

Minutes
Urbana-Champaign Senate Meeting
April 14, 2014

A regular meeting of the University of Illinois at Urbana-Champaign Senate was called to order at 3:12 pm on the third floor of Levis Center with Chancellor Phyllis Wise presiding and Professor Emeritus H. George Friedman, Jr. as Parliamentarian.

Approval of Minutes

04/14/14-01 The minutes from March 10, 2014 were approved as distributed.

Senate Executive Committee Report

Roy Campbell (ENGR), faculty senator and Chair of the Senate Executive Committee (SEC) encouraged all continuing and reelected senators to attend the 2014-15 Elections and Organizational meeting next Monday, April 21.

Campbell noted that the Chancellor is hosting a reception immediately following the meeting today for all senators.

Campbell cautioned senators to be mindful of the accounting language when listening to the budget presentation.

04/14/14-02 Chair Campbell moved floor privileges be extended to the following individuals: 1) Mathematics Professor and Campus Faculty Association Vice President Richard Laugesen to speak to the Budget Presentation and SC.14.09 Resolution on Supplemental Retirement System; 2) Department of Journalism Head Rich Martin to speak to Educational Policy proposal EP.14.31; 3) Department of Speech and Hearing Science Head Karen Kirk to speak to Educational Policy proposal EP.14.32; 4) Engineering Associate Dean Bill Buttlar to speak to EP.14.34.

04/14/14-03 Floor privileges were approved without objection.

Chair Campbell announced that the following senators have agreed to serve as tellers for today's meeting: Josh Baalman (LAS), H. F. (Bill) Williamson (LAS), and Kim Graber (AHS).

Chancellor's Remarks

Chancellor Phyllis Wise added that the reception following today's meeting is to thank the senators for all the hard work you do throughout the year.

The Second annual town hall meeting was held recently. There is one page document outlining the goals that are in the process being met and have already been met. It is important to make sure the goals in the strategic plan are being met. If goals are reached before the three year deadline, then goals will be set higher. Wise and Adesida also met with the Illinois Student Senate to tell them about the strategic plan and let them ask questions.

Questions/Discussion

Mallory (LIBR) asked that the vote totals from the election of faculty nominees for the search committee to assist in the selection of a President be sent out via the listserv. Campbell indicated that the Clerk of the Senate would fulfill this request as soon as possible.

Consent Agenda

04/14/14-04 EP.14.19* Proposal from the College of Liberal Arts and Sciences (LAS) to Transfer the Undergraduate Minor in Italian, and the Undergraduate Major Leading to the BALAS in Italian from the Department of Spanish, Italian and Portuguese to the Department of French

04/14/14-05 EP.14.20* Proposal from the College of Liberal Arts and Sciences (LAS) to Transfer the Administrative Homes of Faculty and Associated Non-tenure-track Academic Lines Within the Italian Program to the Renamed Department of French and Italian

- 04/14/14-06 EP.14.21* Proposal from the College of Liberal Arts and Sciences (LAS) to Transfer Italian Studies from the Department of Spanish, Italian and Portuguese (SIP) to the Department of French and to Change the Names of the Units to the Department of Spanish and Portuguese and the Department of French and Italian
- 04/14/14-07 EP.14.25* Proposal from the College of Business and the Graduate College to Eliminate the Graduate Minor in Finance and Establish a Graduate Concentration in Finance
- 04/14/14-08 EP.14.26* Proposal from the College of Business and the Graduate College to Eliminate the Graduate Minor in Accountancy and Establish a Graduate Concentration in Accountancy
- 04/14/14-09 EP.14.27* Proposal from the College of Business and the Graduate College to establish a Graduate Concentration in Business and Public Policy
- 04/14/14-10 EP.14.29* Proposal from the College of Engineering to Revise to the Bachelor of Science in Computer Engineering in the Department of Electrical and Computer Engineering
- 04/14/14-11 EP.14.30* Proposal from the College of Liberal Arts and Sciences (LAS) to Transfer the Graduate Programs (MA and PhD) in Italian from the Department of Spanish, Italian and Portuguese to the Department of French
- 04/14/14-12 EP.14.31* Proposal from the College of Media to Revise the MS in Journalism and Establish the BS/MS in Journalism
- 04/14/14-13 EP.14.32* Proposal from the College of Applied Health Sciences to Revise the PhD in Speech and Hearing Science
- 04/14/14-14 EP.14.34* Proposal from the College of Engineering to Establish a MENG in Bioinstrumentation
- Proposals (enclosed)**
- 04/14/14-15 SC.14.09* Resolution on Supplemental Retirement System

Finance Professor and SEC ad hoc Compensation Review Committee (CRC) Chair Jeffrey R. Brown noted that pension reform was passed for a reason; there were major fiscal issues. There is no way to fully compensate for everything lost through Senate Bill (SB) 1. The University is really trying to be competitive with its peers. This is a long-term plan. The Board of Trustees (BOT) asked the campuses to explore the possibility of a supplemental retirement plan.

One suggestion is for each campus to make some kind of automatic payment into a 403b account for all State Universities Retire System (SURS) eligible employees. There would be an additional matching for SURS eligible employees who are contributing to 403b account. The salary cap has decimated some employees' pension plans. This one provision could cut mid-career employees' pensions by 50 percent.

A supplemental plan is needed to become competitive with peer institutions. The average of our peers is 26.39%. These are estimates post SB-1. The University is at 14-15%. The University must do something in order to compete. The University should at least be comparable to the institution at the bottom of the list.

The feasibility of funding a supplemental plan must be addressed. For each 1% of pay, it costs the University about \$7.5 million (including \$3.1 million from auxiliary sources). This amount will have to be funded by existing operating revenue. We must pay for this now or pay more dearly later.

Brown noted that those employees over the salary cap set by SB-1 are in danger of losing half, and in some cases more than half, of their pension.

04/14/14-16 On behalf of the Senate Executive Committee, Chair Campbell moved approval of the Resolution on Supplemental Retirement System.

04/14/14-17 Seymour (GRAD) made a motion to postpone a vote on SC.14.09 until after the budget presentation was made. The motion was seconded and by voice vote, the Senate postponed a vote on SC.14.09 until after the budget presentation.

Budget Presentation

Michael Sandretto, Chair of the Senate Committee on the Budget presented information on the University budget.

Pensions are drastically underfunded and the State does not have the funds even if the courts overturn the new pension legislation.

The University has cash, but there are numerous expenses and vast amounts of liabilities against that cash. These expenses and liabilities include holding cash that has caused very high deferred maintenance, unresolved salary negotiations on the Chicago campus, a significant number of faculty hires over the next several years, and a supplemental pension plan is being developed.

The University's financial condition is about average compared to its peer institutions, but the University has a very small endowment compared to those same peers. The University is at the bottom of the endowment. Overall the University is not in great shape, but is also not in bad shape.

Sandretto explained that separating the campuses to create individual campus financial statements is difficult and complex. The University is also legally considered one entity.

Plans are being developed to address and reduce deferred maintenance. Part of that plan is to retrofit current buildings to make them more energy efficient which will reduce costs.

After discussion, a vote was taken on Chair Campbell's motion to approve the Resolution on Supplemental Retirement System.

04/14/14-18 By voice vote, the Resolution on a Supplemental Retirement System was unanimously approved

04/14/14-19 CC.14.10* Nominations to the Athletic Board

On behalf of the Senate Committee on Committees, Chair Kalita presented the five faculty nominees listed in proposal CC.14.10 for a vote to nominate four faculty members to go forward for the two faculty vacancies. Kalita also moved approval of the four student members on proposal CC.14.10 to go forward for the two student vacancies. There were no nominations from the floor and nominations were declared closed.

04/14/14-20 By ballot, Choquette, Clancy, Leroy, and Olshansky will go forward to the Chancellor for consideration in filling the two faculty vacancies.

04/14/14-21 By voice vote, Alston, Dettro, Nelson and Saldivar will go forward to the Chancellor for consideration in filling the two student vacancies.

04/14/14-22 RS.14.02* Resolution in Favor of Student Loan Reform

Fiorentino (LAW) gave a passionate presentation of Resolution RS.14.02 and provided information on the student loan system. Fiorentino (LAW) noted that student loan debt is the only kind of loan that cannot be terminated by filing for bankruptcy. Wages can be garnished and professional licenses can be suspended as a consequence of defaulting on a student loan. The resolution calls for standard consumer protections to be reinstated along with full bankruptcy protections.

04/14/14-23 Ordal (MED) moved approval of RS.14.02 and Fiorentino (LAW) seconded the motion. Discussion followed.

- 04/14/14-24 Chair Campbell (ENGR) moved to close debate. The motion was seconded and passed by voice.
04/14/14-25 By voice vote, the motion to approve the Resolution in Favor of Student Reform was approved.

Current Benefits Issues

Kindt (BUS), Chair of the Senate Committee on Faculty and Academic Staff Benefits, reminded those present that if an individual chooses to contact a representative regarding an issue, University resources cannot be used in support of any political activities and any political activities must not interfere with employment obligations to the University.

Kindt recommended visiting www.suaa.org to obtain more information about the pension revisions. He added that each individual's situation is unique and to contact SURS (State Universities Retirement System) for personal advice. It's very complicated.

Reports

- 04/14/14-26 HE.14.07* IBHE-FAC Report – March 21, 2014
04/14/14-27 HE.14.08* IBHE-FAC Report – April 1, 2014

New Business

None

Adjournment

The meeting adjourned at 4:27 pm.

Jenny Roether, Senate Clerk

*Filed with the Senate Clerk and incorporated by reference in these minutes.