

Board Meeting
November 12, 2009

ROLL CALL

APPROVE REQUESTS FOR NEW OPERATING AND CAPITAL
APPROPRIATIONS, FISCAL YEAR 2011

Action: Approve Fiscal Year 2011 Operating and Capital Budget Requests

Funding: Incremental State Operating and Capital Appropriations

Requests for incremental operating funds and for new capital appropriations for the University of Illinois for the fiscal year commencing July 1, 2010, are presented for action by the Board of Trustees. Following Board action, these requests will be submitted to the Illinois Board of Higher Education for review. The accompanying tables summarize the major elements of each request, and the document, *Fiscal Year 2011 Budget Request for Operating and Capital Funds*, provides detailed descriptions of each program and project included in the request.

The Fiscal Year 2011 Operating Budget Request is outlined in Table 1. The University seeks \$96.7 million in new funds, an increase of 6.4 percent above the current year's budget. The FY 2011 request focuses primarily upon needs for salary competitiveness for faculty and staff, and University strategic initiatives. The FY 2011 request also continues prior efforts to secure facilities maintenance resources in the

operating budget, as well as resources to meet critical operating cost increases. The request presents the most urgent funding needs confronting the University.

Table 2 identifies the ten projects in the FY 2011 Capital Budget Request in priority order. Together, these projects represent an investment of \$484.2 million, devoted to preserving and extending facilities already in place at the campuses and to critically important new initiatives. Remodeling and renovation projects comprise a large part of the total funds requested with the highest priority given to repair and renovation projects at the three campuses. The request clearly emphasizes the importance the University places on maintenance and upkeep of existing facilities, highlighting the need to adequately fund multiple aspects of the facility plant assets. Due to its unique characteristic additional funding for the Healthy Returns-The Illinois Bill of Health proposals will continue to be pursued independently from this request.

The operating and capital requests summarized here reflect the University's highest priority budget needs, focusing on the University's mission of instruction, research, public service, and economic development. The priorities in both the operating and capital requests presented here are consistent with those in the preliminary requests presented to the Board in July 2009.

The University's operating and capital requests for FY 2011 have been prepared by the Vice President/Chief Financial Officer based upon advice from the University Policy Council.

The Vice President/Chief Financial Officer and the Vice President for Academic Affairs recommend approval.

The President of the University concurs.