Approved by the Board of Trustees

May 22, 2025

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 Board Meeting

 May 22, 2025

ROLL CALL

# APPROVE PRELIMINARY OPERATING BUDGET FOR FISCAL YEAR 2026

**Action:** Approve Preliminary Operating Budget for Fiscal Year 2026

**Funding:** Fiscal Year 2026 Operating Funds from All Sources

 State statute and sound financial management practices require that the governing board approve operating budgets prior to the start of the fiscal year. However, the development of an all-funds budget, organized by college and department, is an extensive process that cannot be completed until after the close of the current fiscal year and the finalization of prior-year financials.

 In addition, the State legislature has not yet approved an appropriation for the University of Illinois System for Fiscal Year 2026. Therefore, the vice president/chief financial officer and comptroller recommends that the Board authorize expenditures for Fiscal Year 2026, beginning July 1, 2025, at the same levels as the current Fiscal Year 2025 operating budget.

 After the comprehensive, System-wide budget development process is completed, the University will present a proposed final Fiscal Year 2026 operating budget for Board approval at a subsequent meeting. Budget plans will be revised as necessary to incorporate updated information received after this interim authorization. In the meantime, University units are directed to continue operating under the current budget guidelines.

 Subject to the foregoing and related Board directives, authorization is also requested for the president: (a) to accept resignations; (b) to make such additional appointments as are necessary, and to approve the issuance of notices of non-reappointment, subject to all relevant policies and statutes; and (c) to make such changes and adjustments in items included in the preliminary budget as are needed.

 The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

 The president of the University of Illinois System concurs.