

APPROVED

SEP 08 2011

*Michele M. Thompson*

MEETING OF THE ACADEMIC AND STUDENT AFFAIRS COMMITTEE  
OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

JULY 20, 2011

This meeting of the Academic and Student Affairs Committee was held in Rooms D and E, UIC Forum, University of Illinois at Chicago, 725 West Roosevelt Road, Chicago, Illinois on Wednesday, July 20, 2011, beginning at 9:30 a.m. Trustee Karen Hasara, chair of the committee, welcomed everyone to the meeting and asked the clerk to call the roll. The following committee members were present: Mr. Ricardo Estrada, Ms. Karen Hasara, Ms. Patricia Brown Holmes<sup>1</sup>, Dr. Timothy N. Koritz<sup>2</sup>, and Mr. Lawrence Oliver. The following student trustees were present: Ms. Hannah Ehrenberg, Urbana campus; Mr. Kenneth Thomas, Chicago campus; and Mr. John W. Tienken, Springfield campus.

The following University officers were also in attendance: President Michael J. Hogan; Dr. Mrinalini C. Rao, vice president for academic affairs; Dr. Lawrence B. Schook, interim vice president for research; Mr. Thomas R. Bearrows, University counsel; Dr. Michele M. Thompson, secretary of the Board of Trustees and of the University; and Ms. Katherine Laing, executive director of governmental relations. Attached is a listing of other staff members in attendance at this meeting.

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<sup>1</sup> Ms. Holmes arrived at 9:45 a.m.

<sup>2</sup> Dr. Koritz arrived at 9:50 a.m.

Ms. Hasara asked for a motion to approve the minutes from the committee meeting that was held on June 8, 2011. On motion of Mr. Estrada, seconded by Mr. Oliver, these minutes were approved unanimously.

#### OPENING REMARKS

Ms. Hasara introduced the new student trustees and asked each to provide brief comments. She stated that Ms. Hannah Ehrenberg is a senior studying human development and family studies at Urbana, and Ms. Ehrenberg told the committee that she is interested in education and closing education gaps, noting that she spent the summer participating in an internship with Teach for America in Los Angeles, California. Ms. Hasara then introduced Mr. Kenneth Thomas, a junior at the Chicago campus majoring in history and political science. Mr. Thomas said he is from the south suburbs of Chicago and is looking forward to representing his fellow students from the Chicago campus. Next, Ms. Hasara introduced Mr. John W. Tienken, a junior in the capital scholars program at the Springfield campus. Mr. Tienken stated that he is studying English and political science at Springfield and has been participating in an internship in London at Parliament. He said he is excited to be attending his first committee meeting and is looking forward to working with the Board. Ms. Hasara thanked the students for their comments and said she is looking forward to working with them.

#### REVIEW OF RECOMMENDED BOARD ITEMS

Next, Ms. Hasara asked Dr. Rao to provide a brief overview of the items within the purview of the committee that were on the agenda for the Board of Trustees meeting the following day, and indicated that information regarding these items had been sent to committee members in advance of this meeting.

Dr. Rao discussed the item requesting approval to appoint the vice chancellor for academic affairs and provost at Chicago, and she distributed a timeline of the search process, which began in June 2010. She provided additional information about the search and emphasized efforts to increase diversity among applicants. She then provided an overview of the item requesting approval for appointments to the faculty, administrative and professional staff, and intercollegiate athletic staff, and she indicated this is a routine item that is on the agenda at most meetings.

Next, Dr. Rao discussed the item requesting approval of promotions in academic rank and change in tenure for the 2011-2012 academic year, and she referred to a thorough presentation on promotion and tenure that was made to this committee the previous year. She provided a handout (materials on file with the clerk) with information regarding the promotion and tenure process, and she described this process at the department, college, and campus level. She also provided a handout (materials on file with the clerk) with information regarding the number of faculty promotions by year and by campus. Committee members discussed the promotion and tenure process, and Ms. Hasara stated that she is confident that those recommended for promotion have been well vetted. Dr. Rao provided additional information in response to questions regarding the role of service in the community and responsibilities for teaching and mentoring. She also discussed the number of faculty who are denied tenure each year, and explained that the process usually makes it possible to identify those who are not a good fit at the University before they apply for tenure, indicating that this often occurs at the third year review. Dr. Rao, President Hogan, and Dr. Schook commented on the balance between teaching, research, and service, and stated that the amount of time spent on each can vary by department or position. Dr. Rao referred to the presentation that was made last year on

this topic, which contained information about the expected time spent on teaching, research, and service at each campus, and said she would provide a copy of that presentation to new committee members.

Ms. Hasara then asked Dr. Schook to provide some information about the item requesting approval to appoint campus representatives to the board of managers of the University of Illinois Research Park and to appoint representatives to the Research Park design review committee. Dr. Schook stated that at the Board meeting that was held on March 23, 2011, trustees approved amendments to the operating agreement of the University of Illinois Research Park that included a proposal that one academic representative each from the Chicago and Urbana campuses be appointed to the board. He stated that the board of managers is recommending the appointment of Dr. Sharon Donovan, professor and chair in nutrition and health, Urbana, and Mr. Mark Donovan, vice chancellor for administrative services and executive director for facilities management and capital programs, Chicago, as additional voting members of the board. He provided some information about both individuals, and said that both nominations have been thoroughly vetted.

There were no objections to moving these items forward to the full Board.

#### REPORT ON SELECTED LEGISLATION AFFECTING THE UNIVERSITY

Next, Ms. Hasara asked Dr. Rao to introduce Ms. Katherine "Kappy" Laing, executive director of governmental relations, to provide a report on legislation affecting the University (materials on file with the clerk). Ms. Laing thanked her colleagues at the University for their assistance, and she began her presentation with a graph depicting the State's estimated accumulated unpaid general revenue fund vouchers totaling almost \$7.0 billion. She stated that although the Illinois

General Assembly passed an income tax increase in January 2011, it is not adequate to address the State's pension issues. She said that about 16 percent of the general fund appropriation is allocated to pensions in 2012 and that there was no percentage allocated to pensions in 2011, and she explained that there is concern that the need to fund the pension system may eventually affect spending in other areas. She said that the unfunded pension liability equals approximately \$85.0 billion, and said that pension payments have been borrowed or have not occurred since 2002.

Ms. Laing then discussed efforts by the General Assembly to address this problem, and referred to the current two tier program that was implemented for University employees hired on or after January 1, 2011. She highlighted the effects of these changes and said that this reduces significantly the annual actuarial contribution by the State. She described the proposed changes that were outlined in Senate Bill 512, and said this would have shifted the burden to pay for pension benefits to the participants. She explained that this bill offered employees a choice of three pension plans, and she briefly described each plan, noting that the traditional plan would require a significantly higher contribution from employees. She told the committee about meetings and programs on the three campuses to increase communication and obtain feedback from faculty and staff, and she stated that President Hogan also testified to explain the impact on University employees and the ability for the University to recruit and retain faculty. She said the bill was never brought to a vote and remained in committee. She said the Office of Governmental Relations and the Institute of Government and Public Affairs continues to be actively involved in this issue. Next, Ms. Laing provided data regarding average annual pensions through the State, and she presented charts comparing retirement benefits at the University of Illinois to benefits at peer institutions.

Ms. Laing then discussed other legislation affecting the University, and stated that a bill was introduced to ease procurement regulations, which she said she expects to proceed in the fall. She referred to the efforts of Ms. Dianna Barrows, director of State relations, in working to partially repeal an enactment of the General Assembly that made it difficult for the University to enter into tuition payment agreements with students.

Committee members discussed the presentation, and Ms. Laing and Ms. Maureen Parks, executive director of human resources, University of Illinois, and associate vice president for human resources, University administration, stated that there is not enough data available yet to determine the effect of the pension legislation that took effect on January 1, 2011, on the hiring of new employees. Ms. Laing and Ms. Parks provided additional details about these changes, and Ms. Parks stated that employees hired after January 1, 2011 are provided with education about their retirement options, and said that most select the self managed plan, which she said is a defined contribution plan and is similar to a 401k. She provided additional details regarding the self managed plan and said that the State is required to fund this plan, noting that it has been funded each year since 1998. President Hogan also commented, and said he anticipates some type of pension reform in the near future. He also commended Ms. Laing and her colleagues, and he mentioned their successes throughout the year. He also referred to the hiring of Mr. Jonathan Pyatt, director of federal relations, who has been working in Washington, D.C. for the past three months.

Additional discussion followed, and Ms. Laing confirmed that while the pension legislation that was passed affects employees hired after January 1, 2011, Senate Bill 512 would have affected both current and future employees.

## OLD BUSINESS

There was no business presented under this aegis.

## NEW BUSINESS

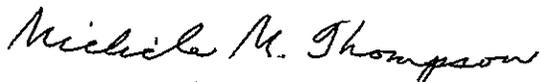
Ms. Hasara announced that Dr. Rao will be returning to teaching full time, and said that this is her last meeting as the vice president for academic affairs. She thanked her for all her hard work on behalf of the committee and wished her the best of luck, which was followed by a round of applause.

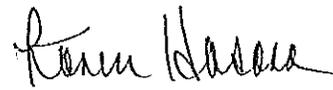
Next, Ms. Hasara announced that the next meeting of this committee is scheduled for September 8, 2011, at Urbana.

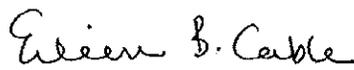
## COMMITTEE MEETING ADJOURNED

There being no further business, and on motion of Mr. Thomas, seconded by Ms. Holmes, the meeting adjourned at 10:45 a.m.

Respectfully submitted,

  
Michele M. Thompson  
*Clerk*

  
Karen Hasara  
*Chair*

  
Eileen B. Cable  
*Assistant Clerk*