

Board Meeting
May 29, 2013

RENEW CHICAGO TRANSIT AUTHORITY U-PASS CONTRACT, CHICAGO

Action: Renew the Chicago Transit Authority U-Pass Contract

Funding: No New Funding Required

The Chancellor, University of Illinois at Chicago, and Vice President, University of Illinois recommends a proposal to renew the U-Pass Contract with the Chicago Transit Authority (CTA) beginning fall semester 2013. Participation in the U-Pass program requires the assessment of a transportation fee for all eligible students, which is utilized to contract with the CTA to provide an unlimited pass for each eligible student to ride CTA buses and elevated trains, plus cover campus administrative costs.

Students at the Chicago campus began participation in the U-Pass program beginning fall semester 2001 when the University entered into a four-year contract with the CTA that ended after summer semester 2005. The contract was renewed in 2005 for a five-year term beginning fall 2005 through summer 2010. The contract was renewed in 2010 for a five-year term beginning fall 2010 through fall 2015; however, the CTA exercised their right to cancel the contract after summer 2013.

The CTA requires participating schools to enter into a five-year contract with an option for the University to cancel without penalty within 45 calendar days prior

to commencement of the semester when the program is to be terminated. The proposed contract would begin fall 2013 and end after summer 2018.

Payment to the CTA is calculated on a per student, per day basis. The payment rate for academic year 2013-14 will increase from the current \$.81 per student, per day to \$1.07 per student, per day thus the transportation fee will increase to \$140 for fall and spring and \$108 for summer. The U-Pass contract does not disclose the payment rate for the subsequent four years but requires the CTA to notify the University by March 1 of any rate increase for the following academic year beginning in fall semester.

In 2005, eighty-six percent of students at Chicago indicated overwhelming support of the U-Pass program in a referendum.

The Board action recommended in this item complies in all material respects with applicable State and Federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President/Chief Financial Officer and Comptroller concurs in these recommendations.

The President of the University recommends approval.