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Rutherford: Pension plan could happen by autumn

Thu, 06/14/2012 - 8:00am | The News-Gazette

CHAMPAIGN — Illinois State Treasurer Dan Rutherford said he was cautiously optimistic the state could come up with a plan for pension reform, perhaps even by elections this fall.

Speaking before the Champaign West Rotary at the Round Barn Banquet Center on Wednesday, Rutherford said "the biggest issue we need to face ... bar none ... is the state public pension system."

Rutherford, a Republican elected to the treasurer's office in November 2010, began his current term in January 2011. Ever since he took office, he said, he's been using the microphone at local meetings across the state to deliver the message that the "most fundamental problem" of the state is its unfunded pension liabilities. And reform can be in sight.

"It can be done if the political will is there," Rutherford said. "The public employee unions have strong influence on the General Assembly ... and members are a little goosey right now," he said.

The General Assembly wrapped up its regular session a few weeks ago without passing any major pension reforms.

In Rutherford's opinion, "the wheels came off" when the debate focused on whether or not local school districts, outside of the Chicago Public Schools, should start paying the employer's share of teacher pensions. (In Chicago, that already happens.)

When asked if part of the expenses should be shifted to local schools, as proposed earlier this spring, Rutherford said if that piece was going to be debated, then "put it all on the table," such as how special education funding, transportation and other funding is distributed between Chicago and downstate Illinois. "I don't believe those are equitable either," he said.

"The government has got to do what's right," he said. In the end, any reforms to the pension system must be fair to current retirees, current employees already in the system and those who will be in the system, Rutherford said.

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The Daily Illini

URL: http://www.dailyillini.com/index.php/article/2012/06/climate_survey_shows_satisfaction

Current Date: Thu, 14 Jun 2012 14:03:52 -0500

'Climate survey' shows satisfaction

African-American students are less impressed with the University's diversity than white students; online students experience fewer threats to their physical safety; the longer you're at the University, chances are the less excited you are to be here; and members of the University rate their campus climate somewhere between "fair" and "good."

Those are just a few of the findings the University released on Friday as a result of its first-ever "climate survey," an online census that was sent to 106,286 students, faculty and staff involved at one of the University's three campuses and other satellite locations. A total of 17,167 — 16 percent — of those people chimed in, answering questions that ranged from "how excluding or including" faculty member's department are, to how easy it is for students to get financial aid. But the central thesis of the survey, open from Oct. 26 to Dec. 2, focused on the University's newly coined definition of climate: the "atmosphere of an organization as perceived by its members."

"One very important thing is that the climate is overall positive. Frankly, it's a good thing to know," Christophe Pierre, the University's Vice President for Academic Affairs, said. "It's not something I would have taken for granted."

The composite analysis of responses showed, among other things, that members of this particular organization rate their campus at 3.7 on a 1-to-5 scale, with three being the survey's "midpoint." The report released Friday also contains a swath of information specific to each campus, and the University of Illinois overall, slicing data by age, race, sexuality and other demographics.

According to Marilyn Marshall, Director of Academic Programs and Services, the price tag for this data is \$152,300. That money went into contracting the Chicago campus' Survey Research Laboratory, although Marshall said many others were involved in the designing and planning process.

A FAQ on the [survey's website](#) said that "the data will be used to make recommendations on how the University can address the concerns raised by respondents and maintain the strengths that respondents indicate the University has."

"This is only the beginning," Pierre said.

While the report released Friday takes into account a number of demographics, as well as comparisons between the campuses, it's decidedly mum on analysis that goes directly into individual campus units, like schools, colleges and departments. Yet many of the questions were geared directly toward the departments of survey respondents, asking about inclusiveness and diversity of units.

Pierre said the University is reluctant to go deeper into smaller units, but does want to break the survey down to at least a college-specific level.

"The numbers don't tell it all. ... We want to look at areas where a small number of employees think there's a specific problem," Pierre said. "We're not saying everything is rosy."

Tim Johnson, director of the Survey Research Laboratory, said another barrier to releasing more specific information is the confidential nature of the survey. More specific information could point to a particular person matching certain demographics, he said.

Before they get into those more targeted data, however, Pierre said significant work is ahead in interpreting this round of analysis.

Some of those findings indicate that minorities, with the exception of Asians, have, on average, a poorer outlook of the University. And while African-American students, on average, rated the presence and respect for diversity on the campus significantly lower than their white classmates; they, along with Hispanic students, apparently rate their balance of workload and life much better.

Another interesting point was the higher ratings given by students who take their classes online. They rated the overall climate of the University highest — 4.0 on the 1-to-5 scale — a theme that was replicated through a number of criteria the survey measured.

"(Online students) seem to be more content, have more interactions with professors, be more in control of their environment that's familiar to them, than students on campus," Pierre said.

About 13 percent of the Urbana campus' students participated in the survey. With his laboratory taking into account non-response biases and measurement errors, Johnson said despite the low turnout for the survey, which went as low as 7.6 percent among students at the Chicago campus, the results are still statistically and realistically significant.

"It's a low response rate, but quite frankly, not very much different from other web surveys," he said.

Still, the way the survey was conducted may indicate the other motivations for the University's first survey of every student and employee.

"There had been a lot of discussion about doing a random sample that we would follow up with intensely," Johnson said, citing a method that would have resulted in a higher response rate, and possibly more accurate data. "This is more of a census. The president thought that was very important, where everyone would have the opportunity to have their say."

The Daily Illini

URL: http://www.dailyillini.com/index.php/article/2012/06/university_should_opt_for_discussion_over_surveys
Current Date: Thu, 14 Jun 2012 14:04:25 -0500

University should opt for discussion over surveys

Students and faculty received the results Friday of the Climate Survey administered by the University, which asked respondents a series of questions about their thoughts on the overall atmosphere of the University, and the numbers gathered by it were certainly unimpressive. The survey was meant to serve simply as a starting point to gauge perceptions of the University at all campuses.

Across nearly every category, the results showed only a slightly positive rating (just above three on a scale of one to five). Even then, this isn't very telling because only 10.5 percent of the original frame of 106,286 staff, students and faculty completed the survey. Moreover, the design of the survey is not representative of the University such that the survey's participants were self-selected instead of being chosen randomly. This, of course, is a statistical inaccuracy. Perhaps a focus group could help secure respondents.

Yes, the University's administration is taking an initiative to ask students questions about subjects they may be far-removed to answer accurately themselves, but it has accomplished almost nothing. Even if the information was something useful, the way it was disseminated was ineffective: If so few students, faculty and staff completed the survey, the likelihood they would read the results is the same. The masses are not reading the massmails.

The University is looking to improve its campuses, but a survey that asks if students like their respective campus doesn't give much clue on how to fix any problems. Without a doubt, improvements are needed. Just on this campus, several buildings look as if they haven't been renovated or repaired in decades, housing isn't the most ideal and more diversity could be promoted.

People are not interested in a survey or its nearly inconclusive result. They would prefer a discussion. When students know what's going on around them, they will care, and the University will find the real responses they want.

CORRECTIONS

Story misstated legislation's terms

A Wednesday story misrepresented the terms of a proposed state law designed to limit the rehiring of university retirees. The bill, which is awaiting the governor's signature, would require colleges and universities to reimburse the State Universities Retirement System if two criteria are met. The retiree would have to work at least 18 paid weeks after Aug. 1, 2013; then be paid in a single academic year more than 40 percent of his or her highest pre-retirement salary.

Read more about HB 4996 on the SURS website: <http://bit.ly/MtIsp8>

The News-Gazette regrets the error.

NU's 1st Qatar class graduates

BY MAUDLYNE IHEJIRIKA

Staff Reporter
mihejirika@suntimes.com

Born in Canada, 22-year-old Shannon Farhoud grew up in Kuwait and attended college in another Middle Eastern country, Qatar.

On Friday, she'll receive the bachelor's degree she earned there at the 154th commencement ceremonies of an American university — Northwestern.

That's because Farhoud is among the inaugural graduating class of Northwestern University's Qatar campus, which opened in 2008. "There were only 36 of us, so in comparison, going through senior week here has been crazy," said Farhoud, who is among 28 members of the Qatar class who converged on Evanston this week.

"The timing of the school's opening turned out to be perfect, as no one expected all of the revolution and changes that were to come to the Middle East. And we were right there," she said.

A legacy of NU President Emeritus Henry Bienen who retired a year later, the school is a joint project with the Qatar Foundation. It offers undergraduate degrees in journalism or communications. NU-Q's first class drew a diverse group of students from 17 nations on six continents, including Canada, India, Pakistan, Syria, Tanzania, and of course Qatar.

Those students helped tell the breaking story of

the Arab Spring uprisings sweeping the volatile Middle East region.

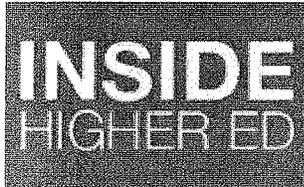
"The media really played an important role in the average Arab person's life these past two years, but the media industry in the region was not adequately equipped for that uprising," said NU-Q graduate Florent D'Souza, 22.

D'Souza's family is from India, but he grew up in Qatar. He already has been hired to work on a politi-

cal TV program breaking ground by bringing together youths and policy makers.

"Never before in history could you imagine Arab youth asking questions of Arab leaders, holding them accountable," he said.

Farhoud and three other NU-Q students screened a documentary, "Lyrics Revolt," they produced about Arab hip-hop artists whose lyrics helped fuel youth participation in the Arab Spring uprisings. "Being Arab youth ourselves, I think we have a sector we can tap into to really tell the underground stories about the culture," she said. "While everyone else was covering the revolution, we looked at the music and how it played a role."



No Funding for Higher Ed 'Race to the Top'

The Senate Appropriations Committee approved a \$68.5 billion budget for the Education Department for fiscal year 2013 along party lines Thursday, but one big Obama administration initiative was missing: a "Race to the Top" for higher education intended to spur changes in state systems. The administration had requested \$1 billion for the initiative, which would have been modeled on its competitive grant program for states' K-12 schools. The omission is particularly striking because the Democrat-controlled Senate has usually been supportive of the administration's higher education proposals.

The committee cited budget constraints as a rationale for not funding the program, and said Congress might take it up in future years. So far, legislators have held no hearings on the Race to the Top for higher education. "The committee notes that the concerns the administration has raised about rising college costs are very serious ones, and agrees that action is needed to reduce burdens on families and improve outcomes for students," the Appropriations Committee noted in its report.

The Education Department did not respond to a request for comment. Many fights lie ahead on spending for fiscal year 2013: Congress is considered unlikely to pass a budget before the November elections.

Read more: <http://www.insidehighered.com/quicktakes/2012/06/15/no-funding-higher-ed-race-top#ixzz1xrzdS2Bk>

Inside Higher Ed



Student Loan Experts Call for Increased Responsibility

A panel of finance experts met Thursday at an event sponsored by the American Enterprise Institute – called “Which way out? Confronting the problems of student loans” – to discuss increasing federal, institutional and student responsibility to combat massive student loan debt and high rates of default.

The panel comprised Richard George, chairman, president and CEO of the Great Lakes Higher Education Corporation, Art Hauptman, an independent public policy consultant specializing in higher education finance, and Edward Pinto and Alex Pollock, two AEI scholars focusing on housing and financial policies. Richard Vedder, an economics professor at Ohio University, moderated the event, and Bill Bennett, who was secretary of education under President Reagan, delivered an opening presentation.

The refrain of the discussion – that higher education institutions need to have “skin in the game” by paying a penalty when their students default on loans – is a familiar one in discussions of how to keep colleges from reaping all of the benefits and none of the costs of high tuition rates.

George also proposed that “vulnerable cohorts,” students more likely to drop out of college and default on their student loans, should not be allowed to borrow until they have demonstrated academic persistence toward finishing a degree; until that point, colleges should carry the cost burden for students. He said if colleges participated in this campaign that their “skin in the game” would carry less risk, as students more likely to default on their loans would have been weeded out before being allowed to borrow.

Bennett said it’s time to subject higher education to the same level of scrutiny given to K-12 education: “It’s time to look at the whole enterprise of higher education,” he said. “I expect resistance to that, but the questions are there, and more are coming.”

Read more: <http://www.insidehighered.com/quicktakes/2012/06/15/student-loan-experts-call-increased-responsibility#ixzz1xs0F9ezi>

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June 14, 2012

Nation's Research Universities Are Offered Hope of Fatter Budgets—at a Price

By Paul Basken

A two-year Congressionally mandated assessment of financial threats to the nation's research universities ended on Thursday with the offer of a grand bargain: Cut costs and form more partnerships with communities and industry, and expect increased revenues and fewer regulations.

A report on the study, coordinated by the National Research Council at the request of four Democratic and Republican lawmakers, begins by affirming a widespread sense that years of steep budget cuts at the state and federal levels are endangering American research universities' global pre-eminence.

Its authors, a 22-member panel of university and business leaders, propose averting such a disaster through a set of 10 recommendations describing steps to be taken together by the universities, governments, and industry.

"The basic recommendation is: We want the relationship to be a partnership," said the panel's chairman, Charles O. Holliday Jr., a retired chairman and chief executive officer of the DuPont chemical company. It should not be universities' just saying, "Give us more money," Mr. Holliday said.

For universities, the recommendations include raising graduation rates among science and engineering majors and halting runaway growth in costs by keeping annual budget increases to no greater than the nation's overall inflation rate. States would be expected to fully reverse cuts in support to higher education that have ranged from 25 percent to 50 percent in recent years.

The federal government would meet a longstanding commitment to double the basic-research budgets of its main science agencies, reduce regulations governing university research, begin a program of matching state and private donations for facilities and endowed faculty, and fully cover overhead costs associated with grants. Corporations would restructure relations with research universities

to meet broad educational and economic goals that extend beyond narrow job-training objectives.

And total public and private support for research and development would be increased to 3 percent of the nation's gross domestic product, up from levels between about 2.5 percent and 2.8 percent in recent decades.

It's a big list of commitments, potentially costing each of those main categories of partners as much as \$15-billion to \$20-billion a year over all, said James J. Duderstadt, a panel member and former president of the University of Michigan at Ann Arbor.

As such, Mr. Duderstadt said, the plan could be tough to sell to universities, despite their eagerness for more state and federal support. "The universities are only going to benefit if they also come with commitments of comparable scale," he said.

Following the 'Gathering Storm'

Universities are largely responsible for the process that led to the report. The Congressionally chartered National Research Council embarked on the study at the request of the four lawmakers, including the chairmen of the House and Senate science panels, after the Association of American Universities suggested the idea.

It was intended as a follow-up to the National Academies' "Gathering Storm" report of 2005, in which a similar panel warned that the United States was risking its economic future by cutting back on education spending, particularly in the sciences, just as other countries were realizing the long-term value of such investments.

The "Gathering Storm" recommendations included doubling federal spending on the physical sciences over seven years. Congress took some steps toward carrying out that panel's ideas, driven in large part by the forceful personality of its chairman, Norman R. Augustine, a former president and chief executive of the defense-technology company Lockheed Martin.

But Congress has fallen short of the doubling goal in recent years, as the nation's economy has worsened and lawmakers have emphasized a fundamental desire to cut government spending. The panel led by Mr. Holliday, who served on Mr. Augustine's commission, was conceived as an attempt to revive the momentum, particularly as it concerns university-based research.

The image of industry support is critical to winning support for such ideas in Congress and in state legislatures, said M. Peter McPherson, president of the Association of Public and Land-Grant Universities, who was not a member of the panel. "To have a major

corporate guy talk about what the country needs from the universities is a wonderful complement to the universities' saying that themselves," Mr. McPherson said.

Lawmakers constantly need reminding of the value of research universities, said Barton J. Gordon, a former Democratic member of Congress from Tennessee and one of the four lawmakers who requested the study. Even if many of the recommendations are based on ideas that have been proposed in some form in the past, Mr. Gordon said, there's real political value in packaging them together.

Nevertheless, the ultimate success of Mr. Holliday's panel appears far from certain. Its report, despite covering 250 pages, has left even advocates describing shortcomings, such as its avoidance of some tough questions that precipitated the study, and its lack of any clear path toward carrying out its recommendations.

A Missed Opportunity?

In his original proposal for the study, back in 2009, the then-president of the Association of American Universities, Robert M. Berdahl, said he'd like an evaluation of whether the country might simply have too many universities competing for its federal research dollars.

Among the programs that have raised questions for some lawmakers is the Experimental Program to Stimulate Competitive Research, or EPSCoR, through which the National Science Foundation sets aside money for institutions in states with historically low rates of success in winning grants. Its defenders include Paul W. Ferguson, president of the University of Maine at Orono, which has a niche expertise in offshore wind turbines. Programs such as EPSCoR have allowed Maine researchers to become more competitive, he said, with the idea that they eventually will be weaned off it.

With universities themselves divided on such programs, Mr. Berdahl's successor at the AAU, Hunter R. Rawlings, who served on the panel before taking the AAU post, said he didn't want to touch the subject of potentially limiting the number of research universities.

It may have been a missed opportunity, said William E. Kirwan, chancellor of the University System of Maryland. "There might have been an opportunity there to address that very point more explicitly," Mr. Kirwan said, "and I think that would have strengthened the report."

Mr. Kirwan, who serves as chairman of the Business-Higher Education Forum, an organization of senior business and higher-education executives, said the report also left him wanting more-explicit strategies for realizing its goals. Without that, he said, "I'm just afraid that this will be another very well written and well intended report that won't really move the needle."

Mr. Holliday, however, said he was determined to see the report gain traction. Although a lobbying strategy may not appear in the report, he said he had learned much from watching Mr. Augustine persuade Congress and others following the "Gathering Storm" report. Mr. Holliday's main method of winning allies is a planned series of regional forums around the country where he hopes that commission members will make clear to local business leaders, policy makers, and university officials the importance of jointly contributing to its success.

As a corporate leader himself, Mr. Holliday said he recognized he had a special responsibility to help other business executives understand the depth of benefits they receive, either directly or indirectly, from a strong national base of university research. He said he rejected any suggestion that the nation's political environment was too toxic to deliver such a message successfully. "I categorically disagree" with such a notion, he said. "We approach this with a lot of optimism."

Needed: Paradigm Shifts

Mr. Duderstadt was less willing to predict success in selling the idea to his fellow university leaders, many of whom he sees as still having trouble making deep structural changes in their spending habits, even as government support collapses around them.

"That requires paradigm shifts," Mr. Duderstadt said. "It requires sharing equipment in laboratories rather than giving every PI their own electron microscope. Maybe building one nanotechnology laboratory in the UC system and having everybody use it rather than build one on every campus.

"Maybe changing the ways that you teach, reducing the number of majors that you have, reducing the number of postdocs that can't find jobs anyway," he continued. "There are a whole series of things that have to be put on the table and seriously considered."

There's also uncertainty about what a new and deeper relationship with industry might look like. Mr. Rawlings said existing relationships were generally positive, though he said he was wary of deeper corporate involvement in undergraduate education.

At the same time, Mr. Rawlings and others endorsed a project of the Business-Higher Education Forum in which companies work with faculty to design undergraduate curricula. The group announced this past week an expansion to a total of 12 projects across the country. They include one, championed by Mr. Kirwan, in which the government contractor Northrop Grumman will spend \$1.1-million at the University of Maryland, hoping to generate a steady flow of students trained in cybersecurity.

In general, university leaders said they were confident they could manage such expanded partnerships without compromising their educational mission. The key safeguard is vigilance to ensure faculty fully control the curriculum, said Robert L. Caret, president of the University of Massachusetts system, which is also participating in the Business-Higher Education Forum program.

Mr. Caret, who was not a panel member, said he drew a lesson from the experience of the polytechnic institutes in Europe, which lost their innovative edge after growing too close to industry. Many of those institutes are now fixing the damage by reviving attention to the liberal arts, Mr. Caret said. "I'm a little concerned" about repeating such a mistake, he said.

Top Down, or Bottom Up

Universities are right to be wary, Mr. Holliday said. But companies also value workers with a broad education, and the balance at most universities still favors liberal-arts training, he said. "I think we're a long way from being in trouble on that yet," he said. Brian K. Fitzgerald, chief executive officer at the Business-Higher Education Forum, endorsed that sentiment. "We don't want to turn America's great research universities into proprietary training programs," Mr. Fitzgerald said. "But there is a way to do a better linkage."

Other key goals identified by Mr. Holliday's panel include the passage of legislation that would allow U.S. residency to foreigners who graduate with science degrees, the greater encouragement of women and underrepresented minority students in science, and the permanent extension of a federal tax credit for research and development.

Over all, the panel's goals for changes by universities, businesses, and governments may be too optimistic, said Lou Anna K. Simon, president of Michigan State University, who was not a member. But that's not necessarily a bad thing, Ms. Simon said. A truly worthwhile goal, she said, is "never viewed as realistic."

The panel's members included Teresa A. Sullivan, who was forced out on June 8 as president of the University of Virginia, in part

because of her disagreements with the university's governing board over how to handle the tougher financial environment.

During a briefing on Thursday with panel members about the report, Ms. Sullivan said U.S. research universities were stronger than their foreign competitors in large part because they tolerate a diversity of opinions. "The only advantage we have right now in that competition is that other countries have not yet figured out how to do it—they believe that the way to build a great research university is from the top down," she said. "That's not right. A great research university is far more distributed and networked, and many ideas are allowed to bubble up, some of which will be successful."