

THE UNIVERSITY OF TOLEDO Approved @FS mtg. 3/17/09
FACULTY SENATE
Minutes of the Senate Meeting of February 24, 2009
<http://www.facsenate.utoledo.edu>

HIGHLIGHTS

**Provost, Health Science Campus
Chair Undergraduate Curriculum Committee
Chair Academic Programs Committee
Sr. VP for Finance & Administration**

Note: The remarks of the Senators and others are summarized and not verbatim. The taped recording of this meeting is available in the Faculty Senate office or in the University Archives.

President Jamie Barlowe called the meeting to order, **Nick Piazza, Executive Secretary**, called the roll.

I. *Roll Call –2008-2009 Senators:*

Present: Ankele, Bailey, Baker, Baines, Barden, Barlowe, Barnes, Barrett, Brickman, Caruso, Casabianca, Coventry, Davis, Denyer, Dowd, Dupuy, Elmer, Fink, Fournier, French, Funk, Giovannucci, Graham, Gunning, Hoblet, Horan, Hottell, Hornbeck, Humphrys, Jenkins, Kistner, Laux, LeBlanc, Lee, Lehmann, Lipman, McSweeney, Metting, Nims, Peseckis, Piazza, Poling, Powers, Pryor, Randolph, Regimbal, Sharkey, Sheldon, Stierman, Teclehaimanot, Thompson-Casado, Wedding, Wolff

Excused absences: Crist, Crosetto, Duggan, Floyd, Klein, Olson, Ragu-Nathan, Tietz,

Unexcused absences: Dismukes, Lundquist, Szirony, Tietjen

A quorum was present.

II. **Approval of Minutes:** Minutes of 2/10/09 meeting approved as distributed.

III. *Executive Committee Report:*

Executive Secretary Nick Piazza asked the Senators to introduce themselves before speaking to get the speakers' names recorded accurately in the minutes.

President Barlowe: I have two announcements today. First, there were errors on the Senate ballot. A new ballot will go to Nursing faculty. In addition, the names of currently serving Senators should not have been included on the ballot, and, tomorrow, Kathy will send an email listing those Senators. The second announcement is about is the "Getting to Professor Workshop." Part II will be held on March 23 at SU-2584. The first one was very successful. The 40-50 people who attended heard a lot of good advice. They asked a number of questions of the panelists, who provided helpful answers. The second workshop will focus on the preparation of dossiers, and panelists who have recently completed the process of promotion to full professor will present and answer questions.

I also want to talk about the Academic Journey Committee. Senators Barden and Peseckis talked about the Academic Journey when the materials for updating the FYI course were presented to you. I want to add that, despite some concerns, this committee is not usurping the Faculty Senate curriculum committees. I'm on the committee, as are Senators Walt Olson, Tom Barden, Brian Randolph, Steven Peseckis, Mary Powers, Steve LeBlanc. The last three are the chairs of the Senate curriculum Committees. The Academic Journey Committee is looking at ways to make our curriculum more

coherent for undergraduates who come to this university. We are conceiving of that coherent curriculum as an academic journey. This journey will be part of the way that we will recruit students and get undergraduates excited about this institution and about undergraduate education at The University of Toledo. Our current method, sometimes called a “grocery-store” model of education, asks students to pick courses and throw them in a basket without asking them to make connections among the courses. It also expects them to be passive receivers of their education. We are asking faculty and students to think more about the connections between FYI as the beginning of the academic journey, the core, general education, the choice of major, the major courses, and some kind of culminating experience, whether it be a designated Capstone course, another course, or an internship as the keystone of the academic journey. Each of these elements of undergraduate education is a touchstone on the journey where students would be asked to do some reflective thinking and writing about what constitutes the journey, how its touchstones are connected, and how they perceive themselves as students. In other words, the Academic Journey Committee has been working on how we might reframe our existing courses and curriculum. How does a university prepare students for the kind of problems we face in the 21st-century and engage them in a curriculum that includes, for example, interdisciplinarity, problem-solving, transportable skills, civic involvement, and research?

Finally, I want to bring you up to date on the work on shared governance. Last Thursday members of the Executive Committee and I attended an all-day retreat with the Senior Leadership Team and the Deans. Members of the Senior Leadership Team gave reports on their goals, and my report was on the goals of shared governance. As I told the group last Thursday, I don’t believe that I was elected as Faculty Senate president because of my irresistible charm and stunning good humor. I believe I was elected because I gave you a presentation on shared governance and made a promise to you that I would work very hard this year to improve and increase communication and to build trust and raise awareness of shared governance, or at least make sure that shared governance is active and working issue on our two campuses. In order to work toward those goals, the Executive Committee and I have been opening as many channels of communication as possible with the administration and the Board of Trustees. We have also been working to keep you as informed as possible about their activities and initiatives. The more informed we are, the less fearful we are, and the greater are our chances for improved communication.

We also need to improve communication within the Senate. This first year of the merged senate. We have merged physically, we all sit in the same room, we meet on both campuses, but I am not sure how much we have merged and integrated culturally. I don’t think we understand our differences and our similarities. I don’t think many of us even know each other yet. I think that’s an issue for the future of shared governance. Please send me any ideas you have about what we might do for the rest of this academic year and next year to improve our communication and active participation. I know John Barrett, who will be the president next year, will also appreciate any input that you might have about how we can bring the two campuses together, not just as a merged senate but also a merged faculty. While we have different cultures, different histories, and different backgrounds, we share the same institution, and we function in the terms of that particular institution.

This concludes the report. Any questions or comments from the floor?

Senator Thompson-Casado: With regard to shared governance and rumors around campus some of us in A&S are concerned that there are a lot of changes in the College of Education and we share a lot with Education, is there anything concrete that you can update us on?

Senator Regimbal: College of Education. I have been asked to speak to Faculty Senate on behalf of the college about some of the issues of which you may or may not be aware. It started probably first with the letter from President Jacobs to Provost Haggett about our dean and the dean’s search. The

faculty senators were initially told that the college would be engaged in conversation about the search for a new dean, and a definition of what we were looking for, not that we would write the job description but that we would be engaged in a conversation and from that discussion a job description would be written. We started out with a conversation and it suddenly came to an end. We then saw a letter from the President indicating we would be looking for an interim dean who was outside of education and then search for a dean, and his wording caused most of us to interpret his intention to look for a person who had a business background, or a “business dean” is how we referred to it, someone with a business background. The President’s decision to select a business dean for JHCOE had caused much discussion a great deal of concern.

The second issue that has caused us concern occurred before our faculty meeting on Friday when we received a letter from our dean indicting that there had been conversations with the provost having to do with online education and in particular our master’s degree in curriculum and instruction and our master’s degree in educational leadership. We were told that we should consider a conversation with Higher Education Holdings about providing an online master’s degree. During the faculty meeting it came to light that there had been two meetings, one apparently between the deans and the provost. I don’t really know if the President was present at that meeting, and a second meeting with the deans, the chairs, some selected members of the faculty and two members from the company, Higher Education Holdings, where they talked about the possibilities of online degree programs.

We had a quite a discussion at the faculty meeting and the faculty would like me to share with you some of our concerns. One of the concerns was in general violation of faculty rights and contract assures of self governance. This had to do in part with the new definition for “research active” and what that mean. So there was a great concern as to what does research active mean and how that is connected to the other things that are beginning to happen in our college.

Second, we felt that we have some misunderstanding of, or are not quite sure of the budget and the financial issues that have been shared with us. We think there might be some misinterpretation or misrepresentation, and in some of the meetings that the faculty have had with Provost Hagggett I was told that she was asked directly about how is our college being evaluated and was budgeting a part of that, and the question was not really answered.

In one of their recent budget documents, a cash flow chart, College of Education does not look very healthy and so there are real concerns about the financial issues and what impact that will that have on the university, in particular our college.

Third, we felt that is a failure to understand the impact of teacher education programs on the local, state, regional and national education community and this, in fact, was reflected in the notion to appoint a dean outside of education and possibly going with this Holding company for our master’s program.

Fourth, a lack of recognition of effective programs and a professional issue central to teacher education, licensure and certification, in particular with our graduate program. As a result of that the faculty put forward a resolution that was passed unanimously and I would like to share it with you, it was passed by 33 faculty members. It was delivered to the Provost, President Jacobs, the Faculty Senate Office and the AAUP Office, and I apologize but it should have gone to the Graduate Council, but it did not. I will make sure that a formal copy is presented to the Graduate Council. It reads,

**Judith Herb College of Education
Faculty Resolution**

**Passed Unanimously at the Feb. 20, 2009
College Faculty Meeting
(33 Faculty Members Present)**

As the Faculty of the Judith Herb College of Education we request, in the spirit of shared governance, that no contractual agreements affecting the curriculum and its delivery be entered into with either Higher Education Holdings or any other external entity. We also request that all information and conversations that have been held by the University of Toledo's Central Administration with external entities, relevant to the JHCOE curriculum and its delivery, be made public to the faculty of the JHCOE and that the faculty be included, in the spirit of shared governance, in all further discussions with external entities.

Thank you.

President Barlowe: Any questions?

Senator Dowd: I would like to ask the Provost, at what stage are her conversations with this outside organization?

Provost Haggett: Thank you for the opportunity to speak to this issue. To answer your question, Mike, they are in the early stages of conversation. Let me tell you that a number of meetings have occurred. I have met with the individuals of Higher Education Holdings. I introduced them to the College of Education through a meeting between the college dean, the associate deans and selected faculty members who are in the programs that this company is interested in, which is two masters degree programs, one the master's in curriculum instruction, and the other a master's in educational administration. The company laid out their general plans, invited people to ask more questions, the company has given answers back. It is my understanding that there is a video conference with the company tomorrow and people from the college have been invited to ask more questions. So in a meeting with some college faculty as recently as an hour and a half ago, I have presented this opportunity as an administrator of this university, I am not trying to sell anything. If this is not going to provide a high quality opportunity to provide our masters degree programs across the State of Ohio, I am not interested. If it does, at least I'm open to that option. This is not something that this Provost or anyone else is trying to force on this college or its faculty. Potentially it's an exciting opportunity to be able to deliver masters programs that individuals would not have the option to get otherwise. There is still a lot to learn, and I invite questions and a dialogue.

Senator Dowd: I have a follow up question. When you say that you are not forcing this decision on the faculty or the college, will you be presenting this proposal to that faculty for a vote?

Provost Haggett: Faculty will have an input in to this process. An hour and a half ago I was talking to the Curriculum and instruction faculty and I told them that they will have an opportunity for input in to this, but the decision to do this will be in a time frame of a matter of weeks rather than months.

Senator Dupuy: The two programs in the College of Education are they the only two programs being considered for this, or are there other master's programs in other colleges that are in these preliminary stages of conversation.

Provost Haggett: Those are the only two programs that this company is particularly interested in at the University of Toledo. They have partnerships with Ohio University in Nursing. They actually approached them first in Education but decided they would work with them in Nursing. They have partnership with the University of Texas in Arlington and Lamar University in education. They talked to us about these two particular programs at the master's level.

Senator Dupuy: Are there other companies that are having the same kind of dialogue and are interested in partnership?

Provost Haggett: We have not had other companies approach us and I have not engaged in conversations with any other company along these lines.

Senator Stierman: Has anyone in the administration had previous experience with this company?

Provost Haggett: Scott Scarborough is here and he may wish to speak to this. This company was engaged at DePaul University and this company bought a campus from DePaul. Scott knows this company when he was at DePaul University. He is not affiliated with this company, he received no income from this company, he is not a board member, but he has at one time represented DePaul University's interest and investment that DePaul made in this company. As a CFO at DePaul, he represented DePaul in an investment they made in this company. Scott may wish to address this issue himself.

President Barlowe: We may have more discussions on this later, and as Celia Regimbal introduced to you, some of this may become an issue for the Graduate Council and discuss this as well. You may also ask Scott these questions when he addresses us later. Dr. Gold is next.

Provost Gold: Good afternoon and thank you once again for meeting here on your Health Science Campus. My remarks will be brief limited to only one or two subjects. First, I had the pleasure of being with the President, Provost Haggett and other members of the senior leadership of the University and students as well, representing the University at what was called "Mascot Day." Mascot Day is a day when once a year all the mascots of the various universities of the State of Ohio get together in the State House in Columbus get to have lunch with the chancellor, listen to the senior elected official of both Houses and then go from office to office of the elected officials get to meet with them and talk about the various agenda items that the universities have. We also had the opportunity to attend the IUC (Inter-University Council) on the same day. It was really a remarkable day because as we passed from the offices of the various elected officials, to the chancellor, the IUC, etc., it's very clear the extremely high regard that the University of Toledo has held for innovation, for engagement with the USO strategic planning and for being supportive of the chancellor. The message that I took home was that it "felt good". The message we tried to transmit is that we are the most flexible university in the state university system, and I think the message was received.

I would also like to touch on the recent all day senior leadership retreat which the members of the Faculty Senate Executive Committee attended last week. It was a remarkable event because each of the members of the senior leadership team (all the vice presidents) have a large audacious goal that they are trying very hard to attain. Some of them are attainable and some are not, but each of us have at least one, I personally have two. I would just like to echo what Dr. Barlowe said and to compliment her on her presentation regarding shared governance. I remain with deep respect for the work that the Faculty Senate Executive Committee, particularly Dr. Barlowe brings on the scholarly aspects of shared governance. Remarkable history and traditions. I also believe that as Dr. Barlowe does, that The University of Toledo has an opportunity to take a real leadership position in better understanding both the structure and the culture of shared governance and not rely on just structural items but truly trying to change the culture regarding shared governance. There is a very broad willingness of the senior administration engaged upon that.

I would like to tell you that the Employee Health Center, what was formerly known as the Student Medical Center, which is now, if you noticed, The Medical Center. We are definitely open for business, for appointments as well as walk-ins. We are very grateful that we now get nothing but laudatory comments from faculty and staff and others that have used the facility. The idea is to get you in and out quickly with a filled prescription in your hand. I believe the Pharmacy renovation on the Main Campus has been completed and is up and running with an added space for pharmacist and for people using it. A way to have more privacy and to have a private consultation with the pharmacist. A way to try to add true dignity and autonomy to the process of receiving health care. We understand

here that it is not just about making the diagnosis and recommending a treatment but it's about dignity and autonomy, privacy and quality of the health care that is delivered.

Finally, I would also like to compliment Dr. Barlowe and the Faculty Senate Executive Committee for calling out the challenges that we still face in bringing the Faculty Senate bodies of the two campuses together. This is not going to be done merely by structure as Dr. Barlowe has tried to teach us. It's being done also by culture. We sit in the same room and we work with each other and over time we feel each other's challenges and successes and I think that is very important. Clearly we need to all embrace the challenges and successes of both campuses. I am more than willing to answer any questions. I thank you for the opportunity to be here with you.

Senator Dowd: Regarding the goals outlined by the various vice presidents last Thursday, would the president consider publishing those goals --- for example, putting them on the web? They were good ideas and I think the greater university would be interested to see what the Faculty Senate Executive Committee saw --- that the senior leadership sometimes has good ideas.

Provost Gold: We will recommend this.

Senator Dowd: The community should know what the senior leadership is trying to achieve this year.

Provost Gold: Just so that the members of the Faculty Senate get some representative ideas, Dr. Barlowe's big audacious goal is to work on this concept and create scholarly work around shared governance. I actually have two, one of them is to affect meaningful intra professional education among and between the disciplines on the Health Science Campuses, and the second one is, one that I didn't address last week, is to try and bring some rationality to the delivery of health care in Northwest Ohio. There are about 15 or 18 of them, and, yes, that is a very reasonable request to publish them as they evolve.

Senator Barnes: University College. I can't help but notice the irony in your stated commitment to shared governance and decision making and the presentation that we just had, where it sounded like Dr. Haggett will be making a decision in the next two weeks about something that has wide effect on a lot of faculty who have just asked for a more systematic opportunity to contribute input. Can you comment on that?

Provost Gold: Thank you for the comment. There is probably more detailed information than I have and therefore, not the most appropriate person to respond. There is no lack of commitment to the principles, structure and culture of shared governance by the senior leadership of this institution. I guess we are still struggling with how, given the fact that there is no process that will ever deem perfect, we need to continue to improve. One of the biggest challenges that we have is building trust. One cannot build trust overnight. Trust for the most part is earned and on a case by case basis, on a day by day basis, the fact that the Faculty Senate Executive Committee, the leadership of the university and all the working committees of the colleges and administrative offices are working to try and affect this culture.

Provost Haggett: The issue here is that we are dealing with the company that has a different timeframe than the university normally does. They wanted a decision from us within a couple of weeks whether or not this could be a go or not. That was the point that I was trying to make, it's something that we are going to need to decide whether we want to pursue this or not in a timeframe that is not within the norm in an academic setting. I wasn't saying that I am going to make the decision based on whatever my feelings are within a matter of two weeks. But rather, the discussion that we have whether or not to do this will be in a timeframe faster than what we are used to. I want all your questions answered and I want people to know this is not a provost initiated thing. This is an opportunity for The Judith Herb College of Education.

Senator Barnes: I think we should also recognize a larger conversation in higher education about the delivery of curriculum; it's something that we all as a community make a commitment to and decide together with certain ideas and values, and I think that that kind of decision would be better made with more time invested in the conversation up front. Frankly, I can't conceive of a business that wouldn't come back a year from now and still want our business. There are lots of such companies that want to

do this because it's a big cash cow. So we should think carefully about how we interact with this company because it's a big decision.

Provost Haggett: We are already in the DL business and we are the largest business DL provider in the State of Ohio. So we are already there. The public private partnership is a very different model.

Senator Barnes: I don't think I heard an extensive conversation here at Senate about DL though.

Senator Lehmann: A question for Dr. Gold. You talk about shared governance but you hide things. There was, as you know, a major opportunity for graduate students in the college of medical institution, \$1 million to initiate innovative training for graduate students for more translational medical research. Nobody told anybody about this as far as I can see. Why not? Why do you hide these things? To raise more money for this institution is more fun than saving money. Why don't you tell us about this?

Provost Gold: First of all we are desperately trying to find ways of leveraging out outside resources either the federal government private foundation funding, any parts of the recovery and re-investment programs both federally and state. If you are aware of the efforts going in, many of us have been working almost 24/7 for the last ten days putting initiatives into either the state or the federal program. It is certainly possible that there is some "stone that is left unturned". If I was aware of this opportunity personally and didn't share it, shame on me, and I personally apologize to you and the faculty. We rely to a large extent on initiatives of the chairs and by the faculty members to identify these opportunities as well. You and your department are far better connected to the program specific detail federal and foundation sources than actually we are. Those opportunities are plentiful today and we need to embrace every one of them. If this was an opportunity where I was personally aware of it, I sincerely apologize.

Senator Lehmann: It seems to me that academic leadership is not looking for academic opportunities but looking to save money and raise money without developing new innovative materials.

Provost Gold: With all due respect, sir, you could spend a day with either Dr. Haggett or myself I think you might change your thinking.

Senator Lehmann: Somehow it doesn't come down to my level.

President Barlowe: Thank you both, Dr. Haggett and Dr. Gold.

May I have the motion to approve the minutes? Motion made and seconded. *Passed unanimously.*
Steve Peseckis is next.

Senator Peseckis, Chair of Undergraduate Curriculum Committee: In front of you is the consent agenda. All those in favor of accepting the consent agenda, please say "aye." Opposed? None. *Passed unanimously.*

Course Modifications and New Courses
Approved by the Faculty Senate on February 24, 2009

College of Pharmacy
New Courses

MBC 3100 Practices in Pharmaceutical Research 1

Course Description: Consideration of the scientific, ethical, and legal obligations expected in the conduct of academic and industrial pharmaceutical research.

PHPR 3020 Pharmaceutical Technology I 4

Course Description: A lecture and laboratory introduction to the principles, theory, and processes involved in the manufacture and compounding of fundamental classes of dosage forms.

- PHPR 3030 Pharmaceutical Technology II** 4
 Course Description: A continuation of PHPR 3020 as a lecture and laboratory to the principles, theory, and processes involved in the manufacture and compounding of fundamental classes of dosage forms.
- PHPR 3130 PPT-1 Pathophysiology and Pharmacotherapy I** 2
 Course Description: Discussion of pathophysiology, clinical presentation, etiologic causes, laboratory findings, diagnosis and therapy of attention deficit hyperactivity disorder, sleep disorders, acid-base, fluid and electrolytic imbalances, pain and substance abuse.
- PHPR 3140 PPT-2 Pathophysiology and Pharmacotherapy II** 2
 Course Description: Discussion of pathophysiology, clinical presentation, etiologic causes, laboratory findings, diagnosis and therapy of endocrine disorders and reproduction.
- PHPR 3260 PHCAAd-1** 2
 Course Description: Description and analysis of the organization, financing and delivery of healthcare in the U.S.. Development of communication skills for pharmacists to function optimally in the system is emphasized.
- PHPR 4520 PHCAAd-2** 2
 Course Description: This course is to introduce students to the administrative sciences (marketing/management, etc.) and their respective roles in the provision of pharmaceutical care.
- PHPR 4070 PPD-3** 4
 Course Description: Interpersonal communication with emphasis upon application of one-to-one communication and patient counseling. Instruction in the broad dimension of professional pharmacy practice and responsibility for providing pharmaceutical care, and use of drug information resources, and provision of drug information.
- PHPR 4080 PPD-4** 4
 Course Description: Course enhances professional development to meet specific patient and health care practitioner needs. Instruction includes effective literature analysis, presentation of care plans, and pharmacy jurisprudence.
- PHPR 4130 PPT-3 Pathophysiology and Pharmacotherapy III** 4
 Course Description: Discussion of pathophysiology, clinical presentation, etiologic causes, laboratory findings, diagnosis and therapy of immune, renal and rheumatologic disorders and transplantation.
- PHPR 4140 PPT-4 Pathophysiology and Pharmacotherapy IV** 3
 Course Description: Discussion of pathophysiology, clinical presentation, etiologic causes, laboratory findings, diagnosis and therapy of pulmonary and hematology disorders.
- PHPR 4160 Pharmacokinetics** 3
 Course Description: Theoretical basis and clinical application of pharmacokinetics as relates to drug dosing, absorption, distribution, biotransformation, and excretion.

PHPR 4330 Research Design and Drug Literature Evaluation 1 2
Course Description: Concepts of research design, statistical analysis, literature evaluation and evidence based medicine are introduced and integrated in a manner that depicts their practical relevance to pharmacy practice.

Course Modifications

MBC 3320 Med Chem II: Drug Targeting to Receptors 3
- Change title to “Medicinal Chemistry II: Endocrine, Reproductive, and Cardiology Drugs”
- Change credit hours from “3” to “2”

MBC 3330 Applied Drug Design 1
- Change credit hours from “1” to “2”

MBC 4300 Medicinal Chemistry III: ID Chemo and Immunotherapy 3
Effective Spring 2011
Change title to Medicinal Chemistry III: Infectious Disease Chemotherapy
Change credit hours from “3” to “2”
Change term offered from “Fall” to “Spring” (not offered Fall 2010)

PHCL 3720 Pharmacology II: Endocrine and CNS Pharmacology 3
- Change title to : “Pharmacology II: Endocrine, NSAID, and Cardiovascular Pharmacology”
- Change credit hours from “3” to “2”
- Update catalog description to: “The pharmacology of drugs acting upon the endocrine and reproductive systems will be discussed followed by a discussion of the non-steroidal anti-inflammatory agents and the drugs used to treat hypertension and hyperlipidemia.”

PHCL 4700 Pharmacology III: CNS and Cardiovascular Pharmacology 3
- Change credit hours from “3” to “2”

PHCL 4720 Pharmacology IV: Chemotherapeutic Agents 3
- Change credit hours from “3” to “2”
- Change prerequisites from “PHCL 4700 and 4150, and MBC 3800” to “PHCL 4700 and MBC 3800”

PHPR 3070 Pharmaceutics and Pharmaceutical Technology I 4
- Change title to “PPD-1”
- Change corequisite from “PHPR 3010” to “None”
- Update Course Description: Course considers the principles and thought processes involved in solving pharmacy-related mathematical problems and the theory and processes involved in the manufacture and extemporaneous compounding of dosage forms.

PHPR 3080 Pharmaceutics and Pharmaceutical Technology II 4
- Change title to “PPD-2”
- Change from “PHPR 3010 and 3070 and permission of instructor” to “PHPR 3070 and permission of instructor”
- Update Course Description: Further exploration of the principles, theory and processes involved in the development and preparation of parenteral, ophthalmic and other non-oral drug delivery systems.

PHPR 3920 IPPE-1	2
- Change credit hours from “2” to “1”	
PHPR 4900 Honors Seminar in Pharmacy Practice	3
- Change credit hours from “3” to “1-3”	
PHPR 4920 IPPE-2	2
- Change credit hours from “2” to “1”	
PHPR 4960 Honors Thesis in Pharmacy Practice	5
- Change credit hours from “5” to “2-5”	

Senator Powers, Chair of Academic Programs Committee: We have a revised report and the committee recommends approval of these programs. *Motion to approve passed unanimously.*

Academic Programs Committee Report (revised)

All new programs and program modifications are posted at:
<http://curriculumtracking.utoledo.edu/>

Item 1 – ARS – B.S. Biochemistry (New Program)

A new program that would lead to ACS certification

Item 2 – PHM – B.S.P.S. Pharm.D. Track (Program Modification)

The changes are needed to meet ACPE accreditation requirements and include addition of an introductory practice experience as well as other changes

Item 3 – PHM – B.S.P.S. (non-licensure Track) (Program Modification)

The changes are needed to resolve course compatibility issues due to modifications within the Pharm.D. track

For future new program proposals and program modification proposals that would impact course offerings from other departments, please note the Academic Programs Committee requires that the contact person for the proposal would communicate with the affected departments about the changes and how the proposed changes could impact their course enrollments before the Academic Programs Committee would consider the proposal. Evidence of the communication should be included with the program proposal form.

President Barlowe: The last speaker of the day is Dr. Scott Scarborough.

Dr. Scarborough, Sr. VP for Finance & Administration: I want to give you a tentative update about the State of Ohio’s budget process. As many of you know the Governor gave his State of the

State Address and then followed up with a recommended budget for the State of Ohio for the next two fiscal years. In that recommended budget, for the most part, higher education was spared once again, relative to what some of the other state entities are going to experience as a budget cut. For example, the state share of instruction, which is the largest share of our funding from the state, the governor actually recommended that that go up 5½ % in the next fiscal year. Given this economy and what the rest of state entities are going to face, it's extraordinary good news. To me, however, this commitment to the state's share of instruction is very much tied to his commitment to the tuition freeze going forth for another year. If you follow the logic if something changed and if the state were to say, we can't really give as much towards state's share of instruction as the governor would like, my guess is the universities would come back and say, you have to allow us to some extent to raise undergraduate tuition. Our costs are continuing to increase and there is no commensurate revenue to cover those increases. The governor's commitment to the state's share of instruction and the legislators' commitment to the state's share of instruction is very much tied to the issue of undergraduate tuition freeze. In order to fund the increase for the State's share of instruction, however, the other line items we get from the state were severely cut in the governor's recommended budget. For example, we have some economic development programs lines that were cut 97%, we have three additional funding lines that had to do with urban education and some other line items appropriations that were zeroed out. We have our clinical teaching line that was reduced by 5½%.

We had some other funding lines that had to do with family practice, the AHEC program that was reduced by 22½%, and lastly, we had a small capital expenditure appropriation that was increased by 3½%. So, again even though the state's share of instructions went up, one of the ways they are trying to fund that commitment to the state's share of instruction was by cutting severely the other line items. All in all, in the governor's recommended budget to the University of Toledo, we estimate what actually increased in the state funding by about \$5½ million in the first year of the biennium. In the second year of the biennium we might get an additional \$1 million. So that's relatively good news in terms of what the governor recommended in his initial budget. But after he made his recommendation to the Ohio House that's when the federal government began their work on the federal stimulus bill. It now has a new name, The American Recovery and Reinvestment Act. If you have been following the news, the House version of the bill was very similar to what Governor Strickland based his State of Ohio operating budgeting on and it was very generous to higher education and education in general in many ways. The Pell Grants are going up with additional block grants to the State from which the States can use that money to support higher education or public education. There is a lot of infrastructure dollars available. The House bill was very generous from a State perspective. The Bill went then to the Senate and there were significant modifications, it became much less generous to States and education in general. It then went to conference committee and the compromised bill that came back was somewhere in between the Houses Bill and the Senate Bill.

The President has now signed the bill. The Blade has reported that essentially what the State of Ohio is going to get is very close to the total dollars of what Governor Strickland thought it might be. However, the restrictions on particular dollars are very different than what he thought it originally would be. So the Governor has pulled back his budget, his budget office, the Office of Budget Management is now reworking the numbers. We thought we were going to get this amount in terms of education dollars, we didn't get that amount, but we got more Medicaid dollars than we expected, so we can take some of the dollars that we were going to use to subsidize Medicaid and divert those to higher education. So that work continues and we don't know the result of that work yet. But I would say this, the news is relatively good right now in terms of what might come out of the legislative process. But it has led some people to ask the question, we dodged the bullet can we forget the development process - the scenario we are asking people to go through? There is a couple of ways to answer that problem. We initially put the scenario process together and came up with the 7% and the 15% scenario, the 15% scenario was what some people would characterize as a worst case scenario. There are still others that could envision even a worst case, for me what was plausibly a worst case

scenario. I went back to my notes to identify all the variables that were important in this worse case scenario, so let me read the list that could have resulted in such a scenario:

- A reduction in State funding, which we now know is less likely at least the first year of the biennium assuming the Ohio Legislature and the Governor's budget doesn't change that much,
- An undergraduate tuition freeze, which is likely,
- Salary increases for the University of Toledo Collective Bargaining agreement, which is highly likely,
- Increased student financial aid due to a recessionary economy, which isn't as bad as what we had initially thought, but it's still likely,
- Increased debt service cost, interest rates, additional capital program which is very likely,
- Increased energy calls which have been fluctuating,
- Structural budget deficits which need to be corrected. The term structural budget deficit refers to essentially errors in our operating budget that have been there for years. The budgets have come to not really reflect our plan level of what the spending would be, but we had to use other sources of revenue to fill the gap. We are trying to correct those structural budget deficits in the next budget process. We caught about \$2 million worth of errors last year, I suspect we will have at least that much to correct this year.
- A lower academic subsidy from a thinner operating hospital margin. Currently the hospital generates a cash flow that we then take a portion of and it's used to support the academic programming at the university. The hospital right now, due to this deep recession economy is struggling a bit. Those of you who work at this campus and around the hospital know that the inpatient volumes have decreased relative to budget. We know that the payor mix in terms of the payments we receive from less generous payors in terms of uninsured showing up at the emergency room. Payor mix is beginning to shift adversely in the hospital. So the hospital has been responding the way you would want them to. Very aggressively trying to right size our cost structure to match the volume that we are seeing. There have been at least 61 filled positions that have been eliminated over the last couple of months. Those of you on this campus know the hospital has been struggling a little right now.
- We need to improve our non hospital enterprise operating margin. For those who have been looking at the financial statements that we have been preparing each year that we share widely, you know that our operating margin for non-hospital operation has been negative. In fiscal 2008 the operating margin for the non-hospital enterprise was a negative 3%. When you have a negative operating margin, you are not generating enough cash flow to be able to pay your debt service, pay your interest expense and reinvest in your physical plant, your IT infrastructure to keep it functioning properly. So you need a positive number in order to pay for those things at least in fiscal 2008 and I suspect in previous years has been negative. So there has been a plan to try to begin to reverse that in the budget that we adopted for this year. We took that planned operating deficit from negative 3% to a negative 1½%. So we took the small incremental set and tried to improve that but we still have more work to do.
- Departments desiring to budget expenditures from carry forward balances. As you know, one of the problems that has contributed to our poor operating performance is the fact that there are significant expenditures that are occurring outside of the budget from carry forward balances, and it made it really impossible, to be able to from a macro standpoint, manage the finances of the university when you have \$9 or \$10 million dollars that are being spent outside the financial plan each year. So part of the compromise with the Board of Trustees was to say, we will begin to include all expenditures in our financial plan, so that we are more in control of our financial outcomes. But in doing so, now you have to plan for those expenditures.
- The need to make strategic investments to advance the university's strategic plan. So we do want to continue, even we are in a difficult economic environment, we still want to make investments that make us better, and that positions us in a relevant market place to provide value and to achieve our mission.

So these were the collection of variables that initially led to the selection of a 15% worse case scenario. We all know that many of these variables including the state budget are not in a worse case mode. But there are a number of variables that we still know that we need to deal with. So there was a conversation as to whether or not to adjust that target when it became clear that one of those variables to State budget appears to be better than we thought. Those conversations may be moving down towards a 12% scenario. The collective wisdom was that again, this is an opportunity to reinforce that this is a scenario exercise. It is not suggestive in any way to an across-the-board approach to handling financial issues. So, again, the idea is to have all departments engage in a conversation that says what if we were in a position to require a 15% reduction within the department? In the end I suspect there will actually be some departments where we can take 15% out of some budgets. It would be great if we could pay our invoices and pay our vendors with 15% or more less money. We want our Accounts Payable Department to go through a scenario to ask, is there a right way to do this more efficiently? Again, there is no expectation of any kind of an across-the-board approach. In fact, just the opposite, any departments that will receive additional investments because they are thought to be such a great strategic importance, that they merit additional investment. So the exercise is to get all of the ideas on the table.

We have also tried to emphasize even though we are talking about 7% reduction scenario, or 15% we are actually trying to encourage both revenue enhancement conversations and cost reduction conversations. So we told vice presidents and deans and everyone involved that they can bring up to one half of your scenario, either scenario, in terms of revenue enhancement. You might say, why not allow people to carry 100% of the scenario of revenue enhancement? Simply because we want them to be thinking about both sides of the equation, revenue enhancement, but also to be more cost effective in pursuit of our mission.

So this process has been going on since January 20th. Budget development guidelines were issued with the input to the Finance and Strategy Committee, our shared governance committee that generated the revenue enhancement ideas that generated the cause reduction ideas that were included in the budget development guidelines. Those have been handed out to deans and vice presidents. There were numerous meetings to try to discuss how best to conduct this exercise. Then beginning this week we are beginning the pre-hearing phase. This is where every vice president and dean, provost and executive officer on the administrative side meet and begin to have conversations about the revenue enhancement and the cost reduction side of our budget. In a few weeks we will begin a formal budget hearing process where all the deans and vice presidents sit down with the President and walk through what they think is the best way to increase revenue and become more cost effective, if possible. By April 20th the University meets with the Finance Committee of the Board of Trustees with their recommended budget. But before that, whatever is coming out of the budget hearing process will go back to the Finance and Strategy Committee, again the representatives from all constituencies and get feedback. Again, give the shared governance process another opportunity to consider all appropriate strategies. I have been trying to make rounds in all departments to give people the review of the process of the finance as a whole, and we are doing everything we can to try and communicate this as clearly as possible. I would say, and I'm optimistic, if you handle these situations the right way, you actually emerge stronger and take advantage of the upswing that comes out of the ups and downs of a business cycle. That's where we are right now. I will be happy to answer any questions.

Senator Wedding: Do we have a China initiative and if so, how much per year does this cost us?

Sr. VP for Finance & Administration: A great question, I do not know the answer to this question, does anyone else know the answer?

Provost Haggett: In Beijing we are working with HD Dimensions and sharing office space while doing student recruitment, I cannot tell you what that costs us, I don't have those numbers with me. I personally visited that office space when I was in Beijing to sign a Memorandum of Understanding to

establish the Confucius Institute with the Yanshan University. I will be happy to report at the next Senate meeting how many students we have recruited and tell you the return on our investment. By having that space, we have seen a significant increase in recruiting Chinese students in both undergraduate and graduate programs. And I will be glad to report that to you next time when I have them available.

Senator Lehmann: It is my understanding that the stimulus package money has to be spent immediately, so in a year's time there will be no stimulus money in the budget. So what does that mean in terms of the budget, if we start budgeting based on this handout?

Sr. VP for Finance & Administration: Excellent question. I am probably not the best person to answer this but I will tell you this, if you look at the governor's recommended budget, the first year of the budget looks pretty solid. The sources of revenue are a conservative estimate, and in fact the stimulus money came in pretty close to what the governor originally included in his budget. This gives credence to his budget staff and the numbers he is working with. If I look at the second year of the biennium, I don't get the same comfort level. The state's institutional reserves, or the rainy day fund, as an opportunity to kind of plug the gap of that second year. Also, the one time dollars that plug in some pretty big holes. This is not the first government official that is simply trying to buy time hoping that things will turn around so that they don't have to make harder decisions now rather than later. They are the capital dollars and those are the kind of one time dollars that have long term benefits and Dr. Gold and Dr. Haggett are trying aggressively to get a share of those capital dollars.

Senator Barden: Do you think the governor's re-figured budget will be there by April 20th, when the Board meets?

Sr. VP for Finance & Administration: Yes, I think so. I keep making calls to Columbus trying to get someone to commit to an answer. Their gut is that the recommended budget wouldn't differ significantly from what he first implemented, and they will try and stay on track with their normal calendar to get the budget done.

Senator Barden: This is really exciting about Scott Park to be turned into alternative energy research center, is that proposal coming through the State or is that federal?

Sr. VP for Finance & Administration: My sense is that this is one of those early stage ideas that we are trying to get quickly into the docket, both at the State level and at the federal level. It probably has a component of each. We have so many things, several hundred proposals out there, you know how that goes, you submit five proposals and hope that one of them will hit a hot button with the State, the nation and the world.

Urban programs were zeroed out. Our funding this year was in the \$467,000 range and it goes into a big fat zero in the governor's recommended budget. I don't know what we will do with that, that will be part of the conversation for the budget development. The conversation will be can we afford now to take money from other places where we historically funded other programs and continue these programs or are these programs at risk? But those conversations really hadn't taken place yet but they should in the next several weeks. If you have a strong opinion on that I would encourage you to make it known to those who sit on the Finance and Strategy Committee. As I know more, I'll share more.

Senator Lipman: Are there other line items that have been zeroed out that impact us?

Sr. VP for Finance & Administration: There is a number of economic development wants that have been zeroed out, and the third one is International Business that had been zeroed out.

Provost Haggett: We haven't had the conversation yet, but will as to whether the University should go looking for that money at other places. Those are real programs with real people and we need to look at what's going on. There were line items that weren't zeroed out but were decreased and there is a fairly long list of those.

Senator Dowd: You listed eleven items, many of these are not in reaction to the economic conditions faced by the state. These included how do you address the structure deficit, your choice of capital projects, the level of financial aid that you are choosing, how do you deal with spending from the

departments with designated accounts, and strategic investments. These are decisions that you are making and they are impacted by this 15% and 7%. The 15% isn't necessarily the worse case scenario brought on by economic conditions. Instead, this is in part reaction to particular budget reallocation choices that the leadership is making. Further, there were a couple of points that stuck out in my mind as you gave your presentation to the Board of Trustees yesterday. One of the issues discussed dealt with the hospital's operating margin. I want to throw a quick disclaimer I know almost nothing about how hospitals operate. But you had said that its operating margin has shrunk. What is the significance? Also at the Board of Trustees meeting I asked you about the \$6.8 million transfer from the hospital to the College of Medicine. If the hospital is struggling, why would you take \$6.8 million from them?

Sr. VP for Finance & Administration: That's a very good question.

Senator Dowd: To follow up, you also indicated that the operating margin for the academic enterprise is also low. But isn't that to an extent a function of the level of depreciation you have chosen for the academic enterprise – that of \$30 million. If you were to lower that to \$24 million, you wouldn't have that negative \$1.6 million at the margin. These appear to be discretionary choices that you are making, which then send a negative signal about the academic enterprise. Perhaps you can help me understand the transfer from the hospital and your choice of the level of depreciation. In other words, this is just a choice of accounting depreciation, not a physical depreciation. Why are you choosing \$30 million instead of, say, \$24 million?

Sr. VP for Finance & Administration: Good question, so let's address the first one. If the hospital is struggling why would you take \$6.8 million from the hospital to support the academic enterprise.

Senator Dowd: Specifically, why is \$6.8 million being given to the College of Medicine. That is a cash transfer, not a payment for services. If that is a discretionary choice, let me suggest that you instead transfer it to the Department of Economics.

Sr. VP for Finance & Administration: First of all that's the budget transfer, so we go in the fiscal year assuming the hospital hits its historical 3% operating margin. We should be able to afford to, from that money, pay the debt service, pay the capital investments in terms of renovation equipments to keep the hospital current and then we should still have \$6.8 million left over that we should then be able to fund the academic enterprise, and that historically, not only at this university but most universities, goes to the College of Medicine to supplement the medical education provided by the college. Under the theory that the physicians and the faculty in that college help drive the inpatient volume that then produce the bottom line. It's a nice kind of incentive, you keep feeding the hospital, the hospital keeps feeding you.

Senator Dowd: The bigger issue is that we are all in this together. Why doesn't the \$6.8 million go to the academic enterprise general fund, or to Arts & Sciences, or to Business, or to Education? We need money as much as the College of Medicine does. Why is the College of Medicine receiving this \$6.8 million gift and why doesn't it go to the general fund?

Sr. VP for Finance & Administration: It could. Let's continue that conversation. I don't know a way to argue against it other than that's normally the relationship between a hospital and College of Medicine.

Senator Dowd: What about the depreciation issue?

Sr. VP for Finance & Administration: There are rules that govern how depreciation is calculated. To say that it's a choice, it's you can choose among a few acceptable methods, but once you choose your method it's then in the calculation that we have to prove and justify to our external auditors that come in each year. To render an opinion is to whether or not that calculation of depreciation is fair and accurate. I can't just decide one year that depreciation is going to be \$6 million less. But the more important point is the depreciation is still an estimate. It's an estimate of how much our physical plant our equipment has deteriorated each year. So it's kind of a best guess estimate following some normal conventions that are signed off and the way that estimate is used, most people including the hospital for example, they know that at a minimum to keep the campus functioning at an acceptable level they need to reinvest in the plant. At least in the equal amount that estimate by which it

depreciates each year. Usually, their needs are far greater than the depreciation amount. Mark Chastang and his staff struggle desperately to try to decide how to whittle down the list to only the amount that's equal to our annual depreciation. That's how they kept the hospital up to date and current and functioning properly. At many universities, not just the former University of Toledo but at many universities because of budget cuts, because times have been tough and because it's always the tendency to want to do something other than with a dollar, other than put it into keeping the utility plant operating functionally what's called deferred maintenance. Money that you should have spent to keep the plant operating well but didn't, that's the definition of deferred maintenance. That number has grown to astronomical levels, not only at this university but many universities.

Senator Dowd: You answered the root question regarding the \$30 million depreciation. However, as another follow up question, given you've chosen \$30 million in depreciation for the academic enterprise, should we then expect \$30 million worth of renovations across the campuses?

Sr. VP for Finance & Administration: Ideally, yes. That's what you should expect. What we have done to catch up because we as the university had not done that over a number of years, is that we begin to borrow money to catch up. So the Memorial Field House is a good example, where we borrowed a lot of money to do that. Unfortunately we have to get serious addressing this especially if we go forward with this last remaining piece of a capital program we will be at the limit of our debt capacity. That way of kind of using it as a band aid to fix our inadequately funded depreciation is no longer available to us. Again, we have to have some level of urgency despite the difficult economy to see whether we can continue to at least move forward in a positive direction.

President Barlowe: I want to give you an opportunity to address the Higher Education Holding questions that came up earlier.

Sr. VP for Finance & Administration: I attended the meeting with some faculty in the college of Education and with Rosemary so some of this was shared. But let me give you the one minute version. While at DePaul University, we sold a college to Higher Ed Holdings. We had a small Liberal Arts College that was in Lake Forest, Illinois, it was an all women's college struggling and going broke. DePaul University stepped in, bought the college and tried to see if we could save it. We couldn't save it so we ended up having to sell it. We had to sell it because it was draining all of our financial resources where we couldn't afford to make the proper investments in our main DePaul University programs in Lincoln Park, outside of Chicago. We hated to do it but we had to, it was going to bankrupt us if we didn't. The entity that stepped in and bought the college from us was Higher Ed Holdings. We did a lot of digging, we found out what are those people all about and we felt comfortable that this would be an appropriate entity to sell this college. We sold it and part of our sale we were negotiating our price. Part of how we got the purchase price higher was because we said, instead of writing us a check for the full amount; we will take cash and equity in your company. It was a way to get an extra million dollars out of selling the campus. So we deposited a big check and DePaul University took a million dollar investment in Higher Ed Holdings. While I was at DePaul University as its CFO I sat on their board because we were a million dollar investor. Our million-dollar investment was probably less than 1% of the company. This is a well-funded company. They purchased universities all across South America, they are well funded and in my humble opinion, they are somewhat an impressive group. Maybe flawed, but in some ways very impressive. When I left to come here, I vacated my board seat. I never had any financial interest and I don't stand to gain anything from it whether we decide to do anything or not. The way this idea came here because I got a call one day from a person who is from Ohio, graduated from Ohio State that works for Higher Ed Holdings and he said, we are going to do a deal with Ohio University for Nursing and Business. We proposed to do one with Education but they have declined. Would your College of Education be interested? I told him that I did not know but got him in touch with our provost and begin a conversation. From this point on, I want all of us to think about in our ideal version of shared governance, how should this have worked? In my mind, it worked exactly how it should have. I got a call, I forwarded it to the provost, the provost checked it out, got some level of comfort, immediately took it to the deans and department chairs who then took it to their faculty. Predictably, faculty had

questions, the plan was to get them together to answer their questions, and then decision would be made from input from all the faculty, whether it needs to come to the Faculty Senate, I'm sure we would have had a conversation with the Executive Committee to get to that answer, and a decision will ultimately be made whether that is a good idea or not. They have already done this with some other universities and it's taking a struggling financially College of Education and turning it around. We have a College of Education, and the Executive Committee knows this, that is struggling financially. So, if it's an idea that is mission congruent and happens to help subsidize a college to a lesser extent why wouldn't we take a look? And that's all that we are doing is taking a look at it to see if it makes sense. So trying to find a right way to navigate to shared governance, this is another opportunity for us to examine it if we handled it the right way. The folks at Ohio University had been working with this group for over a year now. I was on the telephone with their president who said that it had been a good experience and that these are good people. Now you know everything I know.

Senator Thompson-Casado: How did the venture with HEH and De Paul University turn out? My second question is do other Colleges of Education have they been through National Accreditation since they have joined them?

Sr. VP for Finance & Administration: At DePaul we simply sold them a college. They did not take our college and create a competing college of Education with our college. DePaul did not partner with them but simply sold them a college and they turned what they called an American College of Education and that became a competitor with our college. It's other universities in other states that have partnered with them, Lamar University, University of Texas at Arlington, Ohio University where there is the partnership to examine. So part of our due diligence should be to call those universities and see whether it's a fit. Again, all we are talking about in terms of what they are proposing now, and I'm out of it, but I'm just relaying information, is graduate degrees in curriculum instruction and educational leadership and educational administration. That's what they wanted partnered with. For those who are interested, what they do is they helped to create relationships with all the superintendents of school districts throughout the state to create students, then enroll them in our program. But that's more than you probably want to know right now.

Senator Barden: Is it online only?

Sr. VP for Finance & Administration: I think their model is online.

Senator Elmer: I guess in a sense I see this as an opportunity for revenue enhancement, which then comes back to the topic that you were addressing earlier. The 7% and 15% scenarios really reduced to 3½% and 7.5% scenarios, if indeed we make up half of it with revenue enhancement. So, if there is any encouragement I can give you and other members of the Senior Leadership Team is make sure that message disseminates. Because everybody is still running crazy about the 7% and 15%, but if we really are looking at something that is 3½% and then you make up the difference with 3½%, and that is a little easier to swallow.

Sr. VP for Finance & Administration: You are exactly right. If I could go back in time and re-write the budget development guidelines I would have put that in big bold letters. We tried to make up for the fact that we didn't do that in meetings like this.

Senator Regimbal: Would you help me understand how College of Education and the faculty there is struggling when I look at this cash flow, our salaries aren't that high, our graduate enrollment is high. I would like to know why are we struggling.

Sr. VP for Finance & Administration: In the \$16 million that is non-hospital enterprise, everything that is not the hospital, in the \$16 million that we lost in fiscal 2008, none of that came from the college of Education. That's the reason I am saying that and maybe struggling is not the right word but how we subsidized.

Senator Celia Regimbal: How do you subsidize?

Sr. VP for Finance & Administration: When you add up the revenues and subtract the expenses it comes out to a negative \$9 million.

Senator Dowd: Are you basing your estimates on FTEs or head count, or are you mixing the two? Are you using one for revenue and the other for cost? The issue becomes more complicated when there are a significant number of part-time students involved in such estimates. If you are not

consistent in the treatment of FTEs and head count you can get very diverse estimates. I do not see how the Ed college can lose money unless you're assigning fixed costs or utilities to individual colleges and departments.

Senator Teclehaimanot: The college of Education has the highest number of graduate students at the University of Toledo. Can you explain to us how the college is down \$9 million within a very short time?

Sr. VP for Finance & Administration: The only way I can answer in the short period of time is to say this, we have had a committee of people that have looked at all the numbers that were put together. We continue to converse as to whether or not there are ways to refine the numbers, but based on the numbers we had today with a lot of people's input we have that the undergraduate programs in the College of Education lost \$7 million, and the graduate programs lost \$2 million.

Senator Teclehaimanot: How?

Senator Baines: I think part of it is how you expense the stuff. When students go through student teaching they pay 12 hours in tuition and there is no faculty line tied up. I think the accounting system is such that the costs associated with somebody going out into the school and working with the cooperating teachers and students becomes an expense. The bottom line is that UT gets 12 hrs. of tuition dollars from that and we are only paying \$300.00. So I think a lot of this is the accounting procedures and how you are going to classify income and costs. The only way the university loses money when they charge 12 hours of tuition and have it cost only \$300, is if the accounting procedures say credit the tuition dollars to the university and debit the expenses to the college.

Senator Dowd: Again, are you assigning fixed costs or utilities to individual colleges or departments?

Sr. VP for Finance & Administration: No, the numbers that I'm doing are fully loaded cost.

Senator Dowd: Regarding fixed costs or utilities, have you attributed the cost of University Hall to College of Arts & Sciences or to the President's Office? Which office did you attribute such costs to?

Sr. VP for Finance & Administration: They are fully loaded, there are direct costs and indirect costs that have been attributed to all the revenue producing units throughout the university. We have lots of people and you are more than welcome to join and let's study. I think more important is to deal with the reality and whether or not we allocated all the costs in the right, overall the negative \$16 million is solid.

Senator Regimbal: In the discussion that we had in the faculty meeting on Friday, I did not get the sense that College of Education faculty were opposed to the idea of online education. However, it seems to me that with an office on our own campus which is supposed to promote the university, why hasn't more been done to promote our university. I have yet to see one full page ad to promote any department/college other than the medical college. We have online education and we have a wonderful staff that works with folks on campus to develop online classes. If the Higher Education Holdings has a great idea why can't we steal that from them, as a high form of praise, and implement a similar program here in our own institution. College of Education faculty do a lot of online education, it's not a new idea for them. I think they are opposed to the idea of making a quick decision and not insuring quality. I think they are opposed to the quick decision; you just said that Ohio University has spent a year talking about this and a little bit ago we learned that we have just a few days to make this decision.

Sr. VP for Finance & Administration: I didn't say they spent a year talking about this, they have been working with them on Business and Nursing for a year.

Senator Regimbal: Don't we have the in-house ability to do a similar sort of thing?

Sr. VP for Finance & Administration: That's a great question. In my role, I don't have an answer to that question should be asked as we continue to have this conversation. The problem is this, and to back up to what Provost Haggett said, that they have competitors, so they have to get the market before someone steals their idea. They have come to us, they have asked a question, do you want a partner and here is how it works at other places, you can call people, ask us questions, we will come, meet with you in person, or do a video conference, and let's decide. If you don't want to, we will try to find another State of Ohio partner. So it's part of our conversation to decide whether or not to work with this group or not. I think we have to include in that conversation, what are we going to do if we

choose not to work with them and find that a month from now, or two months from now, they are now our competitor. We need an answer to that as well. Maybe the answer is to do a better job of marketing what we are going to offer. I don't know the answer but I think that is the reality of our world.

Senator Thompson-Casado: If they are our competitors that puts us in a captain's seat because as Provost Haggett points out, we are the largest provider of DL. So we are in a good position.

Sr. VP Finance & Administration: I don't know that I would jump to that conclusion. Because they found a niche that does work in other places and our niche, our expertise may not be the niche that they are going to explore.

Senator Thompson-Casado: And didn't the College of Education at DePaul go defunct because of this competition and this process.

Sr. VP for Finance & Administration: Gone defunct?

Senator Thompson-Casado: Yes, the rumor was it's no longer there.

Sr. VP for Finance & Administration: I think there is still a College of Education at DePaul.

Senator Dowd: If they changed that to the American College of Education, is it an accredited college of education?

Sr. VP for Finance & Administration: It is accredited by North- Central Association, if there are others I don't know that.

Senator Barden: Was there any indication that it would not pass an accreditation visit?

Sr. VP for Finance & Administration: No, they inherited it, but then they had to re-defend it with a site visit for North-Central Association, because I was still around when that happened.

Senator Lee: A few people asked me to ask you, our response to the budget situation as you are aware will be admitting to our undergraduate program three times a year with enrollment and first round of admissions beginning in middle of May. Like everybody else, we have all this change swirling around us and we just want to be able to do our work, so we are hearing we might have 12-month contract, we might have flexible academic work year, we might get stipends for summer teaching, and I was told today that we are waiting to hear the details about the budget before we get that information. At the same time, we are having to consider how we are going to deliver this curriculum. I don't know if it's you or Dr. Gold to answer this at what date will we have this information with respect to faculty work life in order to be able to do our work?

Sr. VP for Finance & Administration: You are right, Dr. Gold is the better person, I am not that familiar with that conversation. I will probably become familiar as the budget process takes place.

Senator Lee: It's just a very unsettling place where we are. We don't have the contract language in terms of agreement to work from to try to sort this out.

Sr. VP for Finance & Administration: I know that feeling.

Senator Ankele: College of Nursing. As far as the Higher Education Holdings, what benefit to the university does it have? Will professors from our college teach it or will they be outsourced. Why are we even thinking about doing this?

Sr. VP for Finance & Administration: The short answer is that it's our faculty teaching our curriculum, our degree programs, our degrees. It's them coming forth with the ability to market our program to school districts, providing course development dollars and technical people to develop the courses. They take their financial resources a part of this relationship that hire the assistants to support our faculty, teaching assistants, so they provide that as well. They provide the sales, the technology, the support assistance to the faculty who serve as kind of the master teachers and we create this partnership. They deliver students to our programs. We use their platform and their assistance to reach these students all over the state, not just our local proximity but all over the state. We have then the opportunity to impact the quality of education that's occurring in classrooms across the state.

Senator Barden: These are our students and we get the FTEs and subsidy?

Sr. VP for Finance & Administration: Yes. We share the tuition but we get 100% of the state share of instruction. When I say share, they actually get 70% of the tuition, we get 30%, but we get

100% of the state share of instruction. But they are bearing the cost of course development, higher the teaching assistants, and the technology support.

Senator Regimbal: Who does the class belong to?

Sr. VP for Finance & Administration: The class belongs to us.

Senator Dowd: So if you wanted to change the content of a class, would we have to go through Higher Ed Holdings? Or if we wanted a five-week session and not 15-week session, would we have to go through them?

Sr. VP for Finance & Administration: Now you are asking details that I honestly don't know.

Senator Wedding: That \$8 million loss in the College of Education going back ten years and going forward, when did we suddenly go into the deep red in the College of Ed? Has it been there for the last twenty years or did we just suddenly get there?

Sr. VP for Finance & Administration: That's a great question, unfortunately we never had the system before that create these college level income statements. I don't have the benefit of any historical data.

Senator Wedding: Are there any other colleges on this campus that are in the red besides the College of Ed?

Sr. VP for Finance & Administration: Absolutely, the only one that has a higher number is Engineering at about \$10 million. Nursing also.

Senator Wedding: What about Law School?

Sr. VP for Finance & Administration: Law School is breaking even.

Senator Wedding: College of Business?

Sr. VP for Finance & Administration: Break even.

Senator Wedding: College of Arts & Sciences?

Sr. VP for Finance & Administration: Plus \$10 million.

Senator Dowd: When you say that Law School is breaking even, does that account for the tuition waivers that are granted?

Sr. VP for Finance & Administration: Yes.

Senator Dowd: Really?

Sr. VP for Finance & Administration: Yes.

Senator Wedding: What about College of HSHS?

Sr. VP for Finance & Administration: College of Pharmacy is break even and HSHS I think is a loss around \$2-4 million, I don't remember the exact number.

Senator Wedding: What powerful plans to do you have for College of Engineering?

Sr. VP for Finance & Administration: None. That's the point of all this. We may chose to say, like DePaul did, when I was there we said, we are very comfortable with subsidizing music, theatre, and we actually subsidized Law. And we do that every year, it was explicit, it was open and transparent. Everyone had a chance to say, I agree or disagree. But that was a strategic decision, always fund those and subsidize those. Same here, all we are doing is saying, here is our best representation of reality, is everyone comfortable with that? There is no pre-supposing that a negative number is a bad number. It might be a very strategically important smart number for it to be negative. But the number that isn't good is when you add up all the numbers, that number is negative.

President Barlowe: Thank you. Any new business? Old business?

Senator Lipman: Could the Executive Committee inquire into the Urban Affairs situation and report back to the Senate?

President Barlowe: Absolutely. Thanks for the suggestion. Any other business?

May I have a motion to adjourn? *Motion was made and seconded.*

V. *Calendar Questions:*

VI. *Other Business:*

Old business: None

New business:

VII. Adjournment: Meeting adjourned at 6:00 pm.

Respectfully submitted,

Nick Piazza
Faculty Senate Executive Secretary

Tape summary: Kathy Grabel
Faculty Senate Office Administrative Secretary