



THE SYSTEM CONNECTION

Greetings:

Many of you are by now aware of what transpired at last week's SIU Board of Trustees meeting regarding the proposed loan of unrestricted reserve funds from SIUE to SIUC. I am compelled to re-visit the issue today, at least a bit — to ensure that everyone across the System understands what happened, and what comes next.

The action item on the BOT's agenda seeking authorization for the loan – and remember, this borrowing does not involve the movement of actual cash, but is a paper transaction with Edwardsville's unrestricted balances utilized by Carbondale to show its operations out of deficit – was a late addition to the Trustees' meeting agenda. Under SIU Board rules, any docket matters not included on the published agenda are referred to as "current & pending" items; as such, the Board must first vote to even allow consideration of these items, and that initial vote has to be unanimous. In the case last week it was not, meaning any substantive discussion and vote about the internal borrowing was postponed.

At this point, we anticipate a special meeting of the Board will need to be held sometime in May anyway — to officially appoint the next SIUC chancellor — so we will again seek Board authority for the loan at that time. Based upon our latest cash flow forecast done this week, and given even further spending restrictions recently enacted on the campus, SIUC should have sufficient operating funds to keep the campus from deficit spending until that time. Subsequently, though, the only other way Carbondale could continue daily operations would be through the use of *restricted* funds from various sources, such as federal and state grants, revenue bond funds, and the system-wide self-insurance program.

Simply put, none of those is a viable option for us unless there is nowhere else to turn. Legal opinions obtained by SIU from different national firms specializing in such questions are clear and compelling: Restricted funds should not be made available for interfund borrowing, and public universities in Illinois have no authority to borrow money on a short-term basis — such as with a line of credit or promissory note from a financial institution — in anticipation of receiving tuition, state payments, or other revenues or receipts of the University. (Interestingly ... unfortunately ... this is in stark contrast to public school and community college districts which, as units of local government, have access to a range of short-term borrowing instruments under state law.)

With respect to the conversations taking place the last two weeks around the loan proposal, let me thank those who have taken the obvious time and effort to express their thoughts and concerns on how we best proceed from here. For some from Edwardsville, that involvement meant making the trip to last week's Board session and sharing comments publicly. For others representing every part of SIU, that has generally meant sending me an email or note. While I apologize that I have not been able to respond to the majority of those individually, please know that each one has been read — and certainly the level of frustration felt by many at SIUE comes through loud and clear. So while I believe this remains the right and only immediate course of action available to us, I do not want to diminish the anxiety of many at the Edwardsville campus ... I would probably be taking the same position as a faculty, staff member, or student in a similar situation.

One of the main themes to emerge in the communications I've gotten thus far has to do with the question of whether Carbondale can really make the reductions necessary to "right size" programs and budget to the number of enrolled students, in addition to doing the necessary payback of unrestricted reserves to itself, the School of Medicine, and Edwardsville should the need arise for the loan.

Beyond the \$21 million in cuts that campus has already taken, Interim Chancellor Colwell has laid out the framework for where the *additional* \$30 million will come from. In a [memo](#) he sent to the SIUC community which followed my *Connection* column on March 29, Brad listed \$19 million in permanent reductions in areas covered by state-funded accounts: \$10 million sweep of vacant positions; \$1.5 million from equipment, supplies, and contractual services; \$1 million in campus work opportunities

for students; \$535,000 travel (eliminating all remaining travel on state dollars); \$1.5 million in reduced physical plant operations; \$1.2 million in funding from what are intended to be self-supporting units; \$1 million in academic administration cuts, largely from unit reorganizations; \$750,000 from non-academic administration; and operating cuts to these specific functional areas: \$500,000 Information Technology, \$465,000 School of Law, \$400,000 Library Services, \$166,000 Development and Alumni Relations.

Additional details arising from this framework (e.g., specific programs to be eliminated or merged, administrative positions to be cut) will then be outlined in the campus's financial sustainability plan to be approved by the Trustees in July. The additional funds necessary each year, possibly extending out over the next ten years, to make whole all reserves used by SIUC will come from cash diverted from existing operations university-wide from the income fund accounts, as well as monies normally allocated centrally from both distance education and summer school. And as I've already indicated, the first payback will be for any funds owed to SIUE. This is a temporary — and not a permanent — condition. In the end, there is a plan ... one that is both credible and realistic ... and it will result in a very different-looking SIU Carbondale ... but it can be done, and must be.

Not coincidentally, I've been following some of the HIED trade press and national conversations on challenges taking place within other, albeit larger, systems around the country right now, among those being Pennsylvania (PASSHE), Georgia (University System of GA), and Minnesota (MN State Colleges & Universities). In that vein, a comment was made somewhere along the way by a colleague that while every ship has its mission, the fleet travels together and protects each other. That has been the history of SIU. Maybe because that analogy resonated with me at this point in time, I also appreciate the quote that one email writer shared with me this week, from English poet and novelist G.K. Chesterton: "We are all in the same boat in a stormy sea, and we owe each other a terrible loyalty."

In the midst of the intensive discussion and activity taking place across SIU during that time, you may not have noticed that a week ago today an Illinois House Committee passed what is being called the "lifeline" stopgap which would provide about \$559 million to higher education — including \$26.3 million for SIU and reimbursement of a portion of the need-based MAP funding which we've already advanced to some 5,500 students at the C and E campuses. The monies for these payments exist in the Education Assistance Fund, a special account replenished with a miniscule portion of the revenue when a temporary income tax increase was approved in 2011 ... for the purpose of more gradually stepping-down education funding in the event the temporary increase wasn't extended (which it wasn't). Point being: These funds could be rushed to us as quickly as the payments can be processed, and they will continue to be built back as future income tax proceeds come in.

The lifeline bill then went to the House floor on Thursday and passed on a 64-45 vote along party lines. It will go to the Senate when that chamber returns on April 25 following a two-week hiatus for Passover and Easter. In a Facebook statement following the House vote, Governor Rauner reiterated his pledge not to support any further stopgaps without "something real and lasting to protect taxpayers."

Once more ... I get it. And I suppose a case can be made, if one so desires, that any payment like this reduces pressure for a grand bargain on a full budget, if that is even still possible. But as its name implies, this lifeline spending plan provides what Rich Miller, a well-known Illinois political writer and blogger, aptly called a "sip of relief" for Illinois public higher education. Of course we need a real budget with the certainty and stability that such provides. But we're talking here about funds *already sitting in the state's accounts* for heaven's sake ... and they represent a middling 13% of HIED appropriations in a normal year ... so providing this small stopgap need not derail or short-circuit any eventual agreement on a full budget if such can yet be accomplished.

Consider this: A northern Illinois legislator is sponsoring a bill that would provide funding for state employee salaries in perpetuity, whether or not a budget is ever passed. And I wonder if stopgaps will adamantly remain off the table through this summer if we still have no budget ... assuming many K-12 schools would be in danger of not opening? I don't want to take anything away from our excellent state employees, or our fine elementary and secondary schools in the state — but it is time to reclaim our place at the table.

The stopgap funding — this lifeline — is critical to carrying SIU through the rest of this fiscal year, potentially holding off the borrowing that SIUC would need to undertake otherwise. We are in desperate need of that sip to keep the public universities going until we can drink fully once the dam opens and the water is permitted to flow again.

Randy Dunn



Cindy Chester is one of the folks who keeps the SIUC campus humming along after most everyone else goes home for the evening.

The Carbondale native is the evening circulation supervisor at Morris Library, meaning she works from 4:15 p.m. to 12:15 a.m. Sunday-Thursday. She prefers it that way.

“While everybody else is at work, I am running errands and getting to enjoy the day and the daylight,” she said. “During the summer, you will catch me in my pool while everybody else is hard at work. Evenings bring in different situations and questions than during the day many times, and it can be – so to speak – like night and day.”

Cindy earned a bachelor’s degree in social work from SIUC in 1996. Even though she’s not in a “typical” social work job, “To me, the biggest component of social work is helping people. I can’t imagine doing more of that than I am at Morris Library.”

Her career at SIUC started with a brief stint as a clerical assistant in University Housing in 2008. When she was offered a Library Clerk I position at Morris, however, she jumped at the chance – in part because of family history.

“My mother worked at Morris Library in the circulation department when she was an undergraduate in the 1960s, and I felt like I was coming full circle with that opportunity,” she recalled.

She served as a Library Specialist from 2009 until she moved into her current position as a Senior Library Specialist in early 2014. She oversees the circulation desk and the student employees in the evenings.

“My supervisors rely on me to make decisions in the moment and without having to call them, and it is a wonderful feeling to be so trusted,” Cindy said. “I also am responsible for security issues in the evening, which sometimes include having to call campus police. From medical emergencies, to disruptive patrons, to anything in-between, I’ve had to handle it with a calm head.”

She responds to a wide variety of questions about policies and operations, and is responsible for closing the circulation desk and the library each evening.

“I make announcements every evening between 11:30 and midnight about closing. I try to keep it light and by the end of the night, you might even hear me singing people out of the building. You have to make it a special experience, right?”

Cindy especially enjoys supervising student employees, “helping them build their skills to become the best employees they can be, both here and in their future careers.”

“Customer service has always been special to me, so I try to teach this to the students,” she added. “A smile can make a big difference when someone is having a bad day.”

She also appreciates her many opportunities to help students find what they need at the library.

“Since I also worked at the Information Desk, I have extra training on different aspects of the library and on research. Many times students have random questions and I feel like I am a better worker myself when I am able to help them and not have to send them someplace else,” she said. “I get a feeling of satisfaction when I can see a student ‘get’ it when they have been trying to figure out a problem for some time, and then they come to me and I can teach them how, where, or why.”

As much as she enjoys talking about the many positives of her job – “I am so thankful that I have it” – she also loves to talk about a certain baseball team from the Windy City. Cindy is a “huge” Chicago Cubs fan, and was thrilled to attend a playoff game at Wrigley Field and her first World Series game last season. How much of a Cubs fan? So much of her car is adorned – inside and out – with Cubs’ logos and the like that her friends call it the “Cubmobile.”

Fortunately for us, she also is a dedicated Saluki. Thanks for your commitment to our students and our university, Cindy.

Other Voices in HIED

Chicago Tribune: [Governor, start fixing higher ed in Illinois: How to pour more spending into classrooms and labs](#)

Business Insider: [Investors are paying college students' tuition — but they want a share of future income in return](#)

FiveThirtyEight: [To Ease The Student Debt Crisis, Hold Colleges Responsible](#)

Politico: [Florida embraces online higher education, even as political divisions run deep](#)

Bloomberg: [Trump's Student Loan Default Penalty Has an Unlikely Foe](#)
