



Proponent Testimony for House Bill 478

**Combining the University of Toledo and the Medical University of Ohio**

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Thank you Mr. Chairman and members of the House Finance and Appropriations Committee. I'm Dan Johnson, President of the University of Toledo.

I am very grateful and honored to have the opportunity to speak today in strong support of House Bill 478 that will combine the University of Toledo and the Medical University of Ohio.

We have a rare window of opportunity to bring together into a single university two important state institutions. These opportunities are rare because it is nearly impossible to get the boards, the presidents, the administrations, the faculty and staff, major stakeholders, and other constituents to agree on the concept and conditions necessary for a merger.

Mr. Chairman, I am pleased and excited to tell you that we have agreement from all these and other governance bodies and constituents for the concept *and* the conditions necessary for this proposed combination of the University of Toledo and the Medical University of Ohio.

The Toledo City Council, in a special ceremony last month, unanimously endorsed a resolution in support of this merger. The Regional Growth Partners, Northwest Ohio's premier private economic development organization, voted unanimously in support the UT/MUO combination. Last Saturday, the Board of Directors of the University of Toledo Alumni Association, an organization representing 100,000 alums, voted unanimously (with one abstention) in support of the merger. These and other groups recognize the significance and importance of combining the University of Toledo and the Medical University of Ohio.

It is indeed a rare phenomenon to have this many important university governance bodies unanimously agree to give up their historic independent status and merge with another institution. All of these groups recognize and agree with the message of this Legislature that our Ohio public institutions of higher education must find a new and better approach to achieve excellence, to be more competitive, to find greater economies, to provide a

greater return on the state's investment and, most of all, to find better and more effective and efficient ways to serve our students and the taxpayers.

Mr. Chairman and members of this Committee, we are here today to testify that we have done just that and they are embodied in HB 478. With HB 478 we achieve these important outcomes and more. The Ryan Beck study of the proposed merger, in their September 2005 report, identified many additional benefits from the proposed combination between UT and MUO including:

- Improved Rankings
- Enhanced Research Funding Potential
- Improved Faculty Recruitment and Retention
- Improved Student Recruitment
- Enhanced Fundraising Capability
- Improved Financial Performance
- Synergies and Savings Due to Elimination of Duplicative Costs and Programs
- Greater Ability for Public/Private Partnerships and
- Many other benefits.

Our board has examined the major financial and program documents of MUO as part of our “due diligence” and have found them to be in order and appropriate for moving forward in an informed manner with the combination of our institutions.

Our Legislative delegation from Northwest Ohio has met with Dr. Jacobs and me and we have discussed the merger and its implications in some detail. We greatly appreciate their support and encouragement. I would like to especially thank Representative Wagoner and Representative Ujvagi for their sponsorship of HB 478 and engaged leadership on this important initiative.

Mr. Chairman, I have served at two universities that merged with free-standing medical schools: Virginia Commonwealth University and the University of North Texas. I know the challenges and obstacles. I also know well how these mergers have *increased the value proposition* for both the home universities and the medical schools. In neither case—Virginia Commonwealth University or the University of North Texas—would anyone make the case for returning to their separate, independent statuses. Both are much stronger universities today than they were before they merged with medical schools. Both give their states and the taxpayers more value for the public's investment and subsidy. The combination of UT and MUO will do the same thing.

We invited Dr. Gene Trani, President of Virginia Commonwealth University to testify today—which he genuinely wanted to do—but his schedule prevented him from doing so. He would have shared the great success story of the merger of the Medical College of Virginia/Virginia Commonwealth University merger and would have urged you to

support HB 478. He told me that he would be glad to take telephone calls from members of the Legislature regarding the MCV and VCU experience and his opinion of the proposed merger of the Medical University of Ohio and the University of Toledo. Dr. Rod McDavis, President of Ohio University, served as Provost at VCU and also knows how well this merger has served the people of Virginia. I know he would also be glad to give you his views in support of this legislation.

Mr. Chairman and members of this Committee, my best judgment, my experience of over 40 years in higher education, my instincts, and my heart all tell me that combining the University of Toledo and the Medical University of Ohio is the right thing to do for these institutions, for the citizens of Northwest Ohio and for the taxpayers of our great state. With this vote and the support of the Legislature, you will take a giant step toward giving our students a *greater return* for their hard-earned tuition dollars.

***In the end, that's what we are all about: the students.***

I urge you to support House Bill 478.

Thank you very much. I would be pleased to answer any questions you might have.