

## Minutes

**The University of Toledo**  
**20<sup>th</sup> Meeting of the Board of Trustees**  
**Monday, September 22, 2008**  
**Driscoll Alumni Center Schmakel Room**  
**1:00 p.m.**

The twentieth meeting of The University of Toledo Board of Trustees was held on Monday, September 22, in the Driscoll Alumni Center Schmakel Room on the Main Campus. Chairman Stansley called the meeting to order at 1:00 p.m. Joan Stasa, Assistant to the President for Board Affairs, recorded the minutes.

### CALL TO ORDER

The following Board members were in attendance:

Carroll L. Ashley  
Thomas E. Brady  
C. William Fall  
Susan E. Gilmore  
Marvin K. Himmelein  
David G. Huey  
S. Amjad Hussain  
William C. Koester  
Richard B. McQuade, Jr.  
Susan Farrell Palmer  
Joseph Russell, Student Trustee Nominee  
Olivia K. Summons  
John S. Szuch  
Richard B. Stansley, Jr.  
Cynthia B. Thompson

### ATTENDANCE

The following Board member was absent:  
Krystalyn Weaver, Student Trustee Nominee

A quorum of the Board was constituted.

The following individuals were also in attendance:

Aaron Baker, Government Relations Specialist  
Jamie Barlowe, President Faculty Senate  
Toni Blochowski, Executive Secretary to Chief of Staff and VP  
Governmental Relations  
Lawrence Burns, VP External Affairs  
Frank Calzonetti, VP for Research Development  
Mark Chastang, VP and Executive Director UTMC  
Melissa Chi, Reporter for the *Independent Collegian*  
Lauri Cooper, Sr. Legal Counsel  
David Dabney, Vice President Finance  
Robert Demory, UT Controller  
Michael Dowd, Associate Professor and Chair Economics  
John Gaboury, Professor and Dean of University Libraries

Timothy Gaspar, Dean of the College of Nursing  
 Meghan Gilbert, Reporter for *The Toledo Blade*  
 Jeffrey Gold, Executive VP and Provost for Health Affairs, Dean  
 College of Medicine  
 Rosemary Haggett, Provost and Executive VP for Academic Affairs  
 Lloyd A. Jacobs, President  
 Kwabena Kankam, Director of Internal Audit  
 Tobin Klinger, Senior Director of University Communications  
 Kevin Kucera, Associate VP of Enrollment Services  
 Jacqueline Layng, Special Assistant to the Provost, Associate Professor  
 Communications  
 Brenda Lee, President UT Foundation  
 Chuck Lehnert, VP for Facilities and Construction  
 William Logie, VP Human Resources and Campus Safety  
 Ken Long, Associate VP for Budget and Planning  
 Nina McClelland, Interim Dean for the College of Arts & Sciences  
 Ronald McGinnis, Medical Director UTMC  
 William McMillen, Chief of Staff and VP Government Relations  
 Walter Olson, Professor MIME  
 Peter Papadimos, VP and General Counsel  
 Kaye Patten Wallace, VP Student Affairs  
 Richard Perry, Professor Emeritus Higher Education and Associate VP for  
 Academic Affairs Emeritus  
 Penny Poplin Gosetti, Interim Vice Provost for Academic Innovation  
 Douglas Ray, Dean of the College of Law  
 Scott Scarborough, Senior VP for Finance and Administration  
 Beverly Schmoll, Dean College of Health Science & Human Service  
 Matt Schroeder, Director of Business Enterprises  
 Mary R. Smith, Associate Dean for Clinical and Graduate Medical  
 Education  
 Vern Snyder, Vice President for Institutional Advancement  
 Joan Stasa, Assistant to the President for Board Affairs  
 Jon Strunk, Media Relations Manager  
 Margaret Traband, Interim Executive Director UTLC  
 Douglas Wilkerson, VP for Research Administration  
 Douglas Winner, Chief Financial Officer UTMC  
 Harvey Wolff, Professor of Mathematics

Before beginning the business of the meeting, Chairman Stansley  
 welcomed Student Trustee nominee, Mr. Joseph Russell, to the meeting.  
 Mr. Russell mentioned that he is a Political Science major, is honored to be  
 on the Board and is looking forward to working with the Trustees. The  
 Board is waiting for formal appointment of our two new student trustees by  
 the Governor. Ms. Krystalyn Weaver was not able to attend this meeting  
 due to an exam that was scheduled at the same time.

Chairman Stansley requested a motion to waive the reading of the minutes  
 from the July 28, 2008 and September 3, 2008 Board meetings. He

**STUDENT TRUSTEES**

**APPROVAL OF  
MEETING MINUTES**

requested a motion to accept the minutes as written and obtain Board approval. A motion was requested and received, it was then seconded, and the Trustees unanimously approved the minutes for both meetings.

Board Chairman Stansley also requested a motion to approve all consent agenda items. A motion was received, seconded and all consent agenda items were unanimously approved by the Board.

President Jacobs reported the final score of the UT and Fresno State home football game was 55-54 with Fresno State coming out on top. He reported that it was a very interesting and exciting game and applauded the football team for how good they played.

Dr. Jacobs mentioned that the Memorial Field House officially opened on September 18 and that tours were ongoing. He mentioned the excitement among students and faculty who spoke at the grand opening event. He commented on the superb presentation by Professor Barbara Floyd who spoke about the history and future. The building's \$27 million of renovations will open for classes in January 2009 and house the Department of English and Foreign Languages.

Mention was also made that the indoor practice field is in the design stage and a more formal proposal will be brought to a future meeting. The Savage Arena renovation is also progressing nicely.

Chairman Stansley did not have a report.

Dr. Tom Brady, Chairman of the Academic and Student Affairs Committee, requested that Trustees who had any changes to the Committee charge forward it to his attention at their earliest opportunity so that the charge could be finalized.

Chair Brady asked Dr. Jeffrey Gold to give his presentation on the affiliation proposal between UT and St. Joseph Mercy Health System. Dr. Gold began by stating the basis for the affiliation is over the next 20 or so years the ability for SJMHS to attract and retain high quality medical staff will be challenged by a severe national shortage of physicians and other health care providers. The plan to develop 8-10 new graduate training programs at SMMH in collaboration with UT is perhaps the single most important opportunity the health system will have to assure continued access to the physician workforce for the next 20 years. Dr. Gold provided several reasons for the desirable affiliation with SJMHS and discussed the strategic direction. He provided background on St. Joseph Mercy Health System and reasons why the quality of care and quality of patient outcomes are significantly higher at teaching hospitals than at community hospitals. Dr. Gold explained the opportunities for graduate medical education, medical student education, and health professions education in several

**APPROVAL OF  
CONSENT AGENDA**

**PRESIDENT'S  
REPORT**

**CHAIRMAN'S  
REPORT**

**ACADEMIC AND  
STUDENT AFFAIRS  
COMMITTEE**

areas. Opportunities in research collaboration, marketing/branding/communication, government relations, and joint recruitment of faculty and staff were also mentioned. Members of an Affiliation Steering Committee meet monthly and development is underway for development of sub-committees. A proposed sub-committee structure was identified and a timeline/next steps were outlined as follows:

- Complete draft of the Master Affiliation agreement by October 1, 2008.
- Complete SJMHS/UTCOM Affiliation Strategic Plan by December 31, 2008.
- Complete SJMHS/UT Program Affiliation Agreement Strategic Plan by June 30, 2009.

Provost Haggett was invited by Chair Brady to give the Trustees an update on the UT Learning Collaborative. Dr. Haggett indicated that the official start up of UTLC began on August 18, the University College ended and the “Consortium for Student Success” and “New Entity” are retired terms. UTLC is a unique organization model that enriches undergraduate education for all UT students based on their individual needs and interests. This model also builds the “portal of entry” idea in *Directions* and adds values to education of all undergraduate students regardless of their major. Dr. Haggett explained that UTLC is a value-added academic experience for all undergraduate students when they are in their first year, when they qualify for the Honors program, seek job placement and career exploration, need tutoring and supplemental instruction, desire to study abroad, seek research opportunities with faculty; want to combine service and learning opportunities, and have disabilities. UTLC also serves as a portal to the university for junior high and high school students as they choose their college and career paths, adult students considering entry into new and/or continuing education, transfer students considering UT as a location to complete their degree, students seeking degrees in individualized or liberal studies programs, and some direct from high school students. Dr. Haggett also provided the Board with a flow chart to show how the process works.

College Admission Standards for 2009-2010 first time freshmen were outlined. Enrollment for undergraduates increased from 16,527 in 2007 to 17,592 in 2008; graduate enrollment increased from 4,594 in 2007 to 4,744 in 2008. Direct from high school students increased from 3,595 in 2007 to 3,899 in 2008 with an average ACT score of 21.7 and an average GPA of 3.12. Michigan direct from high school enrollment increased from 234 in 2007 to 310 in 2008 with an average ACT score of 22.8 and an average GPA of 3.36. Direct from high school African American students increased from 600 in 2007 to 719 in 2008, and direct from high school Hispanic students showed an increase of 106 in 2007 to 239 in 2008. Dr. Haggett also reported that retention increased slightly from 68.3% in 2006 to 69.6% in 2007.

The Trustees were brought up to date about the Strategic Assessment of the College of Arts & Sciences by The Learning Alliance. Roundtable

participants total 33, which includes faculty from the College of A&S and across campus, administrators, community members and a student. Interviews were conducted by TLA September 15-19 and the first roundtable discussion will be October 21-22.

**ACADEMIC AND  
STUDENT AFFAIRS  
COMMITTEE  
CONTINUED**

Dr. Haggett reported that Interim Dean of the College of A&S is Nina I. McClelland, Ph.D. Dr. McClelland is an internationally known chemist and a highly successful UT alumna. She is a two-time graduate of UT and holds a 2003 UT Honorary Doctor of Science Degree. Dr. McClelland is president of a consulting firm focusing on public health issues and environmental sciences, Chair of the A&S Advisory Board, and holds multiple leadership roles with the American Chemical Society.

Chair of the Audit Committee, Judge Richard McQuade, reported that the first Audit Committee meeting will be held in October. Responses are expected back soon to the RFP submitted for outsourcing audit services. This additional assistance is needed due to the increased audit responsibilities post merger. Findings will be presented to the Audit Committee at the October meeting and to the full Board at the November Board meeting. The Audit Report by Plante & Moran will also be presented at the October Committee meeting.

**AUDIT COMMITTEE**

Clinical Affairs Committee Co-Chair William Koester updated the Trustees about the August 5 Committee meeting. He mentioned that Mr. Mark Chastang has been busy preparing and educating the Board for The Joint Commission survey. Mention was also made about the *U.S. News and World Report* article Dr. Jeffrey Gold shared with the Committee at the August meeting showing 112 U.S. hospitals who received the 2008 Gold Sustained Performance Award. The University of Toledo Medical Center was included on the list of performance-award-winning hospitals recognized for sustained performance (two or more years at 85% or higher adherence) to all performance measures. Dr. Ronald McGinnis also discussed the Medical Staff Bylaws revisions recommended through the annual review process.

**CLINICAL AFFAIRS  
COMMITTEE**

At the September 2 Committee meeting, Mr. Chastang again briefed the Committee on the status of the hospital's readiness for The Joint Commission visit. The Committee was also presented with an initial draft of the UTMC Community Health Plan for FY09 for review. Dr. Ronald McGinnis provided the Committee with a report on HCAHPS – Hospital Consumer Assessment of Healthcare Providers and Services and noted that significant improvement is needed in some areas.

After Mr. Koester's briefing about the Clinical Affairs Committee meetings, a final revised version of the Medical Staff Bylaws was distributed to each Board member present. After Board discussion of the revisions, Chairman of the Board Stansley requested a motion to approve the Medical Staff Bylaws as revised. A motion was received, seconded

and approved by all members of the Board. The Board members also accepted the Clinical Affairs Committee report.

**CLINICAL AFFAIRS  
COMMITTEE  
CONTINUED**

Chair of the External Affairs Committee Mr. William Fall thanked Trustee Olivia Summons for chairing the August 18 Committee meeting in his absence. At the meeting, Mr. Richard Martinko, Director of the Intermodal Transportation Institute, presented an overview of the Strategic Collaboration The University of Toledo, in conjunction with the Toledo-Lucas County Port Authority, entered into with Midwest Terminals of Toledo International, Inc. and Melford International Terminal, Inc. of Nova Scotia, Canada.

**EXTERNAL AFFAIRS  
COMMITTEE**

Mr. Fall also mentioned the Capital Campaign Victory celebration scheduled for September 26 in the newly renovated Memorial Field House. Mr. Vern Snyder was invited to advise the Board that the Capital Campaign total is \$106,294,835 as of September 15. He is looking forward to thanking all the donors at the Friday night event.

Mr. Scott Scarborough was asked to present the impact of the State's budget cuts on the University. Overall, the 4.75% across the board cut will cost higher education about \$22 million in state appropriations. State share of instruction (SSI), capital appropriations, and need-based aid were exempted from the 4.75% cut. The estimated 2008-2009 impact on UT will be approximately \$700,000, primarily in the clinical teaching line. A plan is being developed to reduced the 2008-2009 operating budget by this amount; this plan will be shared with the Finance Committee on October 20. The state's next biennial budget is the greater concern; financial contingency plans are being developed.

Finance Committee Chair John Szuch invited Mr. Scott Scarborough to give a status report on the year-end audit. Year-end audited financial statements are due to the State Auditor by October 16. Auditors have completed two-thirds of their fieldwork. As soon as this work is complete, they will meet with the Audit Committee to present their findings. Concurrent with the completion of their work, the year-end financial report will be finalized and presented to the Finance Committee and Senate Bill 6 ratios will be calculated.

**FINANCE  
COMMITTEE**

Mr. Scarborough provided the Board with a schedule of quarterly financial reports that will be presented to the Finance Committee and to the full Board for the University and UTMC. Financial highlights of UTMC were presented. The Quarterly Financial Report, Clinical Enterprise for the Fourth Quarter, fiscal year ended June 30, 2008 was distributed at the meeting. The new report is consistent with the new budget format. Mr. Scarborough pointed out that it was a good year and highlighted the following:

- 5.5% growth in net patient revenue
- Operating income \$8.3 million
- Operating margin 3.3%
- Net income \$6.1 million
- Increase of days cash on hand from 129 to 144 days
- Bad debt as a percent of net patient revenue has decreased
- Market share has increased

Graphs were presented comparing UTMC FY 2006, 2007, and 2008 increase in total admissions; decrease in length of stay; increase of inpatient and outpatient operating room cases; and, increase of emergency room visits.

A presentation on bonded indebtedness and auction rate investments was given by Mr. Scarborough where he discussed the current debt profile. A graph was displayed showing rates on variable rate demand bonds. He also discussed the ongoing debt plans and investments in auction rate securities.

Trusteeship and Governance Chair Susan Palmer briefly discussed the August 18 Committee meeting. Specifically, she mentioned the resolution passed by the Board earlier in the meeting about “Approving Authority for Administrative Policies.” Ms. Palmer also mentioned that the Board of Trustees Code of Ethics would be brought back to the November Board meeting for signing due to a word omission.

Chairman Stansley kindly requested that the Executive Session portion of the meeting be moved to the end of the agenda so that Other Business could be covered first. All Board members indicated agreement with his request.

Mr. Stansley requested Dr. Jeffrey Gold introduce the new Dean of the College of Nursing. Dr. Gold mentioned that after a robust and national search, Dr. Timothy Gaspar was chosen as the new dean. He asked Dr. Gaspar to stand and said that Dr. Gaspar is a highly regarded national leader, very connected in where nursing is going and in the short time he has been with us has been a very critical contributor to the team. Dr. Gaspar stated that he is very pleased to be here at UT.

Mr. William Logie presented the Health Science Campus 2007 Annual Safety Report and Evaluation of Environment of Care Management Plans, as well as the Health Science Campus Safety and Health Report, January-April 2008. After discussion the Board members unanimously accepted the reports as presented.

Also presented by Mr. Logie were Personnel Actions since the August 18 Academic and Student Affairs Committee meeting. A motion was requested by Chair Stansley to approve the Personnel Actions Report. A motion was received, seconded and the Personnel Actions were approved by the full Board.

**FINANCE  
COMMITTEE  
CONTINUED**

**TRUSTEESHIP AND  
GOVERNANCE  
COMMITTEE**

**OTHER BUSINESS**

**NEW DEAN FOR  
COLLEGE OF  
NURSING**

**ACCEPTANCE OF  
SAFETY REPORTS**

**PERSONNEL  
ACTIONS**

Dr. Jeffrey Gold presented the affiliation agreement between The University of Toledo, the University of Toledo Clinical Faculty, Inc., and The University of Toledo Physicians, LLC as a document that needed updates related to the merger of the two institutions. He indicated that the changes were basically title changes and were nothing of substance to discuss. After the Board’s review of the agreement, Chair Stansley requested a motion to approve the changes as presented. A motion was received, seconded and the affiliation agreement changes were unanimously approved by the Board.

**AFFILIATION AGREEMENT**

Resolution No. 08-09-20: “The University of Toledo Veterans Memorial” was presented by Mr. Vern Snyder. The University of Toledo proposes to create a site where the deeds of our service men and women can be celebrated and remembered. This site will also serve as a reminder of the price some have paid for the freedoms generations of students enjoy. The Veterans Plaza will be located at the east entrance of the newly renovated Memorial Field House. The resolution, which was written by Dr. Richard R. Perry, Professor Emeritus Higher Education and Associate VP for Academic Affairs Emeritus, was unanimously approved by the Executive Board of the UT Retirees Association on November 15, 2006. Chairman Stansley requested a motion for approval of the resolution. A motion was received, seconded and unanimously approved by the Board of Trustees.

**RESOLUTION FOR UT VETERANS MEMORIAL**

Resolution No. 08-09-21: “Waiver of Competitive Procurement for the Purchase of Health Care Benefits” was presented by Chairman Stansley. Mr. Stansley requested a motion to approve the resolution. The motion was received, seconded and unanimously approved by the full Board.

**RESOLUTION FOR WAIVER OF COMPETITIVE PROCUREMENT FOR THE PURCHASE OF HEALTH CARE BENEFITS**

Chairman Stansley requested that Board members review the Committee Charges and provide input how they can be changed to tie back to the UT Strategic Plan. He asked that the Committee Chairs review it with their membership and have them ready for the October 20 Committee meetings.

**BOT COMMITTEE CHARGES**

Chairman Stansley requested a motion at 3:10 p.m. to enter Executive Session to prepare for, conduct, or review negotiations or bargaining sessions and to discuss the employment of a public employee. The motion was received, seconded and approved by all Board members present. A roll call vote was taken: Mr. Ashley, yes; Dr. Brady, yes; Mr. Fall, yes; Ms. Gilmore, yes; Mr. Himmelein, yes; Mr. Huey, yes; Dr. Hussain, yes; Mr. Koester, yes; Judge McQuade, yes; Ms. Palmer, yes; Mr. Stansley, yes; Ms. Summons, yes; Mr. Szuch, yes; and, Ms. Thompson, yes. At the conclusion of the Board’s discussions, they voted to exit Executive Session.

**EXECUTIVE SESSION**

There being no further business before the Board, Chairman Stansley adjourned the meeting at 3:45 p.m.

**ADJOURNMENT**