

Report of the
Board of Trustees Meeting 3/23/11
Springfield, Illinois

Rather than comprehensively reporting on the meeting, which stretched 9 hours, discussion here is selectively focused on issues the observer believes to be of greatest importance to the Urbana campus.

The University and its campuses are searching for 16-17 senior leaders, including the Chancellor for our campus. The Board passed a resolution, supporting recent hires of new vice-presidents, but also thanking students and faculty for their input in the hiring process. The goal of this resolution is unclear.

UIS Interim Chancellor Berman presented UIS as THE Public Liberal Arts University in Illinois. It has an intensive online presence. It is the least expensive of the 3 campuses to attend.

Trustee Karen Hasara introduced the Bronner Group, LLC, that is consulting with the University concerning MAFBE (Minority and Female Business Enterprises) contracting goals. The University's aspirational goal is to have 19% of purchasing from firms headed by individuals fitting MAFBE categories. As of FY10, the actual level was 9%. Meeting goals is easier in the Chicago area than in Springfield or Urbana. The consultants advocated that the University invest in capacity building (advising groups that fail to get contracts what they could do to increase their chances in future competitions). They advocated hiring of people specifically focused on this task within central administration and on each campus. Payback, they asserted, would come from greater competition and thus lower pricing down-stream. Part of the problem for MAFBE businesses is the maze of procurement rules and processes.

Vice-President Walt Knorr reported on current University financial indicators. When asked if anyone represented employee interests with respect to the underfunded retirement system, no one mentioned the State University Annuitants Association. The State owes the University about \$400,000,000 directly billed, and also owes many millions in MAP payments. The low MAP reimbursements will not be held against students (i.e. they will not be billed for this amount, nor will amounts owed from MAP inhibit graduation). The tuition increase, 6.9%, is based on the Higher Education Price Index. Base tuition, room, and board for two semesters at Urbana for entering freshman not in engineering or other higher-fee curricula will cost roughly \$24,000 each year, while in Chicago the residential cost will be \$23,500 and in Springfield \$20,500. Meanwhile, total State spending for the University has slipped to 80 cents for every dollar of tuition. To generate resources for a staff compensation improvement program, the only plausible source of funds is cost reduction in other areas. Trustee Koritz noted that we must maintain faculty quality so that the value of a U of I diploma is maintained. Trustees worry that the cost is getting sufficiently high that we may be limited in tuition boosts by lack of elasticity of demand. [This Senate has previously noted that "sticker shock" is among reasons we continue to lose diversity.]

One suggestion for cost-cutting was contraction of programs. The proximity of this suggestion with our on-going discussions of the Institute of Aviation was not lost on this reporter. When the time came to approve the tuition increase, Trustee Sosa spoke passionately against the increase because of its effect on families and diversity, while recognizing that there are few alternatives to maintain the quality of the University. The other student trustees, Roshina Khan and Charles Oliver, spoke in favor of the increase, but noted the failure of the legislature to adequately support the University. In a show of student solidarity, the lone vote against the tuition increase was made by Oliver, acting as agent for Sosa (who has the actual vote).

Donna McNealy of the University Ethics Office reported that only 7 out of 48,000 people who are required to take on-line ethics training failed to complete training during 2010. An updated Handbook of Good Ethical Practice is being generated. The effect of Senate Bill 51 was discussed; 8,500 employees are estimated to be directly impacted by its (unfunded) mandates. Reporting time for SB 51 is estimated to be one million dollars per year just for data input.

There was speculation that the legislature may pass a bill, limiting pension obligations of the State for existing employees or in some other way changing the retirement law. The purpose of such a law would be to create an opportunity for the Supreme Court to rule on the constitutionality of such changes. If or when such a bill surfaces, we should interpret the discussion accordingly.

Chancellor Easter gave a presentation on University Extension. Support for Extension is now close to the minimum it can be and still leverage available federal matching funds.

During public comments: Prof. Steven Platt spoke against the south Urbana wind turbine, while student Amy Allen spoke in favor. Student Body President David Olsen thanked the board for listening to student concerns, and emphasized the importance of maintaining the quality of UIUC. Rick Atterberry of the Council of Academic Professionals asked that APs not be forced into the Civil Service system. He explained the many problems the University would face with out-of-state hiring, seniority/bumping, and limitations on merit-based promotion if the external pressures towards moving APs into Civil Service are not resisted. Finally, Mark Thompson, a long-time University critic from Dewey, ranted against supposed political indoctrination by University faculty. If curious, see camconservatism.com.

Matt Wheeler, chair of USC and vice chair of the Urbana Senate Executive Committee, made a presentation on regulatory burdens (particularly the lengthy forms required by IACUC and IRB). He also managed to work in some discussion of pension issues. Board Chair Kennedy asked how much of the burden was self-imposed. Chancellor Easter suggested that faculty, when serving on national advisory boards, can provide "push-back" to inadvisable or excessive burdens.

Respectfully submitted,

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