

**UNIVERSITY OF ILLINOIS
URBANA-CHAMPAIGN SENATE**

Urbana Senate Observer
(Final; Information)

SC.19.09 Report on the November 15, 2018 Meeting of the Board of Trustees (BOT) of the University of Illinois System held at UI Chicago

The meeting was formally called to order by BOT Chairman Koritz after an executive session which ran until approximately 10 a.m.

Chairman Koritz opened the meeting with an apology for running over in the time for the executive session. He then asked for a moment of silence to recognize our citizens who serve in the military.

Chairman Koritz introduced Captain Deanna Love to sing the State Song: *Illinois* after the presentation of colors

President Timothy Killeen introduced senate observers and academic professional staff representatives and gave opening remarks. He recognized and thanked the following BOT members for their service as they rotate off the BOT: Tim Koritz (member since 2009), James Montgomery (member since 2007), and Patrick Fitzgerald (member since 2013).

Dr. Michael Amiridis, Chancellor/Vice President, University of Illinois at

Chicago gave a welcome to all attending and an update of activities at UIC. Asked to approve a new VC for Innovation at UIC recognizing focus toward innovation to measure and define impact. Enrollment has exceeded expectation surpassing 31,600 students with UIC now the fastest growing university in Illinois. UIC College of Medicine (COM) admitted 320 medical students and they prepare the most Latino/a MDs of all COMs, and the UIC COM is among the top 5 medical schools admitting African American students. Challenges and tough decisions needed because of limited resources. UIC can no longer support the gymnastics scholarships. The Union members attending want to conclude the negotiations related to their contracts. Perhaps 60 UIC Unions United members attended holding signs with written statements of concerns.

Chairman Koritz announced recognition of Prof. Gene Robinson's work with bees, and recognized other award recipients.

President Killeen gave details about IPAC (Investment, Performance, and Accountability Commitment) and associated updates. He thanked the BOT who works for us – the Public's University – recognizing the BOT support of the strategic plan 30 months ago. He will discuss the following over the next several BOT meetings.

- education
- enrollment
- facilities
- innovation
- legislation

President Killeen's comments focused on the legislative agenda. It is rooted in the key points of the Strategic Framework. Bipartisan in nature and comes from both sides of the aisle. UI System pumps \$17.5 Billion into the IL economy and supports 1 in every 46 jobs in IL. Appropriations request is \$692.5 Million for day-to-day operations which is a 16.9% increase. This is needed to maintain world class excellence and the highest enrollment ever. Also requesting \$722.4 Million capital funding. Facilities need to match the excellence of our academic programs. These are investments, not expenses. While pursuing traditional appropriations, he will continue to work on IPAC. All performance metrics are updated regularly on the UI System website. Includes a package of proposals for regulatory reforms.

Priorities in next round of regulatory reform:

- Increase in lease agreement time to allow 30-year lease agreements (currently only allow 10-year leases).
- Vendor diversity – reciprocity agreements which would make those vendors recognized in Chicago to expand to the state; benefits vendors too since registration needs only occur once.
- Illinois PROSPER – tax breaks for new or expanding businesses that locate near Illinois Universities where the business partners with the University in some way. Incentives to existing companies to partner with Universities. This hopefully also keeps students in Illinois and will include our growing innovation ecosystem that includes DPI - IIN. This will allow rural Illinois to better compete too.
- Three Universities – One System – Infinite Possibilities. BOT help and support will be needed to accomplish the goals.

He ended with this quote: “There is no passion to be found playing small - in settling for a life that is less than the one you are capable of living.” Nelson Mandela.

Financial Report by Vice President/CFO Avijit Gosh:

- Robust Financial Results – unaudited report
 - \$638 M increase in net position in FY 2018.
 - revenues used to fund operations \$7.0 B (including payments on behalf = POB) vs \$5.3 B (without payments on behalf = WPOB)
 - Held operating expenses substantially at 2-3% so inline with inflation, while revenues increased by 16.8% (WPOB) or 8.7% considering POB
 - Also \$364 Million received in retroactive payments which helped, although these will not occur going forward.
 - Retiree health benefits must include in UI financial accounting for those who are on soft money; not a change in how we make payments but does influence the accounting for this liability.
 - Key is that UI has very diverse sources of revenues – i.e. very diverse revenue portfolio.
- Changes observed for FY18:
- state appropriations increased 150%
 - payments on behalf increased 6.1%
 - tuition increased 2.1%
 - patient care increased 3.1%
 - sponsored programs decreased 3.5%

- gifts increased 1.8%
 - 5 year revenue trends
 - steady increase in tuition revenues
 - sponsored programs relatively flat
 - patient care revenues increasing
 - appropriations decreased and then increased
 - gifts slow increase
 - Compensation and benefits represents 53% of total expenses and increases in last five years of 2.1%.
 - Total expenses have increased only 1.7% in past five years, so they have held expenses well.
- He thanked his university wide colleagues for all of their help in making choices that have provided for stable financial position which allows for investment.

Barbara Wilson, Executive Vice President/Vice President for Academic Affairs

- Fiscal Year 2020 Budget Request – deep dive into the budget request
- Context:
 - 4-year tuition freeze (FY16-19)
 - enrolled 3,345 more Illinoisan undergraduates = 8% increase (FY14-18)
 - increased financial aid by 162% in 10 years
 - more than half (55%) of student aid comes from institutional aid (\$219 Million) compared to federal, state and other (\$175 million)
 - 60% of Illinois students pay less than full tuition
 - 70% of UIC ...
 - 79% of UIS...
 - reduced administrative costs
 - reduced non-instructional FTE by 270 people – decrease of 1.7% in staffing – has gone up a bit since budget has come back but still less
 - in 2010 state appropriations were close to \$900 Million and now just below \$600 M.
 - lack of regular salary program is harming us – System advocating a 2% merit program will get us further along and also a separate CMRE program advocated.
 - even adjusting for cost of living UIUC are 5/10 in peer group; UIC is 5/10 in peer group; UIS is 6/8 in peer group.
 - losing competitiveness in faculty/student ratios – UIUC now 10/10 in peer group – “dead last”.
 - need money to recruit and retain faculty
 - new buildings are needed and never know if we will get a capital budget so System needs to budget for this.
 - adjusting for inflation, we will still be slightly below 2015 allocation with the requested appropriations.
 - Total capital appropriation – recommended to be 3% of value of buildings now.
 - In Q&A the following:
 - Trustee Edwards – Absent a capital appropriation from the state, our operating and capital appropriations are basically tied, but long term financial plan needs to be sustainable. Nothing more important than student/faculty

ratio and the quality of faculty providing the education; people are most important and they can work/teach in poorer facilities.

- Trustee McMillan – can't depend on state appropriations for UI work; have to figure out how to do it on our own.
- President Killeen – don't let the state off the hook – he said go hard for state appropriations; quality of the faculty is also key. He agrees to be prudent.

Faculty report given by Prof. Nick Burbules, UIUC

Shared Governance: Principles and Pragmatism

- Shared governance (SG): the rules
 - governing documents (Statutes and General Rules)
 - principles: democracy, community, legitimacy, accountability, the tenure contract
 - Process is our friend – in everyone's interests
- SG not just following the rules
 - what does advice and consultation mean
 - the letter and the spirit
 - what does 'shared' mean – people have to really be listened to
 - a culture of collegiality – in institutional culture, and tone set at the top
- SG is a communicative relation
 - how we talk with one another
 - presumption of shared commitment and good will
 - respect for one another's role and sphere of responsibility
 - not adversarial, which doesn't mean no disagreement
 - trust, confidentiality, sharing information, transparency
- SG: the pragmatic dimension
 - big initiatives are unlikely to succeed without faculty support
 - shared responsibility for a decision promotes shared effort
 - difficult decisions are less divisive when people are consulted, even when they disagree
- SG at multiple levels
 - high stakes initiatives need to be co-owned
 - USC role – more than just advice
 - need to keep the university senates informed and engaged with system-level initiatives

Chancellor Michael Amiridis: UIC Master Plan

- Amiridis shared the timeline for their plan which includes 4 phases: discovery and analysis, master planning, final documentation, implementation.
- Master Plan based on guiding principles to lead plan development
 - drive excellence
 - enhance identity
 - put emphasis on Chicago
 - transform UIC
- Showed maps and working to create better connectivity between the two halves of the university (East and West).
 - West Campus - green space to make areas where people want to hang around

- East campus is divided by Taylor Ave into
 - East Campus North (very important entrance to UIC and working to create a north quad here which is a good green space; they are replacing dormitories so the visual looking toward the city is much more clear and appealing – can see the Sears Tower; includes the business school and even the center of this area will be green or in the winter with an ice rink maybe); eventually will have a new performance center.
 - East Campus South (STEM students); advanced chemical technology building will hopefully start soon. Eventually hoped for entertainment complex.

BOT Committee Reports:

- Audit, Budget, Finance, and Facilities Committee: report given by Trustee Ramon Cepeda
 - reviewed budget requests and updates to capital plans
 - VP Wilson gave a detailed report on the budget requests
 - reviewed all materials associated with BOT agenda items 17-24.
- University Healthcare System Committee: report given by Trustee Steward King, Chair
 - US Surgeon General was hosted at UIC College of Nursing – great success
 - Strategic Hospital plan received
- Academic and Student Affairs Committee: report given by Trustee Jill Smart, Chair
 - appointments were reviewed
 - proposed honorary degrees
 - heard excellent reports on research
 - Prof Barbara Di Eugenio on interactions between computers and language
 - Prof Anne George on calcified tissue regeneration with dental applications
 - updates received about the new COM in Urbana – their admissions and next group of applicants.
 - no new business was discussed.
- Governance, Personnel, and Ethics Committee: report given by Trustee Patrick Fitzgerald, Chair.
 - reviewed items 2-5 on today's BOT agenda
 - updates received from Jennifer Creasey – Director of State Relations
 - legislative agenda to suggest that Higher Education is the solution for the needed state's growth
 - Melissa Haas, Associate Director of Federal Relations
- Chairman Koritz thanked all committee chairs and committee members for their work.

Public Comments to the BOT:

Laura Jungles:

Member of UIC Gymnastics; gave a presentation asking the BOT to save UIC gymnastics. Provides for many unique students at UIC. They have interests outside football and basketball. Maybe more successful in a city University like UIC. This athletic area will not detract from the UI budget. 100% graduation rate for women UIC gymnasts in the past 10 years. Many have perfect 4.0 GPAs. UIC men gymnastics was the only UIC sport represented last year at NCAA finals. UIC gymnasts have competed at large universities (e.g. Ohio State and Michigan) bringing the UIC name across the country. UIC Gymnastics needs to be reinstated.

CM McCoy:

Speaking to the symbol for UIUC. She created a petition which is presented to the BOT about creating a mascot.

Requests Illinois will recognize the Peoria tribe and create and enter into a meaningful relationship with the Peoria tribe. She said the relationship may include scholarships, a member of the tribe on BOT, Fighting Illini as name used by sports teams, and a new stomp dance will be developed and performed by a member of the Peoria Tribe. She commended Chancellor Jones for inviting the Peoria tribe to participate with the University in celebrating Indigenous People's Day. She asked if it was appropriate to ask where things stood with Chancellor Jones. Jones responded that he was on the phone last week with Chief Harper of the Peoria Tribe who was invited to the Indigenous people day but couldn't attend. No process right now that would get rid of using the name of Fighting Illini; Jones said we would look at developing new traditions with the Peoria Tribe. Chief Harper will come with a delegation to Illinois in the next few months to outline their specific hopes.

James Martin:

UIC Captain of gymnastics team; his time at UIC has been the best of his life. Aug 31 at 8am both men and women's gymnastics teams were brought in to a meeting where it was announced that this year would be the last year for their teams. There had been no consultation with team members prior to the announcement. He was subsequently invited to provide input. None of gymnastics members would have been attending UIC without gymnastics; most attended to be Division I gymnasts and most have no scholarships. No plan to reallocate the funding currently budgeted for gymnasts. He was told that a \$25.2 M endowment would be needed to continue, and UIC Athletic Director said this is what was needed to save these two teams. He has no confidence that the UIC Athletic Director will keep the promised statements he has made to these teams. Request is both teams be reinstated.

William Vavarim:

He is in the UIC teaching in Spanish program. He represents the proud students at UIC and goal of increasing access in higher education. Proud that UIC is focused on eliminating disparities. Yes Apply Illinois. The request is to stop asking in students applications about previous convictions – this has a chilling impact on applications. When this information is requested on an application, the assumption by the applicant is: "don't apply". 47% of people in IL have a criminal record (I note a report that said 42% have an arrest or criminal record; see <https://wrex.com/category/2018/09/18/more-illinois-residents-apply-to-seal-criminal-records-after-changes-in-law/>). African American and Latino/a make up a disproportionate percentage of prison populations compared to their proportions in the populations. Request is to advance access and inclusion by eliminating this from the admissions application.

Joseph Strickland:

Honored to make his statement. Academic support program from the Jane Adams College of Social works to decrease recidivism. Their policy Center conducts research, analyzes public policies, tests new program models and other activities. The aim is to focus on what works to result in prisoners successfully transforming their lives. Goal is to create academic resource center to provide for network support and help so previous prisoners can be mentored and achieve their goals in higher education.

Trustee Stewart King requests a report to get further clarity about UIC athletics. Amiridis said there is a report and he will respond with it.

Claudia DeBryan:

Senior majoring in philosophy and premed student at UIC. Public accountability. Request to add disability cultural center and increase outreach to various ethnic groups. President Franklin D Roosevelt advocated the “Importance of Higher Education as a Public Good.” Civic crisis of our time is current imprisonment rates: 47% of adults have a criminal record. US Criminal justice system is broken. Need to act to bring people back into full civic life. Dick Durbin has requested Universities to go beyond the box. Criminal records should not be societal banishment.

Consideration of BOT Agenda Items and Voting:

See details of the agenda items for the meeting and various approvals:

<http://www.trustees.uillinois.edu/trustees/agenda/November-15-2018>

Chair Koritz stated that agenda items 12 and 13 were removed for technical reasons and will be considered at the January meeting. There were two votes taken:

1. Regular voice vote: items 1-11, and items 14-16 on the above agenda; all passed with no oppositions.
2. Regular roll-call agenda vote: items 17-27 on the above agenda; Trustee Fitzgerald abstained on 19, 20, 22 and 25. Trustee Montgomery abstained on item 20. All others passed without opposition or comment.

Chair Koritz gave a special thank you to Jim Montgomery for the many years of service on the BOT.

Chair Koritz gave a special thanks to Patrick Fitzgerald for his six years of service on the BOT.

Chair Koritz gave a special thanks to all the people he has had the honor to serve with over these many years on the BOT named among these were: Bob Easter, Joe White, Stan Ikenberry, Phyllis Wise, many university officers, and his fellow trustees. He is optimistic for the future given all the intelligence and dedication of the people who are working on behalf of UI ending saying “Ladies and Gentlemen, it has been an honor flying with you.”

Final comments by President Killeen – there has been many noteworthy actions of the BOT during the time of Chairman Koritz: kept steady tuition, increased enrollment, new cohorts of excellent hires, approved appropriations increase, capital appropriations, and successful development campaigns.

There was no Old or New Business.

The BOT convened for executive session during lunch and after the open meeting; the BOT was scheduled had another executive session scheduled to occur on 11-16-18.

The next BOT meeting will be on Jan 31, 2019 in Urbana.

The open meeting of the BOT which is the basis of this report adjourned to executive session to discuss university appointment related matters at 12:50 pm.

Respectfully submitted by Gay Miller