

Newark Faculty Council
Meeting of Monday, December 3, 2012 – 11:30 am
Chancellor's Conference Room
Minutes

In attendance: *Elected Members* **Edem Avakame, Paul Axel-Lute, Edna Cadmus, Benedict Jimenez, John Kettle, Janet Larson, Phylis Peterman, Piotr Piotrowiak, Wen-Hua Ren, Alexander Sannella, Ted Szatrowski, Miklos Vasarhelyi; *Interim Chancellor Philip Yeagle; Vice Chancellor for Academic Programs & Services John Gunkel; Executive Associate, Chancellor's Office, Janice Friedland; Interim Provost for Biomedical and Health Sciences Christopher Molloy***

University Reorganization: Interim Provost Molloy, head of the Integration Management Office, gave a detailed presentation on the upcoming integration of UMDNJ into Rutgers. This integration is comparable in scope and complexity with a merger between two large private sector companies. The administrative structure will include not only the four Chancellors required by the legislation (one for each campus and one for biomedical and health sciences), but also a campus provost for each campus, and two other campus provosts for biomedical and health sciences). UMDNJ-Newark is not merging with Rutgers-Newark; rather UMDNJ as a whole is being absorbed into a single unit (Rutgers Biomedical and Health Sciences). The College of Nursing will report to the Chancellor for Biomedical and Health Sciences. The integration is being implemented under the guidance of a nine-member Executive Steering Committee chaired by President Barchi, which includes two members from UMDNJ. There are twelve functional integration teams, with collective membership of about 300 individuals, coordinated by the Integration Management Office; the teams meet weekly; some of them have sub-teams meeting less regularly. The Executive Steering Committee meets and makes decisions biweekly. Legal, operational, and other aspects of the integration are supported by several experienced external consulting firms. The integration is being carefully planned with a view toward minimizing any harm to patients, students, or school accreditations. Detailed explanations regarding the merger are being provided to the Middle States Commission on Higher Education. The merger will change Rutgers from a \$2 billion operation to a \$3 billion operation. UMDNJ debt of about \$456 million will be taken over by Rutgers, which will be able to refinance it and achieve savings of \$5 million to \$6 million per year in debt service. There is potential for a new revenue stream to Rutgers from medical services. On the key issue of medical malpractice claims not covered by insurance, a memorandum of agreement with the state provides that the state will provide coverage, so Rutgers will not need to maintain a reserve fund for that purpose. There is still much discussion and uncertainty regarding the financing of University Hospital, which becomes an independent entity under the legislation, but which is anticipated to have continuing service contracts with Rutgers; the hospital owes \$90 million to UMDNJ.

Chancellor's Report: Chancellor Yeagle reported that the strategic planning process initiated by President Barchi is moving forward; he will meet this week with the firm hired to facilitate that process, and will provide them with the unit plans that he has obtained from the deans. The Newark Faculty Council will be asked to designate a Council representative on

the steering committee for the strategic planning process. The Chancellor also reported that two searches are in progress: one for a head of Newark Human Resources, the other for an External Relations person in the Chancellor's office. The External Relations person is needed because of the legislation providing for a separate line item for Rutgers-Newark in the state budget. This position will also oversee the campus Office of Communications. The successful candidate will have advocacy experience, government experience, and communications experience.

The meeting adjourned at 1:00 p.m., without having reached two agenda items: the campus mission statement update and the proposed Council bylaws amendments.