in the preparation of students for life beyond their athletic career; in academic, social decision making and other aspects of responsible living.* Achievements of academic excellence included –

- UT student athletes earned a record 3.157 GPS in the spring 2009 semester. This is the sixth time in the last eight semesters that UT student athletes earned a combined GPA over a 3.0.
- 57% (192 of 336) student athletes achieved a 3.0 GPA or better, the second highest percentage above a 3.0 in school history and the eleventh consecutive semester in which at least half of Rocket student athletes earned a 3.0+ GPA.
- Eleven of sixteen sports programs had team GPAs of 3.0 or above.
- Women's Soccer set an all-time high team GPA of 3.685.
- Football GPA increased by nearly half a grade.
- 24 student athletes earned perfect 4.0 GPAs last fall, while 113 earned a spot on the Dean's list by achieving at least a 3.50 GPA.

Competitive excellence includes quality facilities which attract top recruits to UT.

- Savage Arena
- Sullivan Athletic Complex
- Fetterman Training Center
- Soccer Field
- Track Surface
- Resurfaced Tennis Courts

Competitive excellence in performance included:

- Women's Soccer Team – Three time MAC Champions
- Men's Tennis and Baseball – MAC Tournament Finalists in 2009
- Coach of the Year – Women's Basketball and Swimming
- Within the past five years, championships were won in Men's

Basketball, Women's Cross Country (twice), Men's Golf, Women's Basketball and Football

Mr. O'Brien outlined public relations board-based exposure within the community as:

- NCAA 2009 Men's Golf Championship
- ESPN football coverage, i.e. Colorado
- Hiring of new coaches
- Post-season championship experience
- Rocket Sports Properties
- Managing negative perception

On the human development side, Mr. O'Brien reported that they are working with Human Resources and the newly-established Office of Equity and Diversity as they strive to develop/hire a diverse staff to reflect the diversity of our student athlete population. NCAA LifeSkills: a commitment to academics, athletics, personal and career development, and service, were reviewed.

- Alcohol Awareness (CHOICES Grant)
- Nutritional Education (IGNITE)
- Gambling
- Hazing
- Speaking Specialists
- AfterSport
- Numerous Community Service Projects
- Creating a "Welcoming" Culture

Challenges which face the Department of Intercollegiate Athletics were also discussed.

Dr. Rosemary Haggett presented the Committee with a recommendation for an honorary degree recipient – Mr. G. Rangaswamy. The Academic Honors Committee met on April 22, 2009 to recommend Mr. Rangaswamy for a Doctor of Business Administration honoris causa honorary degree at a future University commencement program. Due to the absence of members at the last Committee meeting, approval of this nomination and forwarding to the Consent Agenda at today's meeting could not be done; therefore, Dr. Haggett briefly spoke of Mr. Rangaswamy's outstanding work in education and health care and requested approval to honor him. Chair Summons requested a motion for approval of the nomination. A motion was received, seconded and approved by all members of the Board.

Mr. William Logie was asked by Dr. Hussain to present the Personnel Action Reports for August 17 and September 21, 2009. Chair Summons requested a motion to approve both Personnel Action Reports. A motion was received, seconded and approved by all Board members present. Audit Committee Chair, Judge McQuade, was absent; there was no report.

Chair William Koester reviewed the Clinical Affairs Committee meeting minutes from August 4, 2009. He reported that Mr. Chuck Lehnert, VP Facilities and Construction, presented the Committee with a status of

**AUDIT COMMITTEE**

**CLINICAL AFFAIRS  
COMMITTEE**



Health Science Campus construction projects. The Committee also reviewed and approved various medical staff personnel appointments. At the August 15, 2009 meeting, he reported that metrics on quality of care were reviewed in Executive Session. Mr. Koester proudly reported that for the last five consecutive quarters, the acute myocardial infarction mortality rate has been 0% for UTMC patients. This is well below the UHC expected rate and is mainly due to employees' swift action and following rigid procedures when a patient first arrives at the hospital with symptoms. Chair Summons requested a motion to accept the Clinical Affairs Committee meeting minutes from the August 4, 2009 meeting. The motion was received, seconded, and approved by all members present.

Chair Summons invited External Affairs Committee Chair Ms. Susan Palmer to provide the Board with an update. Ms. Palmer briefly mentioned the three naming opportunities presented on the Consent Agenda. She also commented about UT Innovation Enterprises and that Dr. Frank Calzonetti and Ms. Mary Jo Waldock would be presenting a report at a future meeting. Ms. Palmer reported that Mr. Matt Schroeder has been very active working with surrounding neighbors with plans for the Dorr Street Gateway Project and that Mr. Lawrence Burns has been very successful with this year's Toledo Guarantee Program.

Chair of the Finance Committee, Mr. John Szuch, invited Dr. Scott Scarborough to provide the Board with a financial update. Dr. Scarborough reported on the University's response to the State budget cuts and showed the areas that would be affected for both the Academic side \$7.9 million and on the Clinical side \$1 million. He mentioned that a lot of time has been spent trying to determine where to make up the \$8.9 million needed. As a last resort, ability to balance the budget may require a mandatory employee furlough program. He reviewed the financial calendar as follows:

- Independent accountants will complete their financial audit with the report due to State Auditors on October 15.
- The FY2009 Fourth Quarter Financial Report will be presented to the Finance Committee on October 19 and to the full Board on November 16.
- The FY2010 First Quarter Financial Report will be presented to the Finance Committee on December 14 and to the full Board on January 25.

Dr. Scarborough reported that the budgeted headcount for fall 2009 was 22,658 with actual headcount reported as 23,064 or 406 additional students. July and August numbers were reported as follows for the Academic Enterprise:

- \$1,300,000 positive revenue variance
- All other revenue and expense categories are within budget
- New for FY2010 is the system-level budgetary controls
- Budgeted a 0% operating margin

**EXTERNAL AFFAIRS  
COMMITTEE**

**FINANCE  
COMMITTEE**

July and August numbers were reported as follows for the Clinical Enterprise:

- Budgeted a 3% operating margin
- August YTD operating margin is 3.7%
- Inpatient admissions are 2.1% favorable to budget
- Clinic visits are at budget
- Surgeries/operations are at budget

Dr. Scarborough also discussed the payer mix for 2008 through 2009 year to date which includes Medicare-Traditional, Commercial, Medicaid-Traditional, Medicare-Managed, Medicaid-Managed, Worker’s Comp/Other and Self-Pay.

In Committee Chair Susan Gilmore’s absence, Board Chair Summons provided the Board with the Trusteeship and Governance Committee report. Ms. Summons requested that the Board members read and sign the Code of Ethics and return it to Ms. Stasa as soon as possible. She also asked that they review the Board’s Bylaw on Conflict of Interest.

Chair Summons also presented Resolution No. 09-08-18: “University Governance.” All the Trustees were familiar with the resolution; therefore, Ms. Summons requested a motion for approval of the Resolution. The motion was received, seconded and approved by all Board members present. Ms. Summons indicated that she would like to move forward as quickly as possible with the placement of faculty on the Committees. She asked that stakeholders, who have faculty recommendations for Committee membership, email them to Ms. Stasa by October 5, 2009. Further discussion among the Trustees about these appointments indicated that a process should be developed and discussed at the next Committee meeting regarding selection of faculty members prior to submission of recommendations – all members were in agreement. Ms. Summons will speak with Committee Chair Gilmore about this as an agenda item at the next Committee meeting.

Chair Summons indicated it was necessary to hold an Executive Session for review of union negotiations. A roll call vote was taken by Ms. Stasa – Mr. Ashley, yes; Mr. High, yes; Dr. Hussain, yes; Mr. Koester, yes; Ms. Palmer, yes; Ms. Summons, yes; Mr. Szuch, yes; and, Ms. Thompson, yes. After discussions, the Board voted to exit Executive Session.

There being no further business before the Board, Chair Summons adjourned the meeting at 3:40 p.m.

**TRUSTEESHIP AND  
GOVERNANCE  
COMMITTEE**

**EXECUTIVE  
SESSION**

**ADJOURNMENT**