



Guest commentary: Fix pensions for the long-term

By Robert F. Rich | Posted: Thursday, May 17, 2012 12:00 am

Illinois' fiscal situation continues to deteriorate. The structural deficit was not cured by the tax increases implemented in January 2011. Without corrective measures, annual operating deficits are projected to grow from their current level of about \$3 billion a year to \$13 billion annually. The growing costs of pensions because of the aging of the baby-boom generation and increased life expectancy represent a major driver, along with Medicaid, for our long-term economic problems.

The cost of pensions can be seen as consisting of two basic components: the growing unfunded liability of what is contractually owed to retirees and current employees and "normal costs" or the amount owed to retirees in any given year. Reacting to a credit rating downgrade by Moody's Investor Service, the Legislature is discussing proposals for reform that seem to focus exclusively on these fiscal realities. The proposals do not address other realities that are critical for the future of public higher education in Illinois.

The proposals that seem to have currency with the Legislature do not address some key dimensions of pension reform: fairness, sustainability, shared sacrifice and constitutionality. Instead, the Legislature is most concerned with shifting costs from the state to relieve its burden. However, that only moves the burden to employees and employers. In short, this shifting of costs might relieve the crisis, but it does nothing to solve the problem.

The proposals to shift costs onto the retirement systems and employees could have a profound impact on the quality of higher education and could diminish the very positive effect that higher education has on the overall Illinois economy. Raising the retirement age, increasing employee health insurance premiums and ending cost-of-living raises represent the worst of all possible options for colleges and universities. Also, legislation enacted in January 2011, which places newly hired employees into what is known as Tier Two, has had a detrimental effect on the ability to attract new faculty. Fiscal responsibility for pensions is being shifted to universities but control over the structure and level of benefits is retained by the state. This is neither fair nor acceptable.

The consequences for public higher education institutions if actions are limited to current legislative proposals are clear: Draconian cuts in budgets, loss of top faculty (which would significantly reduce the universities' ability to attract new faculty), larger class sizes, significant tuition increases and a general decline in the competitiveness and quality of our public universities.

Nationally and internationally, there appears to be a growing recognition that economic competitiveness is closely tied to two factors: providing public education to more and more individuals and government support for basic research and development. The economic engine is negatively affected when the universities are not able to recruit and retain top faculty, which affects their ability to attract top-flight students. A new report from the University of Illinois Institute of Government and Public Affairs documents a strong link between education and earnings across individuals, across states and across countries. In 2010, a typical person aged 25 to 35 years old who has a college degree earned 88 percent more than similarly aged people with only a high school diploma. The strong link between college education and earning power has a positive effect on the state's economy.

We do not seem to be learning from the experience of other states that have enacted similar pension reform measures. Arizona has a constitutional "non-impairment" clause that is fairly similar to the one in the Illinois Constitution. The legislature there enacted pension reform calling for increased employee contributions, but it was struck down by a state Superior Court judge. Pension reform in Florida that attempted to unilaterally shift employee wages to pensions met the same fate.

Pension reform does not have to be this way. As a state, we should develop a long-term strategy to address the overall fiscal situation in the pension systems while promoting fairness and ensuring constitutionality. This can be done with a hybrid system much like one adopted in Rhode Island and proposed in other states. This system would call for a defined contribution component on top of a defined benefit component and would decrease the overall cost of pensions, not just shift costs.

We need to consider a wide range of options for generating revenue and for cutting costs. The overall costs of pension benefits are not reduced if we simply shift "employer costs" from the state to universities and school districts. Pension reform can be achieved without endangering the future of our institutions of higher education.

Robert F. Rich is a professor of law, medicine and political science at the University of Illinois at Urbana-Champaign and is director of the university's Institute of Government and Public Affairs.

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Bill limiting search firms clears Senate committee

Wed, 05/16/2012 - 11:46am | **Tom Kacich**

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SPRINGFIELD — A bill aimed at limiting the use of external search committees at Illinois' public universities was approved unanimously Wednesday by the Senate Higher Education Committee.

The amended legislation, **HB 5914**, sponsored by Sen. Dale Righter, R-Mattoon, now goes to the full Senate for consideration.

Righter told the committee the bill was prompted in part by "some concerns raised and reported in the Champaign County area in regards to the use of public funds" for a number of executive searches at the University of Illinois.

The News-Gazette reported Sunday that the **UI had paid nearly \$6 million to nearly two dozen firms over the last nine years** for everything from presidential searches to help with hiring a new men's basketball coach.

Righter said he was not aware of similar concerns with search expenditures at other Illinois public universities.

Righter told committee chairman Edward Maloney, D-Chicago, that he would discuss the legislation with UI representatives before calling it for a full Senate vote.

"I will absolutely have whatever discussions are needed before I would take it to the Senate," Righter pledged.

Following the committee session, Righter said he "would sit down with representatives of the university, including, hopefully Doctor (Robert) Easter (the new UI president), and have a conversation about some of the things that we've read in the press and learned about how student money and state money is being used to pay for search firms that a lot of people would say, 'Hey, you know what, they ought to be able to handle that in house.'

"And I want to learn more from their perspective about why they're doing that, and express to them a little more directly the taxpayer's side of this, to the extent that I represent them."

Righter predicted the legislation would have widespread support in the Legislature.

"I don't think there's any question that this is a popular measure, but I still want to sit down with the officials from the university and, in fairness to them, hear what they have to say."

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LETTERS TO THE EDITOR

Immoral pension 'reform' plans

I'm appalled that neither Rahm Emanuel nor Pat Quinn — nor the Chicago Sun-Times editorial board — is addressing the most critical issue that must be addressed in discussing "reform" of government employees' pensions: the fact that most state and municipal employees — including teachers and university professors — are not eligible for Social Security benefits.

Any pension "reform" that doesn't guarantee every state and municipal employee with 10 or 20 years of service a retirement income — from the state or municipal plan plus whatever SSA benefits they may have — at least equal to what they would have earned if they had contributed to Social Security for the same number of years is a non-starter.

The General Assembly and City Council can feel free to limit the over-\$30,000-a-year pension benefits of their members and highly compensated appointees. In fact, I'd be thrilled if "reformed" pension systems paid retirement income only to people who are actually retired. Why in the world should Jim Thompson have collected a six-figure pension while he served as managing partner of Winston & Strawn or Jim Edgar have collected a similar pension while he headed a University of Illinois institute? But the worker bees who have kept the city and state operating for the past 30 years currently earn an average pension of less than \$30,000. That pension should not be cut.

Yes, the city and state face huge unfunded pension liabilities. But "reforms" that ignore significant differences within the public-employee work force and between the public-employee work force and the private sector work force are both unconstitutional and immoral!

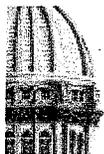
Mary A. Carroll, Lake View

Needed pension reform

I applaud the mayor and governor for finally standing up to the public employee unions and proposing needed and well-deserved pension changes. The public employees have been living in Camelot for decades and it is about time someone is trying to give them a dose of reality. Every politician is talking about "fairness" when it comes to our tax system. Is it fair to have a group

of workers whose salaries are paid for by taxpayers receive benefits that are so much better than the workers who pay their salaries. Automatic raises, health care where they pay little or nothing of the premium costs, job security even when they may be terrible at their jobs and retirement ages that allow them to receive larger than private employees benefits for twice as long. Thank you Mr. Mayor and governor for trying to bring some "fairness" to a system that has been so unfair to the majority of taxpayers for years.

Jim Niemiec, Orland Hills



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Letters to the Editor

Has a deal for state

I am a retired state employee and I think charging me premiums for my insurance is a great idea. Instead of me paying, though, I think the state should take the money out of the dental claim reimbursements it has never paid me for, which date back to August 2011. This way, I won't have to wonder if it is ever going to pay me, let alone pay me the interest it owes me (which, according to the Delta Dental website under "frequently asked questions," it is required to do.)

That way, the state can get the money it squandered away borrowing from my pension fund and I won't miss the money, since I have never seen a dime of it anyway. Problem solved!

— Lou Aue, Lincoln

Example of what's wrong

Former Chicago Mayor Richard Daley was able to pay one month into the legislative pension fund to receive a \$50,000-a-year increase in his pension to a yearly benefit of \$180,000. Also, he is entitled to a 3 percent increase compounded yearly.

My 33 years of state service and 16 years of retirement with a yearly 3 percent increase is just now half of \$50,000.

Pension abuse such as this example is the reason the pension fund is billions in debt. Now the state retirees are asked to contribute the full health insurance premium so Daley may enjoy a lifestyle of the 1 percent.

— Norman Milbrandt, Beardstown

All should kick in to help

The Michael Madigan-led legislature used \$83 billion over the past several years for programs that benefited all citizens across Illinois that was supposed to be placed in the public workers' pensions. That is a fact.

Why are the only people being asked to pay back the unfunded billions for our pensions the public-sector workers and retirees? We lost promised billions via the legislature not funding our pensions and using it for projects around the state. Our unfunded billions supported programs for all citizens across the state for years and now our pensions and retirement benefits are being raided to fix this mess.

The State Journal-Register wants a solution to the problem. Since all citizens of Illinois benefited from us not getting our pensions legally funded over the years in the amount of \$83 billion, all citizens should kick in some money to balance the pension deficit caused by the legislature's mismanagement. How about some fairness here in Illinois!

— Robert P. Nika, Rochester



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B 1313 is devastating

Illinois legislators recently passed SB 1313, effectively ending a long-standing state statute and renegeing on a promise made to state employees and current retirees to provide them with fully paid retirement health insurance. If Gov. Pat Quinn signs this bill into law, it will force thousands of retired state employees to somehow pay for premiums with pensions so small that they consistently rank in the bottom 20 percent of all states.

The cost of this insurance will be determined annually by Central Management Services.

Now Quinn is urging the City Club of Chicago and other wealthy business groups to again pressure legislators to reduce public employee pensions and drastically cut the pension cost-of-living allowance of those both active and retired. This will be especially devastating to the nearly 80 percent who have absolutely no Social Security to offset this loss. One plan would reportedly even require retirees to choose between their current COLA or health insurance.

The thousands of retirees effected will be forced to reduce their spending, resulting in a negative impact on the state and local economy. Merchants are already reporting that retired state employees have restricted their purchases.

Reducing the pensions of public employees will only serve to prevent them from achieving self-preservation and dignity in retirement. It is without doubt that every active and retired public employee already feels the heavy hand of persecution being forced against them.

— Mike Bell, Edinburg

<http://www.sj-r.com/opinions/x1986336491/Letters-SB-1313-is-devastating>

Loss of benefits is 'rape' of retired

I start with a quote from Gov. Pat Quinn: "I think in Illinois, we are able to show the nation that we are a state that believes in respecting everyone. Everyone has dignity and rights."

Really? What about the state workers who believed their retiree health insurance was protected under the Illinois Constitution?

How is that showing respect? What are their rights? They've been lied to and raped. That's a funny way to show them respect and rights. And the reason — no money to pay for it because the lawmakers spent it.

Yet there will be money to pay for health insurance of gay couples that weren't being paid for before? Where's that money coming from? Let's not talk about respect until you're willing to show it to all people.

Quinn is lying in that statement, and the government lied about the protection of the constitution.

Employees of the state retired with the trust that what was offered would hold.

Now they can't even depend on their yearly income since the state can rape them further by taking more out for health insurance.

If the constitution can be reversed without correct legal procedures on retirees' health care, what else will be thrown out so easily? Will they get away with it? I want to thank the representatives that voted against SB 1313.

I'm not a lawsuit-happy person, but I hope the state of Illinois is slapped with a few that will reverse this unconstitutional decision.

LINDA NATION
Tuscola

It's morally wrong to make retirees pay

In Jesus' parable of the vineyard workers, the landowner hired workers throughout the day and promised to pay them each a denarius.

At the end of the day, the landowner began paying those who were hired last their denarius. Those who were hired first expected to get paid more because they had worked longer, but they only received what they were promised.

It seems unfair, but they did agree to work for a single denarius.

State employees agreed to work with the promise of free health care when they retired if they worked over 20 years. The governor and Legislature have now taken that away.

Soon they will try to rework our pensions, either making us work more years, contribute more of our earnings and/or reduce our benefits.

What they are doing is morally and ethically wrong.

The state took our pension money and used it for other purposes. So since the state is basically bankrupt, it is robbing us yet again. It is wrong, unfair, unjust and should be illegal.

Changing the rules in the middle of the game is wrong as every 10-year-old could tell you. Changing the rules after the game is over, as it is for those who have already retired, is morally reprehensible!

SCOTT HARDEN
Champaign

VOICE OF THE PEOPLE

Teachers unions

If principals had more power to fire the bad teachers, the argument goes, then the old bad teachers could be swiftly replaced by the “best and the brightest,” and academic achievement would improve. This is a popular argument.

If this is true, then the states with low rates of teacher unionization should have the highest test scores. But data show this is not the case.

According to the Teachers Union Exposed website, there are 11 states with a unionization rate of 0 percent to 20 percent. Six of those states — just more than half — reported scores below the national average on 2009 National Assessment of Educational Progress 8th-grade reading tests. Of the 30 states with teacher unionization rates of 76 percent to 100 percent, seven were below the national average (less than one-fourth). States with higher rates of teacher unionization generally had better test scores than those in which principals are unfettered by union rules.

Teachers unions do have some problems, which must be addressed. But without them, power over public education will be increasingly concentrated in fewer and fewer hands — those of politicians and businesspeople, many of whom are not inclined to listen to teachers’ perspectives because they assume teachers are motivated mainly by self-interest.

The prime motivator for most professional educators is a deep concern for helping children learn. Teachers’ voices must be at the forefront of educational reform.

— April Nauman, associate professor of education, Northeastern Illinois University, Chicago

Open letter to high school grads

BY WALTER V. WENDLER

Dear graduating senior,
I am begging your pardon for a somber reflection amid the joy of accomplishment: not to be a wet rag on the festivities of graduation, but a bright light on the realities of post-secondary education.

If you are going on to a state university, your GPA is 3.5 or better, your ACT or SAT score is at the 70th percentile — placing you in the top 30 percent of current test-takers — and as you enter the university this year, about 56 percent of students with similar qualifications will graduate in four years. What's surprising about this number is that it's not higher, closer to 85 percent or 90 percent. But college is tough. That is what you pay for.

On the other hand, if you're going to a university with a more typical 2.8 GPA and are at the 45th percentile on the ACT or SAT, the likelihood of finishing in four years drops to well below 50 percent. These are not great odds. Not like the odds you carried to high school when graduation was nearly guaranteed. Show up and win.

It wouldn't surprise you that if you are well-prepared for college study — a good GPA, ACT/SAT score and class rank in the top 50 percent — you are more likely to succeed, whether on borrowed funds or on your dime. But access does not equal success.

Nearly two out of three students on the way to a baccalaureate degree borrow money. This is troubling. While the high school experience appears to be free, unless of course you pay taxes, the university experience is not. Additionally, the dropout rate for those who take loans is nearly 23 percent. Imagine taking out a car note and never being able to drive it, or buying a house that you can never eat or sleep in.

If you haven't posted a good

academic performance in high school, don't believe a university, its leadership, advertisements or admissions officers who co-sign your promissory note with no responsibility for its payment obligation. They need paying students.

Stoking a deceitful dream on life support — an underappreciated, overfinanced, media-hyped charade — is the real deception, and the weight falls on your back, not theirs.

A shameful, elaborate sham, when one out of two college graduates this year are unemployed in their chosen field.

Look carefully at the costs and benefits of a university education. University officials may not tell you the truth: Enrollments could drop. Bankers will not tell you the truth: Interest income will fall off. Elected officials will not tell you the truth: Elections will be lost. Listen to those really concerned for you carefully.

If you choose to attend a "second-best" university, you may be lulled into thinking that your chances for graduation will improve significantly. Not true. You will find, at good mid-major institutions and many teachers colleges, that high-quality faculty demand energy, interest, intellectual acuity and classroom performance, and if you haven't exhibited them in high school, the likelihood that you will spontaneously develop them amid the distractions of university is near nil. There are very few curve-breakers.

Maybe you can find a low-stress major and get through on little work. You probably won't find a job — remember half don't.

A low-employability, near-minimum-wage major and \$50,000 in debt — national averages are a bit over \$25,000 — are less valuable than a good high school diploma with four years of experience.

Unenlightened? Call me a caveman. Cruel? I think of it as

honest.

Here is the substance of my advice as you graduate.

1. If you have to borrow money to enter a university straight away, don't. Go to a community college. Pick rigorous courses that you know will transfer and get them at an 80 percent discount off the cost of state university prices. Don't borrow a dime. If you need a boost to finish after demonstrating ability at a community college, borrow sparingly in the last two years, but never in the first two. Never.

2. If your life circumstance requires you to work and study simultaneously, do it. There is no law of the universe that says a college education must take four years. If it takes more, and you can do it for cash, do it. Don't borrow money.

3. Consider carefully with your family, and counselors you trust, the dollar value of your career-path choice. Find a way to graduate from college with little or no debt.

4. If you walk to class on C-note Nikes or check a Diesel watch to see if you're late, you are acting foolishly. Sorry for insensitive straightforwardness. When every friend you've got heads to Acapulco on spring break, don't go. Go do something noble to create capital. Work. Or study. But don't spend or export borrowed capital.

5. Lastly, if you think you worked hard in high school, know that any university worth its salt will have you working at levels four or five times more challenging for a good GPA.

Study hard, work diligently and challenge yourself intellectually. Show this to someone you respect and ask him if I sound crazy. I dare you.

All the best in your future.

Walter V. Wendler is director of the School of Architecture and former chancellor at Southern Illinois University.

latimes.com/news/local/la-me-0517-uc-budget-20120517,0,2854671.story

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UC regents discuss 6% tuition hike for next fall

They pledge to lobby hard to avoid the increase. The regents also approve the hiring of a new chancellor for UC San Diego at an annual salary of \$411,084.

By Larry Gordon, Los Angeles Times

May 17, 2012

University of California regents Wednesday discussed the possibility of a 6% tuition increase for next fall but pledged that they would lobby hard to avoid such a \$732-per-student hike.

With such money worries rippling through the 10-campus system, the regents approved the hiring of a new chancellor for UC San Diego at a \$411,084 salary, which is 4.8% higher than his predecessor, Marye Anne Fox.

In addition, Pradeep Khosla, now the engineering dean at Carnegie Mellon University, will receive a relocation bonus of nearly \$24,700 annually for his first four years. The raise will come from non-state funds and Khosla's overall package is reportedly less than what he now earns, but some critics said any UC raise is unwarranted in today's brutal fiscal situation.

UC administrators were pleased that Gov. Jerry Brown did not propose any immediate cuts to the university this week although Brown warned that UC could lose \$250 million if voters do not approve his proposed tax increases in November.

Still, officials said they hoped to persuade Brown and legislators to give UC about \$125 million extra to avoid an increase that would cost undergraduates \$12,924, not including other campus fees, room and board. Regents are expected to vote on tuition in July.

The regents met Wednesday in Sacramento so they and students could lobby lawmakers. UC President Mark G. Yudof did not attend because his wife was hospitalized. But in a statement, he said that the budget is "fluid and at times turbulent" and that his efforts to avoid an increase were complicated by rising costs for retirement plans.

Regents Chairwoman Sherry Lansing said that she was working "every single day" to obtain more state funds but that the regents in July nevertheless should start examining potentially radical changes to save money, including whether campuses should offer a full range of academic programs. "It does call into question whether each campus can be all things to all people," she said.

UC regents defended Khosla's pay, and additional car and housing stipends, as necessary to attract such top talent and added that Fox has not had a raise in nearly five years. "Chancellors make a difference and presidents make a difference and we have to recognize that," said George Kieffer, who is vice chairman of the regents' compensation committee. He said a good leader's success in fundraising and management far outweigh the salary increase.

However, Lt. Gov. Gavin Newsom and student regent Alfredo Mireles Jr. cast votes against the salary. Newsom noted that pay for new leaders at Cal State universities triggered anger statewide and added that it didn't matter that the 4.8% salary rise at UC San Diego would not come from taxes. "I just don't think this is the right time to be doing that," he said.

Angry about another possible tuition hike, student protesters briefly disrupted the meeting, forcing the regents to temporarily change locations. No one was arrested.

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The Student Debt Crisis We Don't Talk About

By Derek Thompson

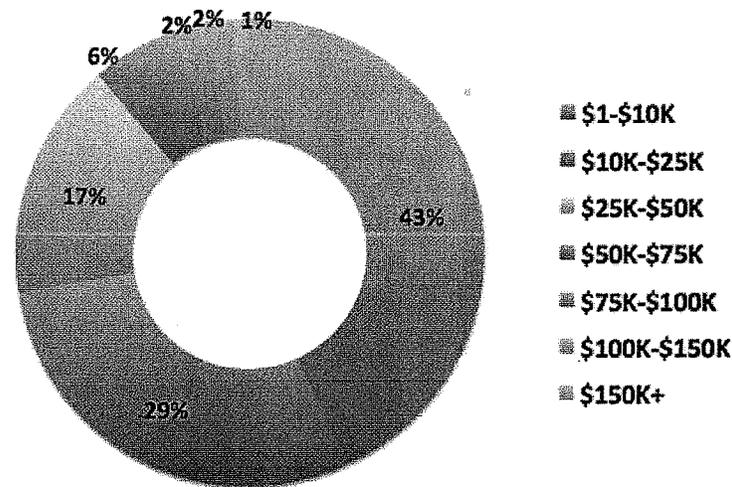
Here's a true story about college in America. In a world of unsure investments -- where home prices rise and fall by 30% and hedging can lose you \$2 billion in a jiffy -- college remains perhaps the last sure(-ish) bet. The typical college graduate earns \$570,000 more than the average person with only a high school diploma over her lifetime, Michael Greenstone and Adam Looney concluded in their remarkable report on the value of a higher education. With an annual rate of return of 15.2 percent, college has outpaced just about every other general investment category, including gold, corporate bonds, U.S. government debt, and hot company stocks.

But here's another true story about college in America. It's crazy-expensive and getting more so every year while middle-class incomes stagnate or worse. As states cut back on support, families are having to pick up the tab. This has sent student debt skyrocketing past \$1 trillion. The share of students taking out loans to attend public college has increased from 42% in 1992 to 93% in 2008. Thirty years ago, one in 100 students at nonprofit private colleges took on more than \$50,000 in debt. Today, it's one in seven.

Both of these true stories played loudly in my head when I read the *New York Times'* wonderful and comprehensive front-pager on student debt. That we have record-high student debt in this country is a sign of both true stories, the good and the bad. More people investing in a college education? Great news. More people too deep in college debt to take the jobs they want, buy the cars they want, own the homes they want, and start the lives they want? Really bad news.

The long article begins zoomed in on Kelsey Griffith, a graduate of Ohio Northern University, who owes \$120,000 in student debt. That is a shocking sum, the kind of debt that distorts a life. It's also not typical. It is, in fact, decidedly atypical. Half of all indebted college students owe less than \$12,500. Ninety percent owe less than \$50,000. Griffith is the 3%.

This graph, courtesy of our Jordan Weissmann, tells the rest of that story:

Share of Student Loan Debtors by Amount

[Average student debt has grown to \$25,000. But median debt is a much more manageable \$12,500, and 43% of indebted students owe less than \$10,000.]

I don't present this information to discredit Griffith's debt crisis, but to frame it. Extremely expensive private schools like Ohio Northern and George Washington graduate students with average debts above \$30,000. Among for-profit schools, one in four families owes more than \$50,000 in debt. A concerted effort to name and shame schools high-debt schools would send important signals to administrators to slow tuition inflation. Colleges set prices that families agree to pay. Colleges can independently decide to control their prices, or families can collectively reject higher-debt education for cheaper alternatives.

But, at the risk of wheeling out my favorite dead horse, the other part of the student debt crisis is all of the debt that students *aren't* taking on because they're not going to college. College grads still earn more, work longer, and are employed at higher rates than everybody else. Their investment -- that is, their debt -- benefits the country at large in the form of a more-skilled workforce, higher productivity, higher GDP, more taxes, and so on. Newspapers can't report on this part of the student debt crisis, because there is no headline statistic to report on. You can't put a number on how much money some promising inner-city student is giving up in lifetime earnings by not attending college or how much it's taking away from federal income taxes through 2030. But just because those statistics are invisible don't mean they're not real.

Here's a statistic that is real: More than 50% of 21-year-olds in America today have dropped out of the college-graduation track, either by not finishing high school or by not going on to college. That is a blight worth talking about. This group, too, is hobbled by a great debt.

This article available online at:

<http://www.theatlantic.com/business/archive/2012/05/the-student-debt-crisis-we-dont-talk-about/257146/>

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(<http://www.insidehighered.com>)

European Union links research grants to open access

Submitted by Elizabeth Gibney for Times Higher Education on May 17, 2012 - 3:00am

The European Union is set to throw the weight of its £64 billion (\$102 billion) research funding program behind open-access publishing, *Times Higher Education* has learned.

An official at the European Commission, which is drafting proposals for the Horizon 2020 program, said that for researchers receiving funding from its program between 2014 and 2020, open-access publishing "will be the norm." A pilot under way in seven areas of its current funding program will be extended to become a mandate across all peer-reviewed research in the new scheme, which will cover fields ranging from particle physics to social science.

The organization is still negotiating with publishers and working up the details of the proposal, but it plans to put forward further ideas at an event in Brussels on June 20 and to publish an official policy before the summer. Speaking to *Times Higher Education*, the director general of research and innovation at the commission, Robert-Jan Smits, said its commitment to free online access was essential to driving free movement of researchers and ideas within Europe.

"We can make one hell of a difference," he said. "We're clear about the huge potential that exists on open access."

Tim Gowers, the University of Cambridge professor of mathematics and Fields medalist who in Britain led a boycott of publisher Elsevier over its perceived opposition to open access, said that the biggest effect would be symbolic. "I think it will be hugely significant, even just in getting people to make similar decisions," he said. "It begins to feel as though the snowball is getting bigger."

A number of research funders in Britain have increased their focus on open-access publishing this year. Having Europe join the bandwagon is likely to please David Willetts, the universities and science minister, who in a speech at the Publishers Association earlier this month acknowledged that Britain could lose out financially if it were alone in promoting open access.

The British government's proposals will be finalized after a working group reports next month.

But with an annual budget almost 20 times that of the Wellcome Trust, the giant biomedical charity – one of the first big funders to have an open-access mandate – Horizon 2020's policy may have a huge effect on others' decisions.

Although the commission is keeping the exact requirements under wraps, the pilot that will shape the eventual scheme used both "gold" and "green" models of open access. During the pilot, the commission underwrote the costs that publishers charged authors to publish their work freely, known as the "gold" model, but only for the duration of the project. It also explored the "green" model, in which holders of European Research Council grants were required to make their publications available in open-access repositories within six months of publication, while other grant holders had to do so after 6 to 12 months.

Stephen Curry, professor of structural biology at Imperial College London and a prominent advocate of open access, welcomed the commission's move. But he stressed that real commitment would mean the commission agreeing to pay publishers' fees even after a grant had ended, or contributing to a central pot of funding within researchers' institutions to pay for open access publishing.

The commission also confirmed that it is in discussions with several publishers about the proposals.

Elsevier refused to comment on the commission's plans, but it has previously said it is opposed to government mandates on open access.

Writing in response to a blog by Professor Gowers suggesting that the company was trying to influence the commission, Alicia Wise, Elsevier's director of universal access, insisted that it was lobbying Brussels "to ensure that whatever policy is adopted can be implemented successfully."

"Publishers may not like it, but they're going to have to fall in line," Curry said. "This is part of a bigger and growing picture. If you see the funders falling into line and adopting consistent policies with each other, that sends a clear signal that this is just the way we do research."

Source URL: <http://www.insidehighered.com/news/2012/05/17/european-union-links-research-grants-open-access>

The New York Times

May 16, 2012

M.I.T. Chooses Its Provost for President

By TAMAR LEWIN

L. Rafael Reif, an electrical engineer who has been the provost of the Massachusetts Institute of Technology for the last seven years, has been chosen as the institution's next president.

Mr. Reif, 61, will assume the presidency on July 2, succeeding Susan Hockfield, who in February announced her plans to resign.

As provost, Mr. Reif led the development of MITx and edX, the institute's new online initiatives, expanded the institute's global reach with projects in Abu Dhabi, Singapore and Russia, and helped foster the emergence of an innovation cluster adjacent to M.I.T. in Kendall Square. During the financial downturn that began in 2008, Mr. Reif led a process that eliminated a \$50 million structural deficit.

Mr. Reif, who was born in Venezuela, has been at M.I.T. since 1980, serving as head of the department of electrical engineering and computer science, the institute's largest department, before he became provost. He is known for his research on semiconductors.

At a news conference on Wednesday morning announcing his appointment, Mr. Reif told of growing up in a poor home, speaking Spanish and Yiddish, and coming to the United States as a graduate student, with little command of English, to prepare himself for an academic career, his dream for a better life.

Finding himself president of the institution, he said, is a humbling surprise.

"I cannot tell you it is a dream come true because it is a dream I never dared imagine," he said.

In response to questions, Mr. Reif said he believed the future of higher education would involve some hybrid of classroom and online learning. Mr. Reif has been one of the key forces behind the creation of MITx, the university's initiative for offering free high-quality college courses online, which earlier this month morphed into edX, an online collaboration with Harvard.

CPS to add 60 charters in 5 years, seeks Gates funds

BY NOREEN S. AHMED-ULLAH
Tribune reporter

Chicago Public Schools plans to create 60 more charter schools over five years, which would increase the share of privately run charters to about a quarter of all schools in the district.

The plan for charter growth, part of a larger proposal for 100 new schools over the same five years, is laid out in an application seeking \$20 million for charter schools from the Bill & Melinda Gates Foundation.

Right now the district's 675 schools include 110 charters, which get tax dollars but are privately controlled. Private organizations also operate an additional 27 schools, 19 of which are managed by the Academy for Urban School Leadership.

There is a waiting list of 10,000 students for charter schools, which have been growing for the past seven years at a rate similar to what's planned for the next five, according to CPS.

"I'm not looking for a quota, I'm not looking for a percentage, I'm looking to respond to a need," said CPS chief Jean-Claude Brizard. "As a whole, people are not satisfied with their neighborhood schools."

CPS said the 40 remaining schools in the five-year plan would include privately run turnaround schools, magnets, International Baccalaureate programs and STEM schools (which focus on science, technology, engineering and math), all district-run.

The application to the Gates Foundation, made jointly by CPS and stakeholders in charter schools, seeks \$20 million to go toward a \$100 million facilities fund for construction and renovation of buildings for charter schools.

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Even with 60 new schools, charters would make up a smaller proportion of all schools at CPS than they do at some other large urban districts — in New Orleans, for example, about 70 percent of schoolchildren attend charters.

But critics — Chicago Teachers Union among them — say the growth of charters signals the decline of CPS-run neighborhood schools. Additionally, state report card data released last fall suggested many charters in Chicago are performing no better than some of the same neighborhood schools. More than two dozen charters scored below district averages.

"If a new charter opens up or a charter expands, they are heavily marketed and parents are aggressively recruited," said Sarah Hains, a researcher with the Chicago Teachers Union. "So the neighborhood schools have had a declining enrollment, and that further facilitates the excuse of why (CPS) should close down these schools. More schools will be on the chopping block."

In December, CPS became the latest large urban district to sign an agreement with the Gates Foundation, pledging greater cooperation and collaboration between the city's charter and neighborhood schools. That compact brought an initial award of \$100,000 but also allowed CPS to apply for money from a \$40 million pool of funds.

The \$40 million in funds the Gates Foundation plans to award by early fall will trigger the next stage of

reform in the charter movement, said foundation spokeswoman Debbie Robinson.

"It shows a maturity of the charter sector," Robinson said. "We've learned a lot in the last 20 years on which models deliver the best results. We now know where it's best to replicate, and that's part of the next strategy."

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Big Ten wants to keep ties with Rose Bowl

Would be in play
as semifinal site
in playoff model

By **ANDREW SELIGMAN**
Associated Press Writer

CHICAGO — How about a national championship game in Detroit? Or Minneapolis? What about Boston or New York?

With college football headed toward a playoff, Big Ten administrators this week came out in favor of staging those games in bowls, a step that would keep the conference's longstanding ties to the Rose Bowl.

But league officials said they could see the title game being played in cities other than the usual suspects in California, Florida and Louisiana, though they did not offer any specific suggestions.

"I think the championship game in any scenario is going to be independently bid, not part of the bowl situation," commissioner Jim Delany said Wednesday after wrapping up two days of meetings. "If you looked at the options that we brought back to our conferences — one is inside the bowl, one is outside the bowl — in either case, I think the information indicated that the championship game would be bid out."

A playoff, likely to include four teams, is expected as soon as the 2014 season, replacing the current No. 1 vs. No. 2 BCS championship matchup that has rotated among the Sugar, Orange, Fiesta and Rose Bowl sites.

Michigan athletic director David Brandon said the title game "is going to be huge" wherever it is played, but there are more immediate issues at hand, mainly determining the championship field. Options include taking the top four teams in a poll, the four highest-ranked conference champions or some combination of both, and none is a cure for the current controversies.

If anything, they could be magnified.

Picking the two teams for the national championship game is already complicated. Adding more spots to the mix probably won't make it easier.

"We have a system that's been pretty good at determining the No. 1 and No. 2 ranked

teams," Brandon said. "If you go back in history there's been a high correlation between the No. 1 and No. 2 ranked teams of one of them becoming the national champion. Our ability to know who truly deserves to be No. 3 and No. 4 and No. 5 and No. 6 is far less accurate."

Wisconsin athletic director Barry Alvarez said part of the problem is transparency — or a lack of — with the current rankings system. He wants more clarity.

"I personally think there should be a committee, and it should be transparent so all the coaches and the public know the criteria, where the most weight is put and why decisions are made," Alvarez said. "And someone stands up much like the basketball committee and tells the public why. Tell coaches why, so coaches know going in what the criteria are, what is going to be weighted, if it influences your scheduling. Is it margin of victory? Does that weigh in? Strength of schedule — does that weigh in? Home or away?"

Brandon said he is "very concerned" about the possibility of teams playing up to 15 games in a season — 12 on the schedule, plus the Big Ten championship, a bowl and the national title game, for example.