

March 21, 2002

Members of the University Community

I am pleased, Dear Colleagues . . .

. . . to forward for your information the following summary of actions approved at the February 27, 2002, meeting of The University of Akron's Board of Trustees:

Educational Policy/Student Affairs Committee

1. Minor in Paralegal Studies, Community and Technical College

In response to U.S. Department of Labor estimates that the paralegal market will increase 70-80 percent by 2008, the Community and Technical College will offer a minor in paralegal studies. Students in the program will have the opportunity to develop an understanding of the legal field as well as the role of a non-attorney.

2. Accelerated Option for the Basic Baccalaureate Program in Nursing

To help address the nation's critical shortage of nurses, the College of Nursing, in cooperation with the major health care systems in Akron, will begin an accelerated nursing program. Upon completion of prerequisites, non-nurse college graduates will be able to earn a baccalaureate degree in nursing in 15 months. This innovative program takes into account the life experiences and maturity level of the applicants. As a result, more baccalaureate-prepared nurses will be available to fill the need for nurses without compromising the integrity of baccalaureate preparation.

3. Various Academic Certificates for the Community and Technical College, College of Education and College of Engineering

Nine certificate programs have been developed for practicing professionals who are interested in furthering their knowledge bases and skills. The College of Engineering will offer certificates in structural engineering, transportation engineering, geotechnical engineering and environmental engineering. The College of Education will offer a certificate in e-learning. The Community and Technical College will offer certificates in web site development, medical billing, addiction services (basic) and addiction services (advanced).

4. Research Grants and Contracts Reports, July 2001-January 2002

As of January 31, 2002, externally funded research and other sponsored programs received \$20,457,823 to support 293 projects – including \$107,330 to support 2 projects, received through The University of Akron Research Foundation. The comparable totals for the last fiscal were \$11,618,283 to support 237 projects. There are 5 patents to report in 2001-02.

External Affairs Committee

1. Cumulative Gift and Grant Income Report, July 2001-January 2002

The University of Akron recorded total giving of \$16,836,483 for July 2001-January 2002. The total compares to \$20,060,730 for July 2000-January 2001 (a decrease of 16 percent) and a year-to-date average of \$11,513,936 for the previous five years (an increase of 46 percent). During July 2001-January 2002, 11,949 gifts were made, as compared with 10,529 for the same period in 2000-2001 (an increase of 13 percent).

Facilities Planning and Oversight Committee

1. Student Union Building and Peripheral Area Development

The following companies were awarded contracts totaling \$1,408,557 for the Student Union now under construction: Custom Fabricators, Inc., auditorium seating, \$79,011; Interior Graphics, Inc., basic interior signage, \$8,800; ASI Sign Systems, interior signage – retail/hospitality, \$11,711; Sico America, Inc., portable dance floor, \$14,201; Business Interiors & Equipment, Inc., accessories, \$97,513; and Continental Office Environments, office systems and seating, dining furniture, meeting/conference areas and lounge furniture, \$1,197,321.

Bid item #5, bowling and billiards, will be re-bid at a later date. Both bids on that item were qualified, and, therefore, considered nonresponsive.

2. Schrank Hall Renovation Project

Lepi Enterprises, Inc., was awarded a \$289,837 contract for asbestos abatement as part of the renovation work at Schrank Hall.

3. Water Chiller Tank Insulation

CBI Services, Inc., was awarded a \$195,738 contract to replace insulation that was blown off of the water chiller during a recent windstorm. The University's cost for this project will be a \$100,000 deductible, and the insurance carrier will pay the balance of \$95,738.

Finance and Fiscal Policy Committee

1. Quarterly Financial Report, July-December 2001 (subject to audit)

Akron campus revenues exceeded budget by \$966,588, and expenditures were less than budget by \$8,372,678 by the end of the second quarter for FY2002. Tuition and fee receipts through December 2001 of \$1,356,901 reflected collections for the summer and fall semesters. Combined undergraduate and graduate credit hours of 308,460 exceeded the revised estimate of 306,582 by 0.6 percent. Earnings on investments and endowments at the close of December were less than budget by \$390,313. Auxiliary enterprises on the main campus reflected a combined second-quarter fund balance of \$3,677,062, which is \$2,011,455 greater than budgeted.

Wayne College revenues exceeded budget by \$287,206, and expenditures were less than budget by \$906,008. Tuition and fee receipts of \$285,145 reflected collections for the summer and fall semesters. Credit hour production of 16,156 for summer and fall was 15 percent greater than summer and fall 2000. Wayne's auxiliary enterprises posted a favorable variance of \$36,956.

PLEASE NOTE: The budget cuts required by reduced state funding are not yet reflected in this report.

2. Quarterly Operating and Endowment Fund Investment Reports, July-December 2001

Investment income for FY2002 is budgeted at \$4.2 million, or \$1,050,000 per quarter. As of December 31, 2001, actual income amounted to \$1,371,125, including investment income on the internal loan for the ERIP Liability Payoff Program. Actual revenue fell short of the budget by \$728,875 for the fiscal year to date. The decreased revenue is in direct relation to declining interest rates.

During the first quarter of FY2002, the market value of the University's endowments fell below its recorded book value. By September 30, its market value was almost \$8 million below its book value. As of December 31, 2001, the market value of the University's endowments was still below its book value of \$53,504,813, but the gap was closing. By the end of 2001, the market value of the University's total endowments was \$51,028,469, recovering approximately \$5.3 million of the first quarter's \$8.7 million market decline.

3. Selection of Investment Counselor and Revision of Investment Policy

In keeping with the joint recommendation of The University of Akron Investment Advisory Group and The University of Akron Foundation Investment Committee, DB Alex.Brown has been selected as the investment consultant and asset custodian for both the University's endowment and operating fund investments. A second joint recommendation resulted in a revision of the Statement of Investment Policy for the University Endowment Fund, which was last revised in 1999, to more closely align with The University of Akron Foundation's policy. The overarching goal of both actions is improved investment management.

4. Personnel Actions (attached)

New Business

1. Plaque Commemorating Charles F. Scanlon Inn of Court

A commemorative plaque to honor the founding of the Charles F. Scanlon Inn of Court will be placed at an appropriate location in the Martin University Center. The Charles F. Scanlon Inn of Court is a joint association of the School of Law, its students, faculty, and members of the legal profession in the local community for the purpose of promoting mentorship and the highest ideals of the legal profession. It was founded by Senior Judge Sam H. Bell, United States District Court, Northern District of Ohio, and has been in continuous existence at The University of Akron since 1988.

2. Real Estate Purchases

The University purchased properties at 399 Kling St., 415 Kling St. and 432 Brown St.

3. President's Review

The following resolution was read into the record by Chairman of the Board David E. "Gene" Waddell and subsequently approved by the Board:

It is my privilege today to convey on behalf of the Board of Trustees, the Trustees' assessment of the continuing excellent service of Dr. Luis Proenza as President of The University of Akron. I would like to publicly highlight a few of the achievements which continue to confirm to the Trustees that Dr. Proenza is pursuing and achieving goals and objectives in a manner not only consistent with the Board's expectations, but which also reflect his personal and professional commitment to the Presidency and to higher education in Ohio. Each of the following examples are but part of a larger framework of actions and programs that reflect positively upon Dr. Proenza's leadership of The University of Akron.

- On February 15, 2002, less than two weeks ago, Governor Bob Taft visited The University of Akron and met with President Proenza. Dr. Proenza's relentless efforts on behalf of The University of Akron, and the higher education community, have clearly reached the highest levels of state government in Ohio; and Dr. Proenza has earned statewide recognition as an effective spokesperson for greater support for both higher education and economic development in Ohio.
- On December 13, 2001, President George Bush appointed President Proenza to the President's Council of Advisors on Science and Technology. He is only one of five University presidents, and the only one in Ohio, on the 22-member commission created to advise the President of The United States on national science and technology policy. Such personal and professional recognition and participation at the

national level also bring great recognition and opportunity to The University of Akron and the State of Ohio.

- After over a decade of steady enrollment decline, current indications are that a ‘turnaround’ is underway with respect to growth in undergraduate enrollment. President Proenza has taken a personal role in efforts to effect the turnaround, including his many personal appearances in the news media and in advertising extolling the many opportunities at The University of Akron.
- Under President Proenza’s leadership, our building program, initiated by the Board of Trustees in 1998, continues to be on target . . . and on budget; fundraising has continued at record-breaking levels; student success priorities are being pursued; a balanced focus on research and teaching are reflected through internal initiatives; and the growth of effective federal relations and state relations programs continue.

In short, Dr. Proenza has done much to support the Board’s confidence in his presidency, and his accomplishments and the goals and objectives he has outlined for 2002 and beyond are approved with great satisfaction by the Trustees. The President continues to effectively follow the Board’s rigorous requirements regarding the annual submission and review of ongoing goals and objectives.

However, in light of current fiscal realities, the Board is granting the President a salary increase that is equivalent to that provided to faculty and staff this past year.

This past fiscal year, 2001-02, the budget approved by the Board included a salary raise pool of 3%. However, because of budget constraints, raises for faculty and staff did not become effective until the middle of the fiscal year.

Unlike most employees at The University of Akron whose contracts are on a fiscal year basis (July through June), President Proenza’s contract is on a calendar year basis (January through December). While the Board thinks exceptionally highly of Dr. Proenza’s performance, as I have already briefly outlined, it is the Board’s position that Dr. Proenza receive a 3% increase in his current base salary, effective at the mid-point of his contract, July 1, 2002, so that the delay in implementation of the increase shall have the same effect upon Dr. Proenza as it did on all other employees.

All other provisions in President Proenza’s contract would be continued without change.

I have read this evaluation so that it may be entered upon the minutes, as an action of the Board of Trustees.

Notes

1. President's Report

I began my brief report by making Trustees aware that, on February 15, Governor Taft paid a significant and lengthy visit to the University. He was with us for much of the morning. During that time, in what I believe was his first university visit following his State of the State Address, we had occasion to highlight how The University of Akron could be the first entity to jumpstart his Third Frontier Project. We have received a very thoughtful letter from the Governor, which I shared with the Board.

I also discussed the agreement between the governor and the Inter-University Council on how to hold the line on the complex issue of tuition costs within Ohio. I think most of you have seen the press coverage that will enable us now to make a final plan on our budget for next year.

Trustees then were informed that the Provost, Mr. Nettling and I had gathered in an open forum on February 20 in our Gardner Student Center to better inform our campus community of matters related to our budget. In that forum, we reviewed carefully the broad outlines of where the University has been throughout the past ten years, the things that we have done on a strategic basis to turn the situation around, the success that we now enjoy in the last three semesters in gaining additional enrollment increases, and thus, what we may be able to do to address the goal that this Board has to position the salaries of faculty and staff better within the state of Ohio. As a result, I will be working with the Faculty Senate to develop a plan, first, to address salary compression of associate professors and professors and possible equity outliers among the faculty and, during a three- to five-year period, a positioning of our faculty salaries to above the median and no less than the 75th percentile among Ohio universities. I noted for the open forum, as I had to the Faculty Senate, that we are prepared to entertain a modest recommendation regarding a possible across-the-board component to our annual salary pool.

The February 27 Plain Dealer business section was distributed. It had a nice announcement about the first successful business startup as a result of the Ohio Polymer Enterprise Development Corporation.

Other University accomplishments that I shared with Trustees were the following:

- A two-year research project by Paul Levy, associate professor in psychology and chair of our industrial and organizational psychology program, will help determine how images, messages and tools in corporate websites affect job seekers. UA doctoral candidate

Richard Cober and alumnus Doug Brown are joining Levy in the study, which is funded through a grant from the Society of Human Resource Management.

- We have received a gift from Dr. Joe White, a pioneer in the field of black psychology, who has designated his professional papers to the Archives of the History of American Psychology. We are pleased to be able to add to such significant collection to the Archives which, as you know, are housed here on our campus.
- Our Department of Fire Protection Technology has been offering a course in terrorism awareness which adds to our ability to provide the community and ourselves with continuing education courses related to safety and emergency services for professionals and the general public in these important issues. The course is being taught by Richard Bennett, assistant professor of fire protection technology.
- Our Intellectual Property Law Center will be hosting its next annual symposium in intellectual property law in conjunction with the Sughrue law firm. As you may know the Sughrue law firm, in Washington DC, has a partnership with us.
- March is Women's History month and The University of Akron's Women's Studies Program has a full program in store. Highlighting the celebration will be a keynote speech by Mary Pipher – a nationally acclaimed author who is known for her bestseller, *Reviving Ophelia: Saving the Selves of Adolescent Girls*. She will speak on March 12 at Our Lady of the Elms High School.
- Rudy Giuliani, former mayor of New York, will be visiting us in March to give the Hood/Meyerson Lecture. The entire cost of the program is being paid by the Hood/Meyerson Foundation.

I concluded my report by announcing that The University of Akron Press has produced its 50th publication. The book, which is entitled *The History of Jonathon Alder*, chronicles Alder's life in the late 18th Century, his capture by Ohio Indians at age nine and his 13 years of living with the Native Americans. The book is considered to be one of the most extensive captivity narratives ever written about the Ohio Indian nations. Our University Press was founded just 14 years ago, in 1988, and continues to grow and gain momentum with important publications. So, as we celebrate our 50th publication, we can anticipate reaching the 100 mark relatively soon, since the University Press hopes to publish 10 books in this year alone. The most successful ones, as you may know, are the Stan Hywett book, *When Giants Roamed the Sky*, and the *Wheels of Fortune* book, but others are coming very rapidly and with great excitement.

2. Next meetings

Special meeting – March 27, 2002, 7:30 a.m., Martin University Center

Regular meeting – April 24, 2002, 10 a.m., Bulger Residence Hall 16th floor

With every good wish,

Sincerely,

Luis M. Proenza

**Personnel Transactions Approved by the Board of Trustees
Wednesday, February 27, 2002**

Appointments

Anis Al-Shatnawi, postdoctoral research associate, Civil Engineering, 12/17/01; **Sheila Clowser**, assistant building services worker, Physical Facilities, 1/22/02; **Scott P. Cooper**, Gold Bar recruiter, Military Science, 1/15/02; **Bonnie L. Filer-Tubaugh**, college lecturer, Development Programs, 1/14/02; **Dena Hanley**, assistant professor, Political Science, 8/26/02; **Brian Harmon**, master building services worker, Physical Facilities, 1/14/02; **Chuan He**, visiting scientist, Mechanical Engineering, 1/14/02; **Shi Jin**, postdoctoral research associate, Institute of Polymer Science, 12/17/01; **Linda L. Krausman**, office support specialist, Human Resources-Employment, 1/09/02; **Ihl Kweon**, visiting scholar, Geography and Planning, 1/01/02; **Veronique Lachat**, visiting scholar, Polymer Engineering, 1/09/02; **German Maldonado**, assistant building services worker, Physical Facilities, 1/22/02; **Takashi Moribe**, visiting scientist, Polymer Engineering, 10/26/00; **Michael P. Morley**, assistant director, Career Placement Services, 12/18/01; **Melinda S. Roembke**, accountant, Controller's Office, 1/07/02; **Shasta Sadler**, assistant building services worker, Physical Facilities, 1/22/02; **Dean Stockert**, adjunct assistant professor, Military Science, 1/07/02; **Daniel R. Stuewe**, Gold Bar recruiter, Military Science, 12/15/01; and **George W. Swope**, accountant, Controller's Office, 1/22/02.

Changes

Rosemary Cannon, assistant dean-finance and administration, Law, title change from assistant to the dean, 2/01/02; **John Carroll**, patrol officer 2, University Police, Wayne College, reorganization of police department and title change from patrol officer, 10/08/01; **Dennis Doverspike**, professor, Psychology and fellow, Institute for Life-Span Development and Gerontology, additional title of director, Center for Organizational Research, 1/01/02; **Jeri Farwell**, administrative coordinator, Office of the President, promotion and title change from multi-media specialist, 2/01/02; **Lauri File**, assistant dean-law admissions and financial aid and director-admissions and financial assistance, Law, title change from assistant to the dean, 2/01/02; **Jay Forshey**, stationary engineer 2, Physical Facilities, completion of apprenticeship and title change from stationary engineer 1, 12/31/01; **Robert D. Fraley**, building maintenance superintendent, Physical Facilities, promotion and title change from master HVAC technician, 1/14/02; **Debra Gannon**, administrative assistant, Statistics, promotion and title change from secretary, Center for Child Development and status change from part-time to full-time, 1/28/02; **Kevin Hudak**, stationary engineer 2, Physical Facilities, completion of apprenticeship and title change from stationary engineer 1, 12/31/01; **Maria Jones**, examiner senior, University College, reclassification via job audit and title change from examiner associate, 12/03/01; **Robert D. Jorgensen**, professor, Music and director, University Bands, additional title of interim director, Music, 1/14/02; **Patricia J. Kirk**, administrative secretary, student services, Wayne College, department transfer from dean's office, 12/31/01; **Paul E. Levy**, associate professor, Psychology and fellow, Institute for Life-Span Development and Gerontology and associate department chair, Psychology, additional title of associate director, Center for Organizational Research,

1/01/02; **Deborah Mason**, benefits administrator, Human Resources-Benefits, reclassification via job audit and title change from benefits coordinator senior, 2/11/02; **Kimberly Morgan**, director, Development, promotion and transfer from Alumni Association and title change from associate director, Alumni, 1/17/02; **Raymond R. Munford**, manager-food services, Dining Services, promotion and title change from supervisor, 1/07/02; **Julia Phillips**, associate director, Counseling, Testing and Career Center Training, promotion and title change from assistant director, 7/01/01; **Sonya R. Reisch**, compensation analyst, Human Resources, promotion and title change from administrative assistant senior, 1/28/02; **Brett Riebau**, assistant controller, Controller's Office, reclassification via job audit and title change from accountant, 11/01/01; **Gregory Robinson**, senior associate director, Counseling, Testing and Career Center, promotion and title change from associate director, Counseling, Testing and Career Center Training 7/01/01; **Deborah Roper**, director, Employee Classification, Training and Development Services and deputy appointing authority, title change from director, Compensation, 2/01/02; **Beth L. Sampsel**, director, Institutional Marketing, title change from director, University Communications due to department name change, 2/01/02; **Sheila C. Schmidt**, coordinator-records management, dean's office, Wayne College, department transfer from student services, 12/31/01; **Deborah Sitz**, administrative assistant senior, Human Resources, transfer and title change from coordinator, student affairs and commencement, 2/25/02; **Robert Stachowiak**, patrol corporal, University Police, reclassification via job audit and additional title of departmental systems administrator, 1/29/01; **Susan Stock-Ward**, assistant director, Counseling, Testing and Career Center Training, promotion and title change from psychologist resident, Counseling, Testing and Career Center, 7/01/01; **Catherine Stoyloff**, employee training specialist, Human Resources, title change from compensation analyst, 2/01/02; and **Oletha Thompson**, associate vice president, Campus Life and member of general faculty, promotion and title change from assistant vice president, Special Services for Students, 2/01/02.

Separations

Judith H. Arbezniak, administrative assistant senior, Office of the President, 1/09/02; **Marla Cleveland**, assistant women's basketball coach, Athletics, 1/07/02; **Marlene Dunn**, administrative secretary, Institute of Polymer Science, 2/27/02; **Patricia Giordan**, preschool teacher, Curricular and Instructional Studies, 1/31/02; **Sergey Mamedov**, research associate, Institute of Polymer Science, 1/15/02; **Malay Hajra**, postdoctoral research associate, Civil Engineering, 12/28/01; **Sangkeun Rhee**, chief engineer, Polymer Engineering, 1/31/02; **Herbert Thompson**, university physician, Athletics and adjunct professor, Education 2/28/02; and **Brenda L. Wetzel**, groundskeeper, Physical Facilities, 1/22/02.