

Retirements included several employees who had agreed to retire on or before December 31, 2020, and in exchange would be held harmless from a potential involuntary reduction in force. As a result of these submissions, the University was able to reduce the potential number of involuntary reductions in force.

President Miller thanked Ms. Kelly and recommended approval of the resolution as amended on behalf of the University's administration.

**RESOLUTION 7-5-20 (See Appendix B.)**  
**ACTION: Ciraldo motion, Scala second, passed 9-0**

- Approval to Abolish Positions (Tab 6)
- Approval to Abolish Bargaining Unit Faculty Positions (Tab 7)

President Miller made the following statement:

“Thank you, Mr. Chairman. As we have examined ways to reduce the University's budget, we have done so with a paramount goal of preserving as many employee positions as possible throughout the process.

In an effort to meet that goal, we have undertaken many steps to realize savings, short of a reduction in force. Some employees have chosen to resign or retire. Our employee unions have agreed to modify existing collective bargaining agreements, including accepting temporary pay reductions. Non-bargaining unit employees also have been asked to sacrifice financially, through temporary salary reductions and through permanent increases in healthcare premiums. I am grateful for these collective sacrifices made by our hard-working employees.

However, as I have shared with this Board and the University community in the past, personnel costs make up approximately sixty percent (60%) of this University's total budget, and many of the remaining budget items are fixed costs that cannot be substantially reduced. Unfortunately, the considerable sacrifices already made by our employees are insufficient to design a budget that will sustain The University of Akron under the conditions that we now face.

Because of its own financial difficulties as a result of the pandemic, the state already has reduced higher education funding for the upcoming year and is projected to do so again in Fiscal Year 2021-22.

Moreover, the recent resurgence of COVID-19 cases in Ohio has created further uncertainty as to the challenges that the University will face in the upcoming academic year. We continue to experience declining enrollment, greatly worsened by the pandemic, and the resulting loss in revenue. Although our financial reserves can provide some limited partial relief to this situation, reserves alone are insufficient to resolve the crisis that we face, and must be protected as much as possible, in order to preserve the University's future. Therefore, in order to better align the University's workforce with its current financial situation, I must recommend to the Board the following two resolutions to eliminate 178 positions at the University.”

President Miller then called on Ms. Kelly to provide details of these resolutions.

Ms. Kelly said that these resolutions would abolish a total of 178 positions, including 96 bargaining unit faculty positions and 82 non-bargaining unit faculty positions.

The resolutions would be effective as of July 15, but with separation dates to be determined by statute, University Rules and applicable collective bargaining agreements. No separation date would be less than two weeks from July 15.

All employees whose positions are abolished would receive:

- Educational benefits for them and their families, substantially similar to those provided to employees and as modified from time-to-time by the University;
- No-cost services through Ohio Means Jobs, which include: job search assistance; resume writing workshops; and interviewing workshops; and
- Employee Assistance Program (EAP) services through Impact Solutions for employees and their family members, free of charge, for ninety (90) days post-separation.

Projected annual savings from the position abolishments would be approximately \$16.4 million.

President Miller thanked Ms. Kelly and made the following statement:

“I know that this is not welcome news, and we all are saddened by the prospect of losing valuable and skilled colleagues. Regrettably, however, in order to sustain The University of Akron, and to preserve as much as possible its dwindling reserves, I recommend on behalf of the administration that the Board adopt these two resolutions.”

Mr. Gingo thanked President Miller and Ms. Kelly and made the following statement:

“Before we take the vote on these Resolutions, on behalf of myself and this Board, I wish to offer my appreciation to all of our employees who have sacrificed in an effort to preserve as many positions as possible at the University. Your dedication to this institution and to your colleagues is commendable.

When I joined the Board in 2016, I was well aware that the University faced significant financial challenges, but we have continued to work extremely hard over the years to address our issues. We realized that we had to immediately take significant cost-savings steps to rise to the challenge before us. Given our financial challenges brought on by the pandemic, coupled with our overall enrollment decline and our debt burden, it is critical that we be proactive and use every opportunity available to us to create sustainable financial stability for the University.

Unfortunately, as President Miller has said, the institution’s financial challenges are too steep to overcome with just this sacrifice, and the University, regrettably, must reduce its workforce in order to sustain its future.”

(Approval to Abolish Positions)

**RESOLUTION 7-6-20** (See Appendix B.)

**ACTION: Bauer motion, Scala second, passed 9-0**

(Approval to Abolish Bargaining Unit Faculty Positions)

**RESOLUTION 7-7-20** (See Appendix B.)

**ACTION: Bauer motion, Scala second, passed 9-0**

**ADJOURNMENT**

**ACTION: Meeting adjourned at 11:35 a.m.**

Joseph M. Gingo  
Chair, Board of Trustees

M. Celeste Cook  
Secretary, Board of Trustees

August 12, 2020