

**UNIVERSITY OF ILLINOIS
URBANA-CHAMPAIGN SENATE**

Urbana Senate Observer
(Final; Information)

SC.17.07 Report on the November 10, 2016 Meeting of the Board of Trustees of the University of Illinois System held at the University of Illinois Chicago (UIC).

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 school song was sung by UIC College Prep HS Honors Choir. Chancellor Michael Amiridis UIC shared some details of college aspirations among the 900 College Prep HS graduates.

BOT Chairman McMillan invited two BOT veterans to share their experiences and comments:

- Tim Koritz – stated he is proud of UI Urbana Champaign (UIUC) which is his main UI experience and how UIUC honors veterans. He noted Memorial stadium and UIUC accessibility for injured veterans. Also, UIUC took many students post WWII under the GI bill. He highlighted the important work of the UIUC Center for Wounded Veterans.
- Jauwan Hall UIC veteran student, shared his perspective as a student at UIC and recent veteran.

President Killeen: gave introductions of university officers and various campus leaders present.

Report by Chancellor Michael Amiridis (UIC):

Key messages:

1. Welcome to all as they celebrate veterans week at UIC; 4500 veterans attending UIC.
2. \$10 million new contracts and grants this year
 - a. One grant focuses on increasing Latinos/Latinas successes.
3. Ask for assistance as they make true promises for a more entrepreneurial UIC.
 - a. Need public private partnership for new clinical facility.
 - b. Need continued state support to meet the UIC promises.
4. Four strategic pillars for UIC align with the UI strategic plan.

Report by Jim Moore Jr - UI Foundation:

1. Important goals relate to fund raising of course.
2. Foundation governance board is significantly relied on.
3. Campaign planning – won't solve the budget crisis but provide marginal excellence \$.
 - a. People invest in areas and programs they are passionate about.
 - b. Want donors to have priorities that agree with Chancellors' and Deans' priorities.
4. First quarter of FY 2017
 - a. Cash = payments on previous pledges = \$63 m;
 - b. New business = \$50 m.
5. System changes last year caused some loss in efficiencies and fund raising declined; down in cash and in new business. New business \$286.2M and cash flow \$224.7 M.
6. Still good initiatives; he highlighted three:
 - a. Siebel design center - UIUC

- b. Student union - UIS
- c. Endowed deanship for School of Pharmacy – UIC
- 7. CANNOT fund raise your way out of a budget crisis.
- 8. New system = TED = Theodore; system has great capacity for tracking and it is working and they are deciding analytics to use. UI Foundation studies 25 privates and 25 publics and what they do to help improve. Need to improve on the endowment side.

Report by Mr. Steve Van Arsdell from the UI Alumni Association; he presented because CEO Lauren Taylor retired last Friday:

1. Reached: 180,000+ alumni thru direct marketing; 32,000+ affinity program; 5,000+ one-on-one interactions; 2,500+ alumni advocacy
2. learning how to use social media better
3. 200+ graduates of black alumni at UIUC reunion
4. Athletics is important for UI system
5. Inspiring and celebrating alumni.
6. Developing an interactive Illinois Legislative map which will show where legislators graduated – from what IL Universities, and the number of alumni located in each legislative district. Mining the data for UI benefit being investigated.
7. Alumni association functions they will focus on:
 - a. Advocacy
 - b. Trustee recommendations
 - c. History and traditions
 - d. Affinity programs/tours
 - e. Alumni voice and sentiment
 - f. System level alumni communications
 - g. International clubs
 - h. Best practices
8. Alumni association vets potential BOT candidates who are then submitted to the governor.

Financial Report by Vice President/CFO Walter Knorr:

- No change in the State Budget situation - impasse continues.
- Advocacy continues
- \$9 billion in unpaid bills at the state level.
- Additional billion requested because of under-performing of the pension system.
- Billed \$299 million of the \$351 million bridge funding; received \$200 million, receipts are as expected and State is expected to pay bridge funding in full.
- Billed \$25 million for healthcare benefits.
- Seeking \$29 million for MAP awards; nothing received so far for this academic year.
- Payments for employees group health insurance claims is a continuing concern.
- Moody Aa3, rating for UI. Only Rutgers ranks as low as UI; we are the lowest in the big ten. Moody's report summary:
 - Liquidity, enrollment growth/student demand, fiscal management, and diversity of revenues are the main positives.
 - State budget, exposure to health care and need for capital investment are the main negatives.

- Tuition revenue up.
- State support per tuition \$: important metric: in 1970 IL provided \$12.8 to UI for each tuition \$ generated; today we get \$0.3 from the state per \$1 tuition dollar generated!
- Only 90 days operating cash for UIC hospital.
- No capital appropriations from State.
- Federal grants and contracts increased 17.1% in the past 10 years. HHS highest funder; NSF second.

BOT Committee Reports:

- Audit, Budget, Finance, and Facilities Committee: not able to attend Trustee Ramon Cepeda; report given by Student Trustee Collin T. Schumock (UIUC)
- University Healthcare System Committee: Trustee Timothy Koritz, Chair
 - Important aspects for our University:
 - Established the MD degree at UIUC
 - Established IHSI at UIUC
 - Collaboration highlight was on Heart Rescue project given by Dr. Terry Vanden Hoek – goal to increase bystander CPR which will increase MI survival by 5x, increasing from 7% to >30%.
 - MI survival dependent on 3 main items: 1) speed of beginning CPR, 2) defibrillation in the field, and 3) waiting to transport until get a pulse in the field; great progress to date.
 - COM at UIUC on target to admit a class for matriculation in Fall 2018.
- Governance, Personnel, and Ethics Committee: Trustee Patrick Fitzgerald, Chair
- Academic and Student Affairs Committee: Trustee Karen Hasara, Chair
 - Had presentations from:
 - Barb Wilson, Executive Vice President and Vice President for Academic Affairs on University Accreditation process and status; we are on target;
 - Anand Kumar, Professor and Head of the Department of Psychiatry UIC. Also promising cure on diabetes being developed at UIC.

Public Comment section:

1. Patrick Thompson – President of local construction company in UIUC community.
 - a. He spoke to lack of minority contracts – UI is big employer in UIUC community.
 - b. He believes there are barriers to qualify to bid on projects; there is no set aside.
 - c. Only 11% of contract awards to minorities.
 - d. Situation discourages minority businesses in UIUC area and hinders their ability to grow.
2. Kathleen Lungess – junior at UIC studying psychology
 - a. Spoke to the need for ASL (American Sign Language) being offered as a foreign language at UI.

Report from President Killeen on the Strategic Framework:

- The Strategic Framework in Action:
 - House bill 6623 submitted this morning
<http://www.ilga.gov/legislation/BillStatus.asp?DocNum=6623&GAID=13&DocTypeID=HB&LegId=98645&SessionID=88&GA=99>; if passed:

- Sets into law the funding for UI for next 5 years;
- Sets in law what UI will do as a commitment in response;
- Bi-partisan legislative support of people that have helped craft the bill;
- Redefines UI partnership with the State;
- Begins from the Strategic Framework which pledges to offer the best return on education investment;
- Ensures UI is efficient, competitive and constantly improving;
- Lays out a number of items in the context of the Strategic Framework:
 - An institution of and for our students;
 - Research and scholarship with global impact;
 - A healthy future for Illinois and the Midwest;
 - Tomorrow's university today.
- Called IPAC (Investment, Performance, and Accountability Commitment);
- Stable 5 year funding for UI;
- State provides regulatory relief/reforms which enables attraction and retentions of top faculty:
 - Procurement code
 - Certificate of participation program
 - Property control act
- More agility and effectiveness;
- Caps tuition increases to no more than inflation;
- Distribute a set amount of financial aid students;
- Retention and graduation;
- Performance reporting at the beginning of each year;
- Arguably the most comprehensive agreement with the state in our history;
- "Bed rock" commitment to Illinois;
- State commitment - \$662 million for FY 18 which is equal to FY 15.
- UI commitments:
 - Affordability – 5-year cap on tuition and mandatory fees adjusted to inflation at FY 15 \$
 - Affordability and access – set aside 12.5% of annual appropriation for need-based financial aid = \$83 million which exceeds MAP funding. Total would be \$143 million annually for need based aid.
 - Commitment to diversity – at least \$15 million for under-represented groups – racial and geographic under - of students.
 - Commit to continue to admit Illinois residents – focus on retention and success for undergraduates; set benchmarks for first year retention of minimum of 87% (current level) national avg is 72%; have 6-year graduation of minimum of 72% (current level) national avg is 60%.
 - Recommit to web-based format of report on accountability of our UI system.
- Details are at: <http://www.trustees.uillinois.edu/trustees/agenda/November-10-2016/p-4-compactphotoloopfornovBOT.pdf>

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- President Killeen encourages everyone to let their legislators know of your support for this bill.
- Trustee Jill Smart – suggests that there needs to be more specificity on the side of the State.
- Trustee Hasara – legislators will need constituents to make statements of support.
- 2 legislators attended and provided their words of support of the bill.
- Trustee Koritz - 16,000 young Illinois residents leave the state to attend college in other states, and less than half return to IL to live; the fiscal uncertainty in the State of Illinois causes exodus and these young people are the greatest resource of the State.
- Trustee Fitzgerald – need to keep the commitment on diversity ever present.
- Trustee Montgomery – must stop the brain-drain from IL.

Eddy Lee (UA) demonstrated the new website which includes the UI Report Card; contains dashboard information for UI system and also each separate University in the system:

- See: https://www.uillinois.edu/data/report_card
- Part of UI commitment to transparency in the Bill.

Next BOT meeting will be January 19, 2017 in Chicago. Then March 2017 in Champaign, and May 11, 2017 in Springfield.

Meeting adjourned at 12:03 pm.

Further details of the agenda items for the meeting can be found at and included various approvals: <http://www.trustees.uillinois.edu/trustees/agenda/November-10-2016/>

Respectfully submitted by Gay Miller, Senate Executive Committee Chair