

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

**SC.17.16** Report on the July 13, 2017 meeting of the Board of Trustees of the University of Illinois System held at the University of Illinois at Chicago

At the Board retreat on July 12, a panel of three guest speakers, and breakout groups, discussed three issues:

Julie Ellison, Professor of American Culture and English, University of Michigan  
“The role of civic engagement in American universities”

Na'ilah Nasir, President, Spenser Foundation  
“Campus inclusiveness and freedom of expression”

Peter McPherson, President, APLU  
“Immigration and globalization in higher education”

At the formal Board of Trustees meeting on July 13, the following reports and decisions affected the Urbana campus:

VP and CFO Walter Knorr gave his 62<sup>nd</sup> and final presentation on the university budget. VP Knorr is retiring. The university system received \$583 millions for FY 18, ten percent less than the 2015 appropriation. The system also received \$300 million to complete what was owed from FY 17. Over \$400 million owed from FY 16 will probably never be repaid. The system received MAP program funding for FY 17 and 18. The funding come mostly from the Educational Assistance Fund (EAF), not general revenue funds (GRF). The state arranged a transfer to the Medicaid Trust Fund. The university is going to have to pick up additional costs for pensions; the amount is not clear yet. Moody's and Standard and Poor's downgraded the university credit ratings, based on their downgrade of the state.

The state GRF still owes \$16 billion in unpaid bills (it was \$4 billion in 2014).

For FY 18, the gap between tuition funding per student and state funding per student continues to grow.

Payments on behalf (health insurance) continues to grow (\$559 million for FY 17). The total annual obligation for pensions is \$873 million, of which only about \$200 million is actually paid for. Together, total payments on behalf to the university are about \$1.4 billion. The total unfunded pension obligations of the state are almost \$130 billion, long term – a major factor in the downgraded ratings of the agencies.

103 FTE were transferred from the system administration to the university campuses, continuing the trend of downsizing and decentralizing system administration, as of July 1.

The FY 18 operating budget will be prepared for the Board at the September meeting. The “ask” to IBHE for FY 19 is already being prepared.

A presentation from the three university chiefs of police discussed risk management. ERM (Enterprise Risk Management) is a system wide initiative that covers many "risk" factors (financial, etc.) This presentation focuses on safety issues and risk management. The overall strategy focused on mitigation strategies, focused on education and preventative interventions, and anticipating potential active threats before they occur. At Urbana, this program includes the "Run, Hide, Fight" initiative. "First Amendment Gatherings" (planned or unplanned) are a major area of potential concern, because of their potential to escalate. A second distinction is disruptive vs nondisruptive gatherings, and best practices for dealing with them. Strategies: Information sharing; Relationships with stakeholders; Incident decision-making processes; Protecting the rights of all concerned; Education and training.

University Senates Conference chair Kathy Novak (UIS) gave her report on the activities of the USC during the year.

The four Board committee chairs gave their reports. Various items were reviewed that will appear on the Action agenda.

The three new student trustees were welcomed.

The public comments session featured: (1) George Ploss about the discontinuation of the Executive MBA program offered by the College of Business in Chicago; (2) Patrick Thompson, a minority contractor with a contract with the Urbana campus on Freer Hall; (3) Todd Neely, an alum, discussing the issue of sexual assaults on campus. Current programs, he claims, are ineffective in addressing "acquaintance rapes."

The Board approved a resolution of appreciation for retiring VP Walter Knorr.

Board actions (affecting Urbana):

Approved James Anderson, Dean, College of Education

Approved Danita Brown Young, Vice Chancellor for Student Affairs

Approved amendments to the Urbana Senate Constitution, addressing participation by specialized faculty in the Senate.

Approved the establishment, or elimination, of several degree programs at Urbana.

Approved promotions in rank and tenure.

Approved faculty appointments to Center for Advanced Study.

Approved construction/renovation projects at Urbana: School of Labor and Employment Relations; Memorial Stadium; Law Building; Electrical and Computer Engineering Building, Civil Engineering Hydrosystems Lab, Freer Hall, and Smith Hall.

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