

**UIC Senate Observer Report of the Board of Trustees Meeting  
Illini Union, University of Illinois at Champaign-Urbana  
13 November 2003**

On Thursday, November 13, 2003 the University of Illinois Board of Trustees (BoT) met in Champaign-Urbana. I attended as the UIC Senate Observer along with faculty observers from each of the other two campus senates and from the University Senates Conference. Although the senate observers do not have a “voice” while the meeting is in session, there are many opportunities between sessions to communicate directly with members of the BoT on matters of importance to the faculty.

The agenda item with the highest profile was a “Resolution Concerning Chief Illiniwek, the Symbol of the Athletic Teams at the Urbana Campus” put forward by Trustee Frances G. Carroll which called for Chief Illiniwek to be honorably retired and the name “Fighting Illini” to be retained. There was a great deal of press coverage at a special morning session to deal with this item. Students demonstrated, students sang, students chanted, and students addressed the board both in favor of retiring the Chief and in opposition to such action. As the historic moment approached when the Board would take action that would perhaps resolve a problem that has plagued both the BoT and the Urbana campus for over a decade, Trustee Carroll announced that she was withdrawing her resolution and requested that it be considered at the July meeting. A very embarrassing performance in the presence of the national media.

The BoT did approve increases in tuition rates, housing rates and student fees for fiscal year 2005. At UIC, student fees will increase by \$38 per semester from \$670 to \$708 for the next academic year. Housing rates for room and board will increase by \$132 per semester from \$3,310 to \$3,442. (Increases in health insurance rates are anticipated, but have not yet been determined.) An 8% increase in tuition rate for next year was approved for students currently enrolled. This will result in an increase of \$196 per semester from \$2,449 to \$2,645, at UIC. The incoming freshman class will be subject to new state legislation (commonly referred to as the Joyce Bill) that ensures predictability of tuition costs by setting the tuition rate (does not include student fees or room and board) for 4 years for each incoming cohort. The BoT approved a 16% tuition rate increase for these students, front-loaded to provide for anticipated increased costs over the next 4 years. This will result in an increase of \$392 per semester from \$2,449 to \$2,841. Total cost (the sum of tuition, fees, room and board, and estimated health insurance) per semester for students currently enrolled at UIC will increase by \$366 from \$6,792 to \$7,158, while incoming freshman will pay \$7,354 per semester for the next 4 years. (In addition, the differential tuition rate for Engineering students was increased by \$200 and \$200 differentials were approved for students in Architecture and the Arts and for students in Nursing.) The same percentage increases in tuition rates and comparable increases in fees and room and board were approved for the UIUC and UIS campuses.

Vice President for Academic Affairs Chester Gardner informed the BoT that the university expected to net (after deductions for student financial aid) approximately \$25

million from the tuition rate increases. It was proposed that these proceeds could be used in the following ways:

Academic programs:	\$12.0 M	Addition of 80 faculty, 160 TAs, 40 Instructor/Lecturers, 480 courses.
Faculty/staff salaries:	\$9.4 M	Provide 1.1 of a proposed 3-4% salary increase.
Other cost increases:	\$3.7 M	Provide 1.8% of non-personnel expenses or 15-25% of unavoidable expenses.

The BoT approved the establishment of the Liautaud Graduate School of Business in the College of Business Administration at UIC in recognition of a \$5.0 million gift from the Liautaud family to the University. The gift will become an endowment, the income from which will be used to finance the graduate programs within the school: Master of Business Administration, M.S. in Accounting, M.S. and Ph.D. in Management Information Systems, M.A. in Real Estate, and Ph.D. in Business Administration.

An initial presentation of the design plans for the new student recreation facility at UIC was made by representatives of the architectural firms. The design was well received by the BoT and was approved.

The BoT approved revisions to an employee tax-deferred retirement plan that I am sure many of us were not aware existed. Quoting from the introduction:

The University of Illinois Tax-Deferred Retirement Program is an optional employee program allowed under Sections 403(b) and 403(b)(7) of the Internal Revenue Code. Under Section 403(b), employees of certain organizations, including public universities, can enter into salary reduction agreements with their employers. Under the salary reduction agreement, a portion of the employee's compensation (selected by the employee and within the limitations imposed by the Internal Revenue Code) is applied before-tax basis to an annuity contract owned by the employee, rather than being paid directly to the employee. Under Section 403(b)(7), these contributions can be invested for retirement purposes in custodial accounts holding mutual fund shares. These amounts, together with any investment earnings, are not subject to federal income tax until they are paid to the employee (or beneficiary.)

Participation in this Tax-Deferred Retirement Plan is voluntary. Employees are not required to join the plan. Each employee who does join the plan is responsible for making decisions regarding the possible benefits or tax consequences of various options which are available under the plan, including selection of available insurance companies, investment companies, accumulation accounts, custodial accounts and contracts.

I have posted a complete copy of the revised plan on the UIC Senate web site. It is available for download as a pdf file at:

[http://www.uic.edu/depts/senate/Documents/retirement\\_plan.pdf](http://www.uic.edu/depts/senate/Documents/retirement_plan.pdf)

The last item of business of interest to UIC faculty was the approval of the redesignation of the Center for Rural Health Professions Education, Evaluation and Research as the National Center for Rural Health Professions, UIC College of Medicine at Rockford. The proposed name change reflects an expansion of the current center's mission to address the critical health care needs and health professions education in rural area through the consolidation of the Rural Medical Education Program (RMED) and the Center for Rural Health Professions Education, Evaluation and Research (RPEER). RPEER is a unique collaboration on the Rockford campus between the University of Illinois at Chicago Colleges of Medicine, Nursing, Dentistry, Pharmacy, Social Work, and the School of Public Health. The goals of the National Center are to: 1) meet the health care needs and reduce disparities in the health of rural residents through collaborative projects involving multiple health professionals; and 2) create and implement recruitment, retention, and health care delivery initiatives that will positively impact the health and well-being of both rural residents and their communities. In addition to approving the name change, the BoT recognized Dr. Bernard Salafsky, Regional Dean, College of Medicine at Rockford for his many years of hard work and dedication that have resulted in the realization of the National Center for Rural Health Professions.

The next meeting of the BoT is scheduled for Thursday, January 15, 2004 at UIC.

Respectfully submitted,

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and  
Presiding Officer, UIC Faculty Senate