

SPRING 2024 UPI Retirees Chapter Newsletter

TABLE OF CONTENTS	
TOPIC	PAGE
UPI Lobby Day is on May 15 (Audrey Edwards)	2
Heading Out (Audrey Edwards)	3
UPI Retirees Chapter Annual Meeting (Bruce K. Barnard)	4
The UPI Welcomes a New Campus (Steven Frankel)	4
Update from SURS (Steven Rock)	5
Advocates Support Prescription Drug Affordability Board in Illinois (Bruce K. Barnard)	6
Pensions, Funding for Higher Education, and COPE: UPI Local 4100 Retirees Legislative Report (Audrey Manley)	7
Highlights from the UPI House of Delegates (Elizabeth Essex)	8
2024 Wall of Fame Honorees (Audrey Edwards)	10
Illinois Alliance for Retired Americans (Bruce K. Barnard)	10
The Enrollment Cliff and UPI Universities (William Thompson)	11

UPI Retirees Chapter Executive Board

(until August 1, 2024)

Position	Name	Email Address
Chapter President	Audrey Edwards	atedwards36@gmail.com
Vice-President	Marsha Katz	katzmarsha02@gmail.com
Secretary-Treasurer	Elizabeth Essex	betsyesssex101@gmail.com
Legislative Liaison	Audrey Manley	38manley@gmail.com
CSU Representative	Laurie Walter	cadavergal@gmail.com or l_walter624@yahoo.com
EIU Representative	Bruce Barnard	bkbarnard@hughes.net
GSU Representative	Sandi Estep	estep2001@comcast.net
NEIU Representative	Jo Ann Karr	jkarrhappy1@gmail.com
NIU Representative and Newsletter Editor	Katharina Barbe	katharina.barbe@yahoo.com
UIS Representative	TBA	
WIU Representative	Steven Rock	mfsmr2@gmail.com

UPI Lobby Day Is on May 15

(Audrey Edwards)

Can you join fellow UPI members on May 15 for a trip to see the Capitol, talk with your own legislators, and advocate for better funding?

UPI is pushing for an increase in state appropriations for our university budgets and student assistance, a fix for Tier 2 pensions, and continuance of pay for employees during emergency closures (SB0331).

We are organizing groups of members/activists from each campus to come to Springfield on May 15 to meet with your legislators and a select group of targeted State Representatives and Senators.

We will likely meet around 8/9 am at the IFT legislative offices for training and a review of the main talking points. The goal is to be done by around 1 p.m. with a lunch and debrief. For those who are coming from far away, hotel accommodations for the night of May 14 are available.

If you can attend,, please let Billy Rivi (brivi@ift-aft.org) and John Miller (jmiller@upilocal4100.org) know- as soon as possible – your name, chapter, and whether you will need hotel accommodations.

Heading Out!

(Audrey Edwards)

In 2010, I retired from EIU. At a nice little reception, UPI gave me a framed photo of Old Main (just what I thought I'd left behind). On the way back to my seat, I heard someone say, "And now you're the new representative to UPI Retirees." What? Who? Me? But I started, and I enjoyed it. So, I served for five years as the EIU rep on the Retirees Executive Board and then for another nine years as chapter president. I've enjoyed it all - staying in touch with colleagues, working with an amazing group who find new ways to serve retirees - but it's time for the kids to take over.

Quick bio: I grew up near Buffalo, NY (home of winter storms), started critiquing the teacher in first grade, taught all of my adult life - preschoolers through grad students and everything in between. For me, it was a calling. Always had stage fright, but I loved the students.

With a doctorate in education and an interest in linguistics, I taught composition to conditionally admitted college freshmen and those with disabilities for 11 years, then taught teacher prep courses for another 22 years. Now retired, I coordinate a household: my son, daughter-in-law, and me (plus two cats).



I plan to start tutoring after stepping down as Retirees president. But I want to stay with UPI as an activist, at least taking part in the House of Delegates and maybe sometimes attending the Retirees board meetings. Just can't stay away!



!

UPI Retirees Chapter Annual Meeting

(Bruce K. Barnard)

Approximately 25 members joined the Executive Board for the member meeting on March 20th. The 2024 slate of officers was introduced:

Elizabeth Essex (President)

Jo Ann Karr (Vice President)

Steven Rock (Secretary)

Outgoing President Audrey Edwards was recognized by UPI President John Miller and members of the Executive Board for her outstanding service to UPI, the Chapter, and the membership.

Krystle Able, the Executive Director of the Illinois Alliance for Retired Americans updated participants on the status of initiatives to establish a prescription drug affordability board in Illinois. Kristen Houch, the Director of Legislative and Stakeholder Relations at the State Universities Retirement System (SURS) provided an update on our pension system, profile of current participants, and progress toward reducing unfunded liabilities. John Miller, President of UPI provided an update on legislative priorities, including on-going lobbying activities and the status of Tier 2 pension reform efforts.



The UPI Welcomes a New Campus

(Steven Frankel)

Illinois State University has joined the Universities represented by the University Professionals of Illinois. The tenured/tenure track faculty voted overwhelmingly to join the UPI back in October. After the vote, the organizing committee got to work signing the 649 members of the bargaining unit. By April, over 60% had become signed members with more joining every week.

After the successful fall organizing campaign, the new unit immediately began working towards their first contract. They formed a 2-tier bargaining team with 10 members at the table and another 12 joining them on the Big Bargaining Team (BBG). The BBG sent a bargaining priorities survey to the new chapter and received input from over half of the bargaining unit.

By January, they had a complete contract proposal ready and issued a demand to bargain to the ISU administration. The first bargaining session was February 28th, and they have been bargaining about once a week since. Bargaining has been slow and bargaining dates have been scheduled through the end of July.



Update from SURS

(Steven Rock)

Investment Committee: For the Defined Benefit (DB) Plan, the return for the calendar year 2023 was +8.7%. Taking a longer time horizon, the five-year annualized return was +8.8%, and the ten-year annualized return was +7.0%. The funding ratio as of December 31st was 45.1% (this is the highest for all Illinois public pension systems). As of the end of February, it is estimated that DB assets totaled \$23.9 billion, and the funding ratio was 46.1%.

The State FY 2024 appropriation of \$2.133 billion is being paid fully and on time. Benefit payments for FY24 are estimated to be \$3.25 billion. The gap is funded by contributions from active employees and investment returns.

To compensate for the poor retirement financial situation created by Tier 2, Illinois legislation requires that new employees at public universities and community colleges hired after July 1, 2023, are automatically enrolled in a Defined Contribution Plan (DCP) at default rate of 3% of pay. Participants can opt out or choose a higher or lower contribution rate. At SURS' discretion, the contribution rate can be increased for plan participants enrolled at the default rate; this is called "auto escalation". The SURS Board approved an increase to those participants each plan year by 1% up to a maximum of 10% (after the first year). The first increase from 3% to 4% will take place July 1, 2024. Participants will be notified of this change and their options. The DCP has the same investment alternatives as the Retirement Savings Plan (formerly the Self-Managed Plan).

Legal and Legislative Committee: Several bills potentially affecting SURS have been introduced in the General Assembly. At this stage, it is too early to say what their fate may be in the legislature. It is recognized that there is a need to deal with the Tier 2 situation. Indications are that this is more likely to take place in the fall veto session or the lame duck session next January.

The funding plan currently in place for SURS provides a ramp to get the system funding level to 90% by 2045. Our actuaries strongly recommend that the goal be 100%. In his budget message, Governor Pritzker suggested the ramp be changed so that the system would be 100% funded by 2048.

Administrative Committee: The SURS annual report for FY2023 has been loaded on the web site.

Board of Trustees: Elections for Board members are taking place during the month of April. There are three candidates for two six-year active member positions (two are incumbents); there are two candidates for one six-year annuitant member position (note; I am one of these candidates). Results of the election will be available at the beginning of May.

(The views expressed are those of Steven Rock and do not necessarily reflect those of SURS.)



Advocates Support Prescription Drug Affordability Board in Illinois

(Bruce K. Barnard)

Citizen Action Illinois and the Illinois Alliance for Retired Americans are among the groups and individuals advocating for legislation in Illinois to develop a prescription drug affordability board. Currently, eight states including Ohio, Minnesota, and New Hampshire have adopted an affordability board.

Generally, prescription drug affordability boards are appointed by a governor to review and recommend upper payment limits for prescription drugs. The cost of many drugs is much higher in the US than in other countries. For example, a dose of Eliquis for blood clots costs \$6.21 in the US but only \$1.60 in Canada. It is alarming to note that 28% of patients report having not filled a prescription due to cost and 54% have worried about their ability to afford their medications.

Advocates for the initiative say, in order of importance:

1. Prescription Drugs do not work if people cannot afford them.
2. The cost of prescription drugs affects insurance costs.
3. The proposal would protect the entire supply chain to prevent cost-shifting.
4. The cost of prescription drugs affects the overall State budget.
5. Drug companies spend more on advertising than on research and development.

HB4472 (Sayed) and SB 3108 (Koehler) have been introduced to establish a Prescription Drug Affordability Board in Illinois. More information regarding this and other health related initiatives is available at <https://citizenaction-il.org/illinoisans-for-healthcare-action>.



Pensions, Funding for Higher Education, and COPE:

UPI Local 4100 Retirees Legislative Report

(Audrey Manley)

You've heard that "It Takes a Village." Well, it definitely does so legislatively! Thank you for being part of that "Village"! As retirees we have some special interests on our list of maintaining a satisfying way of life. As professionals we also care about issues that affect our professional ties. At our spring General Meeting we heard from organizations that are there for us, and we have been asked by Local 4100 for help with their legislative agenda. The contacts we made last week supporting a Tier 2 redo really made an impact. One legislator that I read about said that while he was not serving when Tier 2 was created and probably will not be still serving to see all the detrimental effects, he is committed to fixing it right now after hearing from so many of his constituents.

Right now, we have fixing to do. IFT is working for better funding for higher ed, getting Tier 2 to be equitable, and supporting the many support staff workers in our universities.

One way each one of us can be an important part of the "big picture" and become an active member of "the village" is to support COPE, the Committee on Political Education. COPE is a way

for UPI members to contribute money to political candidates who will advance the goals of UPI members.

They desperately need our support, especially at this time, as we are facing a critical presidential election! You will be receiving an email soon that you must respond to! Your contribution has never been more important to you and me and to our nation. At the federal and state levels COPE is there for us. It is where we are not able to be. So, by supporting COPE we will be able to make a difference.



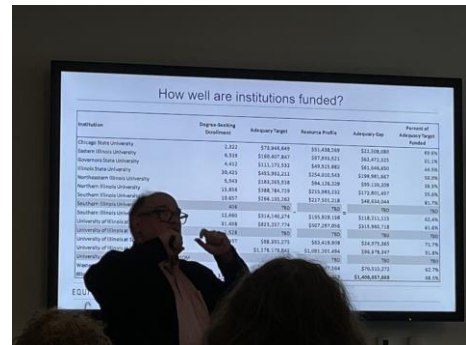
Highlights from the UPI House of Delegates (HOD)

(Elizabeth Essex)

This year's HOD took place Friday March 1 and Saturday March 2 at the Chicago Teachers Union Building (location of the UPI Local). Representatives from the Retirees Chapter were Audrey Edwards, Elizabeth Essex, Sandi Estep, Katharina Barbe, Susan Meiers, and Audrey Manley.

The Friday afternoon program included two workshops/presentations:

- “IBHE Higher Education Funding Formula,” presented by IBHE Executive Director Ginger Ostro and Simón Weffer, UPI representative on the funding formula committee.
- “The State of Higher Education across the country and building towards the new AFT Higher Education Agenda,” presented by Julid Schmid (AFT Higher Education Program Director) and Liz Ramsay (President of the United Faculty of Miami Dade College).



Simón Weffer



William McNary Keynote Address

The Friday “State of the Union” dinner was both enjoyable and inspirational. William McNary, retiring Executive Director of Citizens Action Illinois, gave a moving keynote speech and call to action. Following the speech, the UPI Wall of Fame honor was awarded to McNary and several remarkable UPI retirees, including our own Retirees Executive Board member Sandi Estep!

Saturday’s morning and lunch program centered on legislation and political involvement. Activities included:

- a presentation by the UPI Legislative Committee, proposing as priorities moving toward adequate funding for Illinois public universities and improving Tier 2 Pensions. The committee emphasized the importance of meeting with and contacting our legislators and provided lobbying tips.
- training workshops preparing us to develop and engage in UPI COPE campaigns – i.e., campaigning for UPI members to donate to our PAC.
- briefing on the current state of federal and state legislation and political campaigns by Sarah Cohen, federal lobbyist for AFT, and Nick Yelverton, IFT Legislative Director.

The HOD then officially convened. Following a financial report by Acting UPI Treasurer Betsy Jewell, delegates considered and voted on the resolutions that had been submitted by UPI chapters or the UPI Executive Board.



Sandy Estep with GSU colleagues



2024 Wall of Fame Honorees

(Audrey Edwards)

The UPI Wall of Fame, which honors outstanding UPI leaders, originally consisted of a photo gallery at the Local office on East Adams Street in Chicago. Now that UPI has moved to smaller quarters on West Carroll Street, the Wall of Fame has become virtual. Look for photos of our honorees on the UPI website very soon!

These are the honorees for 2024:

William McNary - Citizen Action/Illinois

Patricia Steinhaus - CSU

Deborah Lynch - CSU

Jon Blitz - EIU

Charles Delman - EIU

Sandi Estep - GSU

Pamela Salela - UIS

Kathy DeBarr - UIS

Karen Kirkendall - Sangamon State



Sandy Estep with Wall of Honor



Illinois Alliance for Retired Americans

(Bruce K. Barnard)

The mission of the Illinois Alliance for Retired Americans is to ensure social and economic justice and full civil rights for all citizens so that they may enjoy dignity, personal fulfillment and family security as senior citizens. Krystle Able serves as the Executive Director of the Alliance, Bruce Barnard represents UPI on the Executive Board.

A legislative priority for the Alliance is the establishment of a prescription drug affordability board in Illinois. The Alliance served as co-host with IFT, IEA, and AFSCME for a Tier 2 pension Town Hall on April 1st.

ARA 2023 congressional scorecards have been released. Details of congressional voting records on issues affecting retirees is available at <https://retiredamericans.org/>.

May is Older Americans Month (OAM, <https://acl.gov/oam/2024/older-americans-month-2024>). The 2024 theme is *Powered by Connection*, which recognizes the profound impact that meaningful relationships and social connections have on our health and well-being. The IARA Senior Power Luncheon will be returning to a face-to-face venue this fall. More information regarding both initiatives will follow.



The Enrollment Cliff and UPI Universities

(William Thompson)

The population of future college students is falling. In 2011, 151,017 first graders were enrolled in Illinois public schools. In fall 2019 - the latest available data - there were 132,156, a difference of 18,861.00 or the enrollment of a midsize university. In 2011, there were 145,298 children in public kindergartens, the number fell to 131,081 in the Fall of 2019. That's a difference of 14,217. In Fall 2011, there were 2,087,628 students in Illinois public K-12. In 2019, there were 1,942,899, a difference of 144,729. The pool of potential students for Illinois Public Four Years has shrunk and experts say it will continue to do so.

College recruiters call the population drop "the cliff." The cohort of Illinois high school seniors graduating in 2023 is down 5% from a 2015 peak, with the ranks of Gen Zs thinner than their Millennial predecessors. The number of high school graduates is expected to drop a stunning 22% by the mid-2030s.

This means that there will be less potential revenue available to Illinois public (and private) institutions. Institutions within UPI will then continue to compete with one another aggressively for students. i.e., for tuition revenue. Revenue winners will have more stable workplace environments. Losers, less stability, will be more prone to layoffs, either partial or full, or staff reductions through

attrition that degrade an institution's ability to function, which then in turn could lead to even less tuition revenue as students transfer or just decide not to go to college. The coming 15 years will likely be difficult ones for Illinois higher education (particularly smaller state four-year schools) and for our members from a revenue perspective without significant state intervention and programs, like retirement incentives, to reduce payroll, without layoffs.

