

UNIVERSITY OF ILLINOIS
URBANA-CHAMPAIGN SENATE
University Senates Conference
(Final; Information)

UC.15.08 Report on the April 21, 2015 Meeting of the University Senates Conference (USC)
at the Chicago Campus

The Conference membership list for 2014-15 can be found here:

<http://www.usc.uillinois.edu/membership.cfm>

The agenda for this meeting can be found here:

<http://www.usc.uillinois.edu/documents>

The Conference was joined by President Easter, Vice President of Academic Affairs Pierre, and UIC Chancellor Michael Amiridis.

The Conference began the meeting with individual meetings of the four subcommittees, and then reconvened at 10:00 AM to meet with President Easter and Vice President Pierre. This meeting represented the Conference's last meeting with President Easter. Conference members enjoyed an extended conversation with both the President and Vice President Pierre.

President Easter began his comments by stating his long-held view that "great departments, great colleges, and great universities are built by the faculty." In response to a question about his view of significant challenges he has faced during his time as president, he spoke of the significance of the challenge of maintaining collegial relations between faculty and administrative leaders, especially in light of the efforts on behalf of some to create an adversarial relationship.

He gave an update on the overall review of University Administration that has commissioned soon after assuming his role of president. Of the 47 recommendations made by the review teams, 22 have been fully implemented, another 12 are underway, 8 are in the early stages of implementation and there are on which little progress has been made. Information on the UA Review can be found here: <https://www.uillinois.edu/uareview/>

The University Budget Review Advisory Committee continues to meet to discuss processes for meeting new fiscal challenges. They will be making some recommendations to the President. There is representation from the Conference on the UBRAC group. The President reported that he has also commissioned an ad hoc team to make recommendations regarding how budget cuts should be distributed in general among UA administrative offices, university programs, campuses in general. Conference member Jorge Villegas serves on that ad hoc committee.

The Conference discussed a recommendation, made several years ago, to designate the Vice President of Academic Affairs as Executive Vice President, which would allow the president to

attend more fully to external relations while still making sure that there was internal leadership of University Administration offices.

Vice President Pierre shared some facts regarding our budget, including 1) the State still owes us several hundred million dollars; 2) including benefits, we get 33% of our budget from the state, which is the highest of all our peers. Most universities outside of the UI do not receive benefits revenues directly from their states; 3) we also get a bigger share of our budget from tuition than most of our peers, the only exception being Penn State.; 4) Compared to other institutions that have hospitals, we bring in far less revenue from our hospital than do our peers—for instance, Michigan brings in almost half of its budget from patient care revenues.

Conference members pointed out that, unlike some of our peers, we have competition from other universities (U Chicago, Northwestern, etc.) and also from Rush Hospital.

Vice President Pierre expressed the need to examine administrative costs as well as the cost of public service activities, which are important, but which do represent a cost to the University. The UA review looked at UA administration costs; the Vice President believes we should now look at administrative costs throughout the university and develop the capability for budget simulations, which sketch out what would happen to our budget under various scenarios

MEETING WITH CHANCELLOR AMARIDIS

This was Chancellor Amaridis's first meeting with USC. He was appointed in December and took office in March. He was previously the provost at the University of South Carolina. The new chancellor of UIS spoke warmly of the tenacity of UIC students and their dedication to their studies. He called their campus a "powerhouse" in terms of research, mentioning particularly nursing, dentistry, allied health sciences, and electrical engineering, and praised their commitment to teaching.

Chancellor Amiridis reported on a meeting with the governor in which he emphasized the strength of higher education in the state of Illinois and particularly in Chicago. He warned about the potential effects of budget cuts in combination with uncontrolled growth in student bodies, which could threaten the quality of education because of overcrowding in housing facilities and large enrollment classes that provide for little contact with professors.

Chancellor Amiridis is proud of the fact that UIC has been denominated a Latino-serving university, one of only five in the country and the only Category I university east of the Mississippi to hold this distinction.

In health care, the UIC Chancellor believes the paradigm is shifting, moving from rewarding curing sick people to keeping healthy people healthy. Health care delivery programs are changing as well, toward the creation of networks of primary care that support the hospitals. According to Chancellor Amiridis, the move is toward a more integrative training of health care professionals. Dr. Amiridis would like to recruit a new Vice Chancellor of Health Affairs whose vision recognizes these paradigm shifts. A search is currently underway. He would like to see an appointment made by the end of the summer or early in the fall semester.

UIC is “the public research University of Chicago and one of the flagship universities of the state” UIC does not want to be known for the “quality of the students it rejects” but rather for the successes of the students it accepts.

The Conference discussed budget transparency processes with the Chancellor, pointing to the functions performed by the Campus Budget Oversight Committee on the Urbana campus. Dr. Amiridis is in support of such a process, which is similar to what is followed at his previous institution.

BUSINESS MEETING

The Conference discussed plans for its annual review of vice-presidents. This year, the Conference is reviewing the Vice President of Academic Affairs.

The USC Budget committee is working on a statement regarding the setting of salary increments and budget oversight of the campuses.

We continued to discuss concerns raised regarding the processes for handling criminal background checks of potential employees. For our next meeting, we will work on a draft recommending best practices in this area.

As a follow-up to the conversation with the President and Vice President, the Conference discussed a draft “USC Statement on Budget Planning and Reform,” to be forwarded to Board Chair Edward McMillan, President Easter, and President-Designate Timothy Killeen. The final version of that statement is attached to this report.

The meeting was adjourned at 3:45 pm.

USC STATEMENT ON BUDGET PLANNING AND REFORM

With the university facing severe reductions to its state funding and struggling with ways to address them, the USC sees three principles as essential:

- 1. Any budget reductions to be implemented must be considered at all levels, and across all parts of the university organization – not in flat, across-the-board cuts, but in ways that protect the core functions and priorities of the university.**
- 2. Budget reductions and efficiencies must be achieved within administrative units first, at the university level and down to the campus, college, and department levels, to the greatest extent feasible in order to preserve the academic mission of the university.**
- 3. Short-term strategies seeking to soften the immediate impact of budget cuts should not replace making longer-term structural and organizational changes that must be in place to allow the university to deal with the enduring budget difficulties it faces. One-time moneys do not solve recurring state revenue reductions. Undoubtedly, some short-term strategies may be required to pave the way for long-term structural changes; but the review and reform processes of developing those longer-term strategies needs to begin without delay.**

These principles have several immediate practical implications:

- The USC calls for the full and prompt implementation of the UA review recommendations already approved by the President, especially those with budgetary and cost-saving implications. Once budget policy recommendations have been duly reviewed and approved, it cannot be left up to individual units to decide whether or not to implement them.

- The USC calls for re-examining the management and organization of UA in order to provide greater accountability, budgetary transparency, and cost containment. USC believes that a key part of this reform, already recommended by the Administrative Review and Restructuring report in 2010, is to designate the Vice-President of Academic Affairs as an Executive Vice-President with budget control and management oversight over UA. This designation would allow the President to more actively enact his main responsibility to represent and advocate for the university to external bodies.

- A key theme of the UA review was reassessing which functions benefit from central consolidation and which ones do not. The USC calls for better coordination of UA offices and their campus clients. In cases where it would be more efficient and effective for the campuses to manage certain functions on their own, or outsource them to private vendors, campuses who are being effectively taxed to fund UA operations need to have the latitude to assess whether this is the best use of resources.

- The USC calls for a thorough review of administrative costs at all levels of the organization, in order to improve efficiencies, save costs, and improve the primary function of administration – which is to serve and support the faculty, staff, and students in pursuit of the academic mission of the institution. These costs should be benchmarked both internally and against peer institutions, in order to determine if our cost of doing business is as streamlined as possible.

- The USC calls for a review of budget processes, at all levels of the organization, to ensure that expenses and revenues are transparent and clearly understood, that creativity and innovation are incentivized, that cost-control is rewarded, and that commitments of resources, including faculty time and effort, are well-aligned with mission priorities.

- Finally the USC also calls upon the campuses to reassess their academic programs in light of their distinct missions and identities. It might be the case that some areas of academic effort that once contributed significantly to those missions no longer do. It also might be the case that certain areas of service and outreach that are important and have external constituencies are nevertheless too costly and too peripheral to the core missions of the campuses to be continued. Except where these might be legally mandated land-grant functions of the university, they need to be re-examined; and even where they are mandated, we ought to consider ways to make them less costly. We emphasize that these need to be primarily campus-based evaluations and decisions, and different campuses might make these decisions in different ways. In all such budgetary matters, close consultation between administration and faculty is essential.