

**Special Meeting of the Board of Trustees
September 12, 2012**

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UNIVERSITY OF CINCINNATI
Official Proceedings of the
Three Hundred and Eighteenth Meeting of the Board of Trustees
(A Special Meeting)
September 12, 2012

The Three Hundred and Eighteenth Session of the Board of Trustees of the University of Cincinnati was opened at 3:07 p.m. on Wednesday, September 12, 2012, in the Russell C. Myers Alumni Center, of the University of Cincinnati. Notice of this meeting was given in accordance with Section 121.22 of the Ohio Revised Code. The proceedings of the Board, when not otherwise provided for by its bylaws, are governed by *Robert's Rules of Order*.

C. Francis Barrett, Chairperson, presided. Mr. Barrett asked that roll be called.

BOARD MEMBERS PRESENT: C. Francis Barrett, Chairman, Thomas D. Cassady, Stanley M. Chesley, Gary Heiman, Thomas H. Humes, William C. Portman, III, Robert E. Richardson, and Geraldine B. Warner

BOARD MEMBER ABSENT: Margaret E. Buchanan

THE SPECIAL MEETING OF THE BOARD OF TRUSTEES

Mr. Barrett:

I would like to call our Special meeting to order. The Three Hundred and Eighteenth Session of the Board of Trustees of the University of Cincinnati will now convene. I would now like to introduce our new Interim Executive Assistant to the Board of Trustees Nicole Blount to please call the roll.

Executive Session

Mr. Barrett:

I will now call for an executive session. May I have a motion to enter Executive Session for the purpose of considering the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or litigation including conferring with counsel concerning disputes involving the university?

Upon motion of Mr. Heiman, seconded by Mrs. Warner, the Board voted to enter Executive Session by the following roll call vote:

AYE: Mr. Barrett, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mr. Humes, Mr. Portman, Mr. Richardson, and Mrs. Warner

NAY: None

ABSENT: Mrs. Buchanan

The Executive Session commenced at 3:15 p.m. and adjourned at 4:20 p.m.

Resumption of the Special Meeting

Mr. Barrett:

The meeting will now be reconvened. May I have a motion to continue the special meeting and reconvene at 4:30 p.m.? Upon motion of Mr. Chesley, seconded by Mr. Heiman, the Board approved the motion by the following roll call vote.

AYE: Mr. Barrett, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mr. Humes, Mr. Portman, Mr. Richardson, and Mrs. Warner

NAY: None

ABSENT: Mrs. Buchanan

Resumption of the Special Meeting

Mr. Barrett:

The meeting is now reconvened. We have four action items on our agenda today. Number 1 is the approval of the Distance Learning Services Contract with Embanet-Compass Knowledge Group Incorporated. We have a report here that is signed by Interim General Counsel, Gregory Mohar, Interim Senior Vice President of Academic Affairs and Provost, Lawrence J. Johnson and by Senior Vice President for Administration and Finance Robert Ambach. Which one of these gentlemen would want to address us first?

Mr. Mohar:

Mr. Chairman, you may recall that this matter was originally scheduled for presentation to the board at the last board meeting. We removed it from consideration at that time because there were certain issues regarding terms. General Counsel has since addressed those terms and has renegotiated those terms, and we find it fully acceptable at this point from a legal perspective, and we recommend the board adopt this contract and the second item on the agenda: the amended, Distant Learning Contract with Academic Partnerships, LLC. I don't know if we can deal with them jointly.

Mr. Barrett: If you prefer to deal with them jointly, we will do that.

Mr. Mohar: It may be productive to do that. I would refer to Dr. Johnson for his comments regarding these agreements.

Mr. Johnson:

These are very important to the university, and in fact, I wouldn't be surprised that at some point you will see what we do in the university and what we now call distance learning, we are beginning to call it E-learning, because it is electronic learning and we are seeing more and more. Right now, 5000 of our students engage in these programs and we are the largest in Ohio; we lead the state of Ohio. Our biggest growth is

that these sets of courses have grown over 80 percent in the last five years. We did 33,000 credit hours through E-learning and it really will be key with our plans and development and key to the future of the university. I think these contracts will help us and enable us and give us greater opportunities to bring more programs online.

Mr. Barrett: Thank you Larry. Bob?

Mr. Ambach: Any questions?

Mr. Richardson: No, I just want to make a very quick comment. This was due to Stan and Tom's persistence that we improve this contract, and it was improved so I just want to make sure we thank them for their work and we can negotiate harder and we got a better deal out of this and I think we should be proud of this.

Mr. Barrett:

Thank you, Rob.

Mr. Richardson:

Thank you.

Mr. Barrett: Any comments from any other members of the board? If not, I will ask for a motion for both of these items to be adopted at the same time.

Mr. Chesley:

I would be honored and happy to make a motion.

Mr. Heiman:

Seconded.

Mr. Barrett:

Any further discussion?

Mr. Chesley:

I just have one item. I just want to make sure we are not going to become a mail order college. I remember when I used to be able to read in a magazine how I could get a mail order degree. I just want to make sure that's not going to happen.

Mr. Johnson:

That would never happen. We collect a great deal of data and these classes are rated very highly and we make sure they hold to high standards.

Mr. Chesley:

I'm just being facetious.

Mr. Barrett:

Nicole, could you please call the roll?

The Board approved by the following vote:

AYE: Mr. Barrett, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mr. Humes,
Mr. Portman, Mr. Richardson, and Mrs. Warner

NAY: None

ABSENT: Mrs. Buchanan

Mr. Barrett:

The motion is unanimously adopted. The contracts are approved. Item number three is titled Amendment of Board rule 50-3-02, and would our Interim General Counsel Gregory Mohar please comment on this proposed rule?

Mr. Mohar:

Thank you Mr. Chairman. This rule was intended to be presented at the last meeting, but unfortunately they had not been finalized at the time, they deal primarily

with recommended changes with respect with to the faculty senate, creating some efficiencies and improving the governance of that agency and have been reviewed by General Counsel and have been found acceptable. I'd refer to Dr. Miller for his comments.

Mr. Barrett:

Rich.

Dr. Miller:

Thank you Mr. Chairman. Members of the board provided in your packages are proposed changes to the faculty by-laws rule 50-3-02. These proposed changes originated with the Faculty Senate Governance Committee were vetted by the Senate and were approved by the faculty at the spring all-university faculty meeting. The changes are in four groups.

The first changes addresses vacancy and committees. Under our current by-laws some committee seats remain vacant until we hold a special election. The change allows the vacancies in committees to be filled in a timely manner so the committee work is not delayed by appointment for the unexpired term. The appointment is made by the faculty chair with confirmation of the faculty senate cabinet.

The second change to our election process, we currently hold university-wide elections by electronic ballot. This change eliminates references in the by-laws to paper balloting.

The third change adds educator and practice series to the definition of faculty. This makes our definition of faculty consistent with the university rules and board approved faculty titles.

Finally, there are several miscellaneous changes to wording to clarify intent. On behalf of the faculty I ask you to approve the changes to the faculty by-laws, rule 50-3-02. Thank you.

Mr. Barrett:

Are there any further questions of Dr. Miller from anybody on the board?

Mr. Cassady:

Dr. Miller, it says that all voting shall be a voice vote, unless otherwise provided by the by-laws, so are the votes going to be electronic? Is that what the by-laws are saying?

Dr. Miller:

The by-laws provide that for the actual election of university level elections, Senator at large, Faculty Chair. These are specifically done by electronic, and the default there is the by-laws specify later on those are done electronically.

Mr. Cassady: Will there be any voice votes?

Dr. Miller:

Yes. The voice votes are for motions or things before the senate. Actual elections are usually done by paper ballot or done by electronic ballot as appropriate.

Mr. Cassady:

The reason it came up, I was curious, on the top of page five of the rule change where you deleted the presiding officer may at the request of the ten members shall appoint tellers and require a rising or ballot vote is requested. Those of us who have been in big groups and you have a voice vote, aye, nay and the chair can't tell. The nay's may be yelling louder. You can't tell so having people rise, I don't understand why that would be.

Dr. Miller:

The reason it is necessary, because an earlier clause says that all votes shall be according to *Robert's Rules* and that is already in *Robert's Rules* and therefore the section was redundant. That is already the procedure required.

Mr. Cassady:

Okay, thank you.

Mr. Barrett:

Are there any other questions? If not, I will call for a motion to approve and adopt an amendment of board rule 50-3-02.

Mr. Richardson:

So moved.

Mr. Portman:

Second.

Mr. Barrett:

Nicole, could you please call the roll?

The Board approved by the following vote:

AYE: Mr. Barrett, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mr. Humes,
Mr. Portman, Mr. Richardson, and Mrs. Warner

NAY: None

ABSENT: Mrs. Buchanan

Mr. Barrett:

Thank you, this motion is unanimously adopted. The fourth action item on the agenda is titled Transition of President Gregory H. Williams and we have a number of items to address and act upon. The first item which I will address is under his employment contract he is entitled to a maximum bonus of 25% of his base salary. His base salary is \$451,000 a year; a maximum bonus of 25% would equate to \$112,750. Is there anybody on the board who would like to make a motion concerning a bonus for the past year for Dr. Williams?

Mr. Heiman:

Mr. Chairman, I would make a motion that he receives his full 25% maximum bonus of \$112,750.

Mr. Chesley:

Second.

Mr. Barrett:

Are there any further questions before we vote? If not, Nicole would you please call the roll.

The Board approved by the following vote:

AYE: Mr. Barrett, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mr. Humes, Mr. Portman, Mr. Richardson, and Mrs. Warner

NAY: None

ABSENT: Mrs. Buchanan

Mr. Barrett:

Motion is adopted unanimously. The second item of monetary consideration, which I understand from our General Counsel, we do not have to vote upon, but will happen at the end of the year pursuant to his employment contract, is a payment of \$100,000 for a supplemental retirement benefit under the contract. Is that correct Greg?

Mr. Mohar:

Yes sir, that's what the contract provides.

Mr. Barrett:

And that will be paid at the end of the year?

Mr. Mohar:

Yes sir, I believe December 27.

Mr. Barrett:

We are not required to take any action on that today? It will automatically happen?

Mr. Mohar:

It's already subject to contract.

Mr. Barrett:

All right, thank you. We were fortunate to be able to reach a consulting agreement with Dr. Williams. He will be available at our discretion as we may need his services concerning the university, concerning UC Health, Proudly Cincinnati, UC Foundation, U-Square and the university's central role with the Big East conference among primary items. I understand that this has been resolved with a consulting services agreement negotiated between our special counsel, Mr. David Kamp and President Williams' special counsel. We have, of course, consulted with our General Counsel Gregory Mohar, but since he reported directly to President Williams, we did not want to put him in any position of conflict regards to the negotiations, which were really quite amicable and fully satisfactory to all concerned. For the calendar year, beginning September 15, 2012 through September 15, 2013, we will pay Dr. Williams \$25,000 per month, which will equate to \$300,000 for the next year.

In the following year commencing, September 15, 2013 through September 15, 2014, the compensation would be \$16,666 per month, which equates to \$200,000 per year. That would be a consulting agreement which, I believe, we need board action on. Greg is there anything you want to say further about the consulting agreement?

Mr. Mohar:

No sir, I reviewed the agreement and I worked with Mr. Kamp to bring it into effect. I do appreciate the board's appreciation of my position and its engagement of special counsel. It was prudent and very helpful, I think. The only observation I would make, sir, is that the agreement that is attached here is a form agreement. I believe it's in

substantially the form that the parties can sign it; there may be a few slight changes, but this is the agreement that has been negotiated and proposed.

Mr. Barrett:

Would it be appropriate to have that agreement executed on behalf of the university once it's in final form fully consistent with what we do today and the substance of the draft in front of us?

Mr. Mohar:

Yes, sir, and I believe the recommendation for action provides for those adjustments.

Mr. Barrett:

Thank you. Are there any questions or comments from any board members of anybody from Administration or General Counsel or Special Counsel?

Mr. Chesley:

Mr. Chairman, as I understand it from our General Counsel and Special Counsel, Mr. Kamp at all issues regarding to any and all things regarding this agreement, President Williams was represented by very competent and able counsel, George Vincent, who is the chairman of Dinsmore & Shohl, and I am very pleased that Mr. Vincent and Mr. Kamp worked out these details in a very professional and timely manner, and I salute them and I salute President Williams for moving this towards completion, and I think I want to make it clear that I am pleased that this matter has been amicably resolved and any and all information relative to it will be public. Is that correct?

Mr. Barrett:

That is correct. Any further questions or comments from anybody on the board?

Mr. Humes:

Mr. Chairman, I would add, that I think when executed it should come with thanks and appreciation to Dr. Williams for an outstanding job done for this university.

Mr. Barrett:

Thanks, Tom. If there is no further discussion or questions, can I have a motion to so act upon the proposed consulting agreement?

Mr. Richardson:

So moved.

Mr. Heiman:

Second.

Mr. Barrett:

Nicole, would you please call the roll?

The Board approved by the following vote:

AYE: Mr. Barrett, Mr. Cassidy, Mr. Chesley, Mr. Heiman, Mr. Humes,
Mr. Portman, Mr. Richardson, and Mrs. Warner

NAY: None

ABSENT: Mrs. Buchanan

Mr. Barrett:

Another aspect of the President's situation is that he is fully tenured as a professor and member of the faculty of the University of Cincinnati and under his tenured relationship with the University, he would be entitled to a salary of \$255,000 for this academic year and we will of course honor our commitment as a tenured professor consistent with the way we treat every tenured professor, Greg as I understand?

Secondly, the university has the right to buy out the balance of his tenure and I understand that we reached agreement. A year from now, we will buy out the balance of his tenured professorship for the sum of \$300,000. Is that correct Dave?

Mr. Kamp:

That's correct, Mr. Chairman.

Mr. Barrett:

Anything else Greg, you want to add on that?

Mr. Mohar:

No sir.

Mr. Barrett:

Are there any questions or comments?

Mr. Chesley:

I had a question. I was under the impression that there was not a position for this year to be filled. Is that accurate?

Mr. Barrett:

That is correct; the academic appointments have already been made for this year.

Mr. Chesley:

But he does get the compensation?

Mr. Barrett:

He does get that compensation.

Mr. Chesley:

Thank you.

Mr. Heiman:

The buy-out is our option.

Mr. Barrett:

Yes, that is correct.

Mr. Ambach:

Just for clarification, that is an agreement to be drafted, but there is an understanding to that effect.

Mr. Kamp:

That is correct, Mr. Chairman, we'll produce that in writing the next couple of days.

Mr. Barrett:

I believe it is appropriate to have a motion to approve that arrangement: the payment of that salary and that buy-out amount, and that we authorize our legal counsel and General Counsel to prepare the appropriate agreement and have the university execute it if it is fully consistent therewith, is that correct?

Mr. Mohar:

Yes sir.

Mr. Barrett:

Can I please have a motion?

Mrs. Warner:

So moved.

Mr. Richardson

Second.

Mr. Barrett: Any further comments or questions? Nicole, would you please call roll?

The Board approved by the following vote:

AYE: Mr. Barrett, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mr. Humes,
Mr. Portman, Mr. Richardson, and Mrs. Warner

NAY: None

ABSENT: Mrs. Buchanan

Mr. Barrett:

The last item we have is with regard to President Williams' residence. He and his family reside in what's called University House, which is a penthouse of Edge Cliff Point. Normally, after a resignation, that would be surrendered in thirty days, but we are flexible with that and are willing to extend that if necessary to January 31, 2013. Greg do we need a motion to do that?

Mr. Mohar:

I think it's something that could perhaps be done simply by a letter to Dr. Williams extending that. I don't think we need a formal agreement.

Mr. Barrett: I'll go ahead and ask for a motion.

Mr. Chesley:

I so move.

Mr. Portman:

Second.

Mr. Barrett:

Nicole, would you please call the roll?

The Board approved by the following vote:

AYE: Mr. Barrett, Mr. Cassady, Mr. Chesley, Mr. Heiman, Mr. Humes, Mr. Portman, Mr. Richardson, and Mrs. Warner

NAY: None

ABSENT: Mrs. Buchanan

Mr. Barrett:

Motion is adopted unanimously. Greg is there anything else we need to do?

Mr. Mohar:

No sir, that's the agenda.

Mr. Barrett:

President Ono would like to make a few comments.

President Ono:

This is good news; I want to talk about two things. US News and World report on an annual basis comes out with the rankings of the top colleges in the country, and I am very happy to announce that over the past two years the University of Cincinnati has moved up the rankings by 17 places, one of the largest climbs of any university in the country. We're up four places this year and 13 places last year. We were also singled out as one of the 12 universities with stellar reputations and programs and internships and cooperative education. We're very, very proud of the trajectory of this university and of our accomplishments in that area.

The second good news I want to talk about, is that we just learned today that the university has received a very, very competitive national grant, from the National Science Foundation. It's a leadership and empowerment and advancement center grant for a leap grant to really promote the numbers of STEM faculty women, faculty at the University of Cincinnati, reaching into our neighboring institutions and other colleges and universities, nationally was very, very competitive application process. We will be receiving \$3.7 million dollars for that grant, which hopefully will help us with our total grant portfolio

this year. I just wanted to end with these two very positive items that we learned about today. Thank you so much.

Mr. Barrett:

Do you want to tell us about your pre-football game reception on Saturday afternoon, late?

President Ono:

I want to start something at the university, where I build community prior to events and we have a pregame party on the patio upon the sixth floor. It was a good success and we're going to have another one before the Delaware State game. We're 1-0, we beat Pitt and we're going to be 2-0 very soon and we will be bringing together students, alumni, faculty and athletes together on the patio.

Two other things we are really excited about. In terms of bringing some of the greatest thought leaders onto campus, we have a Nobel Laureate, Eric Kandel, coming from Columbia University, giving one of our many lectures in the College of Medicine. He is a fantastic person, one of the pre-eminent neurobiologists of our time. We will have Leon Fleisher, one of the greatest pianists of our century, who will be visiting us as a distinguished faculty member in the College Conservatory of Music. And the very famed Africana Studies author and leader, Cornell West, will be also coming to visit us at the University of Cincinnati. So, we are really, really excited about the programming that's rolling out at this institution. Thank you, Fran, for the opportunity to talk.

Mr. Barrett:

Thank you, Santa.

Adjournment

There being no further business before the Board, upon motion by Mr. Richardson and seconded by Mrs. Warner, the meeting adjourned at 5:00 p.m.

THREE HUNDRED AND EIGHTEENTH SPECIAL MEETING OF THE BOARD OF TRUSTEES

SEPTEMBER TWELFTH TWO THOUSAND AND TWELVE

C. FRANCIS BARRETT
CHAIRPERSON

ROBERT E. RICHARDSON, JR.
SECRETARY