

**THE UNIVERSITY OF AKRON**

**BOARD OF TRUSTEES**

Special Meeting Minutes

Friday, May 29, 2020

Student Union, Room 339

**Board Members Present:**

Joseph M. Gingo, Chair

Olivia P. Demas, Vice Chair\*

Alfred V. Ciraldo, M.D., Vice Chair

\*Via teleconference

Lewis W. Adkins, Jr.

Roland H. Bauer

Cindy P. Crotty

Michael J. Dowling

Thomas F. Needles\*

William A. Scala

**Student Trustees Present:**

Andrew M. Adolph\*

\*Via teleconference

Taylor A. Bennington\*

**Advisory Trustees Present:**

Anthony J. Alexander\*

\*Via teleconference

Dr. David W. James\*

**Staff Officers of the Board Present:**

M. Celeste Cook, Secretary; Vice President & General Counsel

John J. Reilly, Assistant Secretary; Associate Vice President & Deputy General Counsel\*\*

\*\*Adjacent support

**Administrative Officers Present:**

Dr. Gary L. Miller, President

Dr. John M. Wiencek, Executive Vice President and Provost\*

Tammy Ewin, Vice President/Chief Communication and Marketing Officer\*

Wayne R. Hill, Vice President and Chief of Staff\*\*

Nathan J. Mortimer, Vice President, Operations\*

Dr. Rex D. Ramsier, Vice Provost and Director of Academic Administrative Services\*

Dr. Stephen R. Storck, Interim Chief Financial Officer\*

Dr. Joseph R. Urgo, Interim Senior Vice Provost, Acting Dean, Buchtel College of Arts and Sciences\*

\*Via teleconference

\*\*Adjacent support

**SPECIAL BUSINESS MEETING OF THE BOARD OF TRUSTEES**

Mr. Gingo called the meeting to order as a committee of the whole at 10:00 a.m., and the Board adjourned into executive session on a 9-0 vote for the stated purpose of considering the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official pursuant to O.R.C. 121.22(G)(1) and to review for collective bargaining sessions pursuant to the provisions of O.R.C. 121.22(G)(4). The meeting returned to public session at 11:04 a.m. on a 9-0 vote. Mr. Gingo thanked everyone who was participating in the meeting, both in person and via teleconference. He noted that the meeting was being

conducted in response to the current orders and guidelines from the Ohio Governor and Department of Health, and in accordance with temporary legislation by the Ohio General Assembly.

Mr. Gingo then asked Secretary Cook to elaborate on how that compliance applies to Trustees as well as to the University, and to call the roll to verify the quorum majority of voting Trustees and establish the record of attendance for all Board members.

Ms. Cook said that Ohio Am. Sub. House Bill 197 establishes a temporary policy for public bodies, including our Board of Trustees, to utilize electronic communication in lieu of in-person public meetings during the period declared by Executive Order 2020-01D on March 9, 2020, but no later than December 1, 2020, in response to the COVID-19 pandemic. For Trustees, this means that attendance via teleconference is equivalent to attendance in person and would be counted toward establishing a quorum and voting during the meeting. This temporary legislation also requires notification to the public and media of the date and time of the meeting as well as information as to how the public may gain access to the open portion of the meeting via electronic communication. “This was being accomplished for today’s Special Board of Trustees meeting by advance notification and posting of the meeting’s date, time, and a link to the web page hosting the live stream of this public session,” Ms. Cook said. She then called the roll to record attendance and confirm a quorum.

### **NEW BUSINESS**

Mr. Gingo said that the Board would consider several items of new business and that the resolutions would be available on the Board’s website following formal action. He then invited President Miller to present the first proposed action.

- Redesigned College Administrative Structure (Tab 1)

President Miller made the following statement:

“Thank you, Mr. Chairman. I bring before you a resolution to fundamentally redesign the organizational structure of the entire academic portfolio of The University of Akron. If you approve this today:

- All of our most important and highly subscribed undergraduate and graduate programs will be retained and organized into five (rather than 11) colleges and schools.
- Our strongest and most distinguishing programs will move forward as cohesive units and sheltered in the same administrative unit as related disciplines in order to provide the highest level of interaction and continued growth.
- Our ability to manage administrative costs will be dramatically enhanced.
- Our ability to be responsive to the needs of the local and regional economy will be enhanced by this more efficient administrative structure.

It is important for the Board to appreciate the unprecedented nature of this resolution. The faculty and staff of The University of Akron have accomplished in mere months what it would take most universities years to do. Many universities – perhaps most – would have simply been unable to accomplish such a sweeping redesign at all. We Zips are delivering this plan to you weeks ahead of our scheduled date of June 10.

It is true the COVID-19 pandemic and the ensuing financial crisis applied an uncommon sense of urgency to our work. But, I can say—without the slightest hyperbole—that in my 30 years in higher education, I have never been associated with a leadership team and a faculty and staff more determined, more capable, more creative and more committed to their institution than the group I have the honor of working with at Akron. This plan does not come close to satisfying everyone. We recognize that we may need to make some revisions later. And, of course, there is hard work ahead. But, what you have before you today demonstrates that this University can respond and can do so quickly.

Importantly, this plan was developed while adhering to our principles of shared governance. It certainly was accomplished in a shortened timeframe, but there was meaningful discussion and input throughout the process. I hope you will join me in thanking the members of the University community—especially the Faculty Senate and its leadership—for this accomplishment.

I will now ask Executive Vice President and Provost John Wiencek to provide further details concerning the reorganization. John?”

Dr. Wiencek referred to the document of recommendations, which had been communicated to the community and included with the meeting materials, as the basis for the resolution. He praised the participatory process, which had started with the deans under the leadership of Interim Provost Urgo and engaged the Faculty Senate and University Council to further refine the final plan that was being presented to the Board. He stated that, “I do believe that there is a large consensus that this is the right thing to do to move forward and an interest in ongoing discussions about continual tweaks going forward, in particular perhaps a STEM school as was reflected in the documents. So, in essence, I do think this is the right moment to do this. This is going to help us with our budget resetting process, and it is really going to position us well to come out of COVID-19 stronger and with a lot of forward momentum.”

President Miller thanked Dr. Wiencek and said that, “On behalf of The University of Akron, I strongly recommend approval of this resolution.”

**RESOLUTION 5-1-20** (See Appendix B.)  
**ACTION: Adkins motion, Dowling second, passed 9-0**

- Revisions to Employment Rules (Tab 2)

President Miller introduced the next three proposals as actions that would modify one existing University rule and enact two new University rules to provide greater flexibility to the

University with respect to its workforce. “As we continue to navigate the effects of the COVID-19 pandemic and to reorganize the college administrative structure, these rules will be essential tools for our work,” he said. He then called on Associate Vice President for Human Resources and Chief Human Resources Officer Sarah Kelly to thank her for her work on these proposals and asked her to provide additional details concerning the rules.

Ms. Kelly reported that, “Consistent with the process that is outlined in House Bill 187 and the Inter-University Council’s Human Resources Committee Implementation Guidelines, the University Human Resources office engaged in an extensive consultative and transparent process with the campus community concerning these proposed rules.

We started the process by posting the rules on the University’s web page for 31 days, where we solicited comments and feedback, and received over 100 questions and comments via an online form. We provided a regularly updated Frequently Asked Questions page to address those comments and questions that were submitted. In addition, we hosted an online live forum, due to the remote conditions that we are in now, which over 300 people attended, and during the forum we fielded and responded to over 120 questions. The forum was recorded and placed on our Web page for those who were unable to attend. Finally, in alignment with our commitment to shared governance, representatives from Human Resources and the Office of General Counsel met with both the Staff Employee Advisory Committee and the Contract Professional Advisory Committee to discuss the rules, answer their questions and ask that they submit formal feedback from each committee for the rules, which they did.

As a result of this consultative process, the administration made some changes to the proposed rules following the notice and comment period, examples of which are we expanded the notice period for longer-serving contract professional employees, which was by far the number-one comment we received; we also removed some language that suggested a long-term notice for retirement. In addition, we received many comments regarding the potential implementation of these rules, which, should the Board adopt these rules and the University find a need to act on the rules, we will consider as we move forward.”

Ms. Kelly then highlighted the individual proposed rules:

University Rule 3359-26-05.1, Reduction in Workforce

This is a new rule to The University of Akron that provides greater flexibility to the University administration for a reduction in workforce of classified civil service staff employees. It replaces the current inflexible process that is defined under Chapter 124 of the Ohio Revised and Administrative Code. The new rule will minimize the disruptive effects of the displacement process and ensure that employees receive more than two weeks’ notice in the event of a layoff.

University Rule 3359-22-01, Contract Professional Rule

Amendments are being made to this existing rule. The rule previously did not address specific circumstances for a reduction in force, which are now addressed within the rule

containing specific provisions for the reasons for a reduction in force and the applicable notice period. In addition, the revised rule contains language to cross reference the following new furlough rule.

University Rule 3359-11-02.1, Furloughs for Non-Bargaining Unit Employees

This is a new rule to The University of Akron to codify existing legislative authorization to enact furloughs to help balance the University's budget. This rule allows the University to furlough contract professionals, non-bargaining unit staff and faculty for up to 70 days in a fiscal year, and the furloughs could be implemented on either a continuous or an intermittent basis.

President Miller thanked Ms. Kelly and recommended approval of the resolutions on behalf of the University.

- Approval to Adopt University Rule 3359-26-05.1, Reduction in Workforce

**RESOLUTION 5-2-20** (See Appendix B.)

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

- Approval to Adopt University Rule 3359-22-01, Contract Professional Rule

**RESOLUTION 5-3-20** (See Appendix B.)

**ACTION: Adkins motion, Ciraldo second, passed 9-0**

- Approval to Adopt University Rule 3359-11-02.1, Furloughs for Non-Bargaining Unit Employees

**RESOLUTION 5-4-20** (See Appendix B.)

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

- Approval to Temporarily Reduce Non-Bargaining Staff and Contract Professional Employees' Annual Compensation and to Renegotiate Employment Contracts (Tab 3)

President Miller made the following statement:

“The next item on the agenda is a resolution to authorize a temporary salary reduction for non-bargaining unit staff and contract professionals. The resolution also authorizes additional voluntary pay reductions and the authority for the University to negotiate changes to individual employment agreements.

I am pleased to announce that Provost Wiencek, as well as all cabinet members and University senior administrators having the rank of vice president or dean, have joined me in taking a voluntary 10-percent pay reduction for Fiscal Year 2020-2021. I know that this is a personal sacrifice, but I believe that this sacrifice demonstrates the level of commitment by our senior administrators to this University and its future success.

I also want to acknowledge coaches Arth, Embick and Groce, who each have taken a voluntary 20-percent pay reduction, as well as Coach Jackson, who has taken a voluntary 10-percent pay reduction, for Fiscal Year 2020-2021. Their individual sacrifice also reflects their commitment to this University and the success of its mission.”

President Miller again called on Ms. Kelly to provide an overview of the resolution.

Ms. Kelly reported that, “As noted by Dr. Miller, this resolution has three elements. The first is tiered salary reductions. This recommendation is consistent with many of the suggestions we received during the previously discussed public notice and comment period for the rules. It is being implemented in an effort to reduce job eliminations, and it is similar to efforts conducted by other public institutions in the state of Ohio. The tiered nature of the pay cuts is being done to avoid disproportionate impact to our lower-paid employees, and the reductions do not affect those making less than \$50,000 per year. The second piece of the resolution is to seek authorization for employees to take a voluntary reduction in addition or in excess to the tiered amount. And finally, the administration seeks authority to negotiate modifications to the terms and conditions of individual employment contracts such as done with some of our head coaches in Athletics. Based on current headcounts and salaries for those affected by this resolution, the University estimates that we will save approximately \$2.1 million for Fiscal Year 2021.”

President Miller thanked Ms. Kelly and recommended approval of the resolution on behalf of the University.

**RESOLUTION 5-5-20** (See Appendix B.)

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

- Approval to Increase Employee Contributions to Health Plan Premiums (Tab 4)

President Miller made the following statement:

“The next item for consideration by this Board is a resolution to authorize an increase in healthcare contributions for non-bargaining/non-faculty employees. Unfortunately, the University’s current financial situation, along with continuing increases in healthcare costs, require that the University adjust the level of employee contributions in this area.”

President Miller again called on Ms. Kelly to provide additional details of the resolution.

Ms. Kelly reported that, “The University provides employees with the opportunity to obtain medical and prescription drug coverage. The employee and the University share in the cost of this coverage. The employee contribution is determined by a percentage of the premium equivalency cost of the plan they choose, and it is further determined by a tiered salary-level contribution. The annual cost estimated for Fiscal Year 2020 to provide this benefit to employees is approximately \$17 million, of which approximately \$7.3 million can be attributed to the non-bargaining employees without faculty rank. This resolution will

increase the contributions for employees earning over \$50,000 by 11 percentage points. The projected savings to the University for this measure is approximately \$700,000 for Calendar Year 2021.”

President Miller thanked Ms. Kelly and recommended approval of the resolution on behalf of the University.

**RESOLUTION 5-6-20** (See Appendix B.)

**ACTION: Adkins motion, Crotty second, passed 9-0**

- Authorization to Eliminate Retiree Dependent Health Insurance Benefits for Non-Bargaining Unit Employees (Tab 5)

President Miller made the following statement:

“The next item for consideration by this Board today is a resolution to authorize the elimination of retiree dependent healthcare benefits for non-bargaining unit employees. Presently, The University of Akron is the only public university in the state to offer this benefit, at a current annual cost to the University of nearly \$2 million. This resolution will authorize the University to eliminate this coverage for non-bargaining unit retirees, at a projected savings of approximately \$1.46 million.”

President Miller again called on Ms. Kelly to provide additional details of the resolution.

Ms. Kelly reported that, “The University provides health insurance coverage to eligible dependents of retirees who were hired prior to January 1, 1992 and retired with ten consecutive years of service. Currently there are approximately 417 retiree dependents that receive healthcare from the University; 322 of these dependents are of non-bargaining unit retirees. As President Miller noted, The University of Akron is the only public university in Ohio to offer this benefit, and it is not statutorily required. The current annual cost of this benefit is approximately \$2 million, of which \$1.46 million can be attributed the non-bargaining unit retiree dependents. The cost is likely to continue to grow due to the increasing cost of healthcare and those still eligible to enroll in the plan. The administration recommends elimination of this benefit for the non-bargaining unit retirees effective January 1, 2021. As Dr. Miller stated, the projected annual cost savings for this is \$1.46 million.”

President Miller again thanked Ms. Kelly and recommended approval of the resolution on behalf of the University.

**RESOLUTION 5-7-20** (See Appendix B.)

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

- Personnel Actions recommended by Dr. Miller as amended (Tab 6)

**RESOLUTION 5-8-20** (See Appendix B.)

**ACTION: Ciraldo 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