

UNIVERSITY OF ILLINOIS
URBANA-CHAMPAIGN SENATE
Urbana Senate Observer
(Final; Information)

SC.17.09 Report on the January 19, 2017 Meeting of the Board of Trustees of the University of Illinois System held in Chicago

The meeting was formally called to order by BOT Chairman McMillan after an executive session which ran until about 9:30 a.m.

The UI State song Illinois was performed by Morgan Pirtle (singer), and Ben Byrd, and Zach Bridgman (accompanists).

President Killeen: gave introductions of university officers and various campus leaders present. His opening comments key points:

- Special year because of change; look ahead and reflect on the past – Sesquicentennial celebration. In the 150 years we have existed, we have become a bedrock of research and educations; we need to be sure we are now scripted in the contemporary agenda.
- We renew our commitment to students.
- IPAC provides for predictable funding and our commitment to the State of Illinois.
- We will be guided by new strategic framework approved by the BOT last year.

BOT Chair McMillan Announced a Special Order of Annual (January) BOT meeting: this involves some specific business items: Elect Chair, Executive Committee, Board Officers, Treasurer, and to Delegate Signatures.

- McMillan's decision not to stand for chair election includes: it has been an honor and privilege for him to serve; many of the BOT member/leaders can do the job; he thinks two years was long enough for him and his hearing continues to be a problem; he is not leaving the BOT.
- BOT Trustee Tim Koritz (MD from Harvard and PhD from Cambridge, previously Clinical Assistant Prof of Medicine in Peoria until he joined the BOT in 2009) was elected as the new Chair of the BOT. Trustee Koritz assumed the position of the BOT Chair.
 - Chair Koritz promised to do his best to discharge the duties and will count on BOT members to help.
 - Chair Koritz presented a gavel to Trustee McMillan in recognition of his service. McMillan looks forward to what will happen in the next 4 years for UI.
- BOT Executive Committee elections:
 - Trustees Cepeda and Montgomery were elected.
- BOT Secretary and Treasurer, Comptroller, University Counsel: Williams, Knorr, and Bearrows respectively were reelected.
- BOT Signatory: Williams was reelected.

Report by Chancellor Michael Amiridis (UIC):

Key messages:

1. Had a second university-wide graduation ceremony – very excited to have had 7,000 family members and friends that attended with the graduates.
2. Students and faculty successful in research funding; Chicago biomedical consortium with U of Chicago and Northwestern highlighted for recent success in funding.
3. Engaged locally – 100 scholarships from the Chicago Consular in the past decade.

4. Big financial hole - \$125 million for UIC; covering \$16 million for MAP. Desperately need a resolution to budgetary circumstances. Students are scared by financial worries at UIC.

Report from President Killeen on the Strategic Framework:

- The Strategic Framework in Action:
- Pledge is best possible return on investment for our students; efficient, competitive and constantly improving.
 - “Bed rock” commitment to Illinois;
 - Keep the tuition steady with no increase.
 - Examined track-record of enrollment history; enrollment exploded after WWII.
 - Commitment to best and brightest students in state, US and world.
 - Our students flourish in an ever-changing world.
 - Student demographics shifting
 - Older students.
 - Decreasing HS graduates – by 14% by 2021 in IL.
 - Diversity is increasing in IL populations; rise in first generation students.
 - Emerging pedagogies; flipped classrooms and other methods.
 - Large loss of students out-migrating (16,000 students net loss) from IL; this exports talent and also these students are less likely to return to work in IL.
 - Want to meet demand, transform lives, and build an improved IL tax base.
 - In 2015 created taskforce to help in identifying methods to keep and attract students to IL.
 - Our students have lower debt, and lower loan default rates.
 - UI system had target for strategic enrollment goal of 100,000.
 - Principles:
 - Maintain excellence, provide IL resident opportunities, capitalize on strengths, and ensure sufficient resources, assessment of employment opportunities and benchmark with UI Peer institutions.
 - Growth strategies: new degree programs, and expanding existing programs. Growth at UIUC: graduate and professional programs with online emphasis; growth at UIC: undergraduate programs to increase to capacity, expand 18 programs, and invest in five new health and data science programs; growth at UIS: recruit downstate and metro-East area by expanding mainly online offerings and some new degrees.
 - Combined will increase enrollment to 93,646 which is nearly 15% increase.
- Details are at: <http://www.trustees.uillinois.edu/trustees/agenda/January-19-2017/p-1-Strategic-Framework-Enrollment.pdf>

Financial Report by Vice President/CFO Walter Knorr:

- No change in the State Budget situation - impasse continues.
- No additional funding beyond the \$351 million bridge funding.
- No appropriation for our 2017 year.
- Fully exposed on MAP for this current academic year.
- State controllers website - \$11.1 Billion backlog in bills to be paid; \$9 billion in healthcare bills.
- UIC hospital finished with a slight positive balance for FY16; need to stay on top of receivables.
- Slow economic growth for 2016.
- IBHE recommends foundation funding for Higher Ed which is equal to FY2015 allocation.

- IGPA – Flash report; downward track of IL resident earnings in 2016.
- State appropriation revenue: still \$482 million short of FY15 funding this year; over two years (FY16 and FY17) we have about \$800 million total shortfall.
- Tuition revenue up. Enrollment at UI was 67,000 in FY 2000; 81,400 in FY 2017.
- MAP awards; nothing received so far for this academic year. Almost the same amount of MAP goes to private universities as to public schools.
- Only 93 days operating cash for UIC hospital.
- SURS – asset/liability ratio is 37.6%; State still way behind in their payments.
- Higher education outlook:
 - Federal policy and funding could change
 - Rising inflation and labor costs
 - NSF and NIH filed increased budgets requesting 2-3% increases
 - Low interest rates going away – we refinanced everything possible anticipating increases in interest rates.
 - Financial Market performance and investment return assumptions – need to change
 - Moderating state support; second greatest drop in state support in the US, behind only AZ
 - Tuition pressures

USC Chair, Kathy Novak – Presentation on innovative education.

- Presentation on what faculty do as part of the heart and soul of UI.
- Provided an education montage of faculty Layne Morsch (UIS), Mike Stieff (UIC), and Steven LaValle (UIUC).
 - In the first clip, Layne Morsch, Associate Professor of Chemistry at UIS, works one-on-one with undergraduate student collaboration in research.
 - In the second clip, Mike Stieff, Associate Professor of Chemistry at UIC, further illustrates the “flipped” classroom.
 - In the final clip, Steven LaValle, Professor of Computer Science at UIUC, designed a pioneering course in Virtual Reality.

BOT Committee Reports:

- Audit, Budget, Finance, and Facilities Committee: report given by Trustee Ramon Cepeda, Chair
 - Of particular note: commitment to supplier diversity.
- Governance, Personnel, and Ethics Committee: Trustee Patrick Fitzgerald, Chair
 - Of particular note was a background check policy report (from Jami Painter) that less than 0.01% of offers were withdrawn based on background checks (a total of 11 positions of ~12,000 job offers; of these 11 at least one related to child abuse and another to gun violations). Cost was considered modest (over \$450K) considering what is at stake. The turn-around time, another concern that had been expressed averaged only 3 days. There was a small (2%) decrease in the number of applications; there isn't a way to know the reason for the decrease, but they think it was likely related to the economic health of the State of Illinois. The committee members consider that the background checks were done well. Expect to provide another report next year. See: <http://www.trustees.uillinois.edu/trustees/agenda/January-19-2017/r-jan-Background-Check-BOT-Annual-Report-2016.pdf>
- University Healthcare System Committee: Trustee Timothy Koritz, Chair
 - Important aspects for our University:

- A presentation by Dr. Mark Rosenblatt on an artificial retina project being worked on at UIC; UIC one of only 14 medical centers implanting the artificial retinas.
 - 45,000 patient visits last year; length of stay decreased due to:
 - 1) Lower complications with fewer hospital acquired infections, 2) improvement in care transition, e.g. to nursing homes and
 - 3) Decreasing the time between coming in the door and seeing a provider in the Emergency Department.
 - Late Medicare payments is trending downward.
 - Inspection of the hospital by the Joint Commission went well; no conditional findings which is like having a clean audit.
- Academic and Student Affairs Committee: Trustee Ed McMillan, substitute Chair
 - Presentations:
 - Barb Wilson, Executive Vice President and Vice President of Academic Affairs on recruitment, enrollment and admissions focused on freshman.
 - Details included:
 1. Protect access and affordability; recommendation is no increase in base tuition rate for new IL resident undergraduates; 3rd consecutive year of no tuition increase: base tuition rates \$12,036 (UIUC); \$10,584 (UIC); and \$9,405 (UIS). Holding room and board costs at UIUC and UIC, with a slight increase at UIS.
 2. Increasing financial aid and scholarships. In FY17, the UI spent \$85 million and ten years ago it was only \$28 million; these expenditures are in excess of the State and federal aid provided.

Public Comments to the BOT:

Kate McIntire (UIC alum). Measure your education by what you do with knowledge learned. Undocumented people here. Trump has promised to withdraw funding from sanctuary cities. UI was asked to declare itself as a sanctuary. She and many were disappointed that UI denied the petitions from many faculty and students who recommended having UI become a sanctuary. Undocumented students felt unsafe to speak to the BOT.

Joe Padea (UIC third year student). Asked the BOT to make the UI a sanctuary for undocumented students. Chicago is a sanctuary city. UIC not subject to all Chicago laws and so can't afford to rely on the word on the Mayor of Chicago. Make sure ICE (Immigration and Customs Enforcement) comes nowhere near UI students. We must remain on the side of human rights, justice and compassion.

Consideration of Agenda Items and Voting: See details of the agenda items for the meeting and various approvals: <http://www.trustees.uillinois.edu/trustees/agenda/January-19-2017/>

Chair Koritz stated that he looks forward to learning who the three new colleagues will be on the BOT.

There was no Old or New Business from BOT Trustees.

The next BOT meeting will be March 15, 2017 in Urbana. The following meeting will be May 11, 2017 in Springfield.

Meeting adjourned at 11:55 am.

Respectfully submitted by Gay Miller, Senate Executive Committee Chair