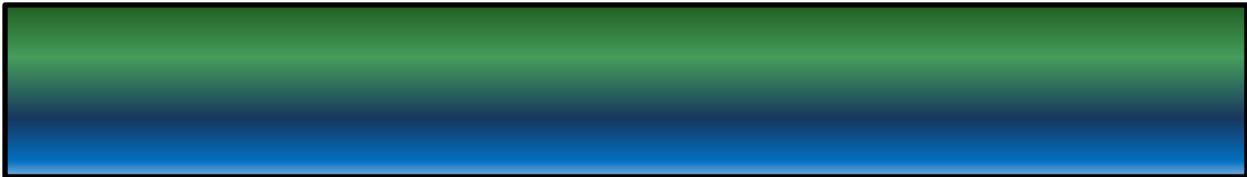


FY 2022 BUDGET REQUEST



**FOR
OPERATING
AND
CAPITAL FUNDS**

**PREPARED FOR THE
BOARD OF TRUSTEES
NOVEMBER 12, 2020**



UNIVERSITY OF ILLINOIS SYSTEM

FY 2022 BUDGET REQUEST



**FOR
OPERATING
AND
CAPITAL FUNDS**



**PREPARED FOR THE
BOARD OF TRUSTEES
NOVEMBER 12, 2020**

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Maintaining Competitiveness and Quality

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Office of the President
364 Henry Administration Building 506
South Wright Street
Urbana, IL 61801-3689

Timothy L. Killeen
President

November 12, 2020

Dear colleagues:

The importance of the University of Illinois System and its impact on the fortunes of our state have never been more apparent than during the COVID-19 pandemic.

From the beginning, our universities have been integral to a state-wide response that has made Illinois a national leader in safeguarding lives and livelihoods during the crisis. Our brilliant faculty provided epidemiological modeling that helped guide early, effective stay-at-home orders. They created an emergency ventilator to address critical shortfalls in life-saving equipment, and answered the state's call to share their expertise in online teaching to help other universities and K-12 schools across Illinois. They pioneered a fast and reliable saliva-based testing and surveillance program that allows widespread testing and has attracted global interest. Our healthcare enterprise is hosting leading-edge clinical trials for treatments and vaccines, while also providing critical frontline care and comfort for patients and their families. And experts from across our universities are exploring the pandemic's impact on families, communities and our economy, and the best paths forward.

Our contributions are rooted in a long partnership with the state of Illinois that has made the U of I System a key engine of progress for our state, the Midwest, and beyond. The state's support has built a network of universities known around the world as leaders in education and research, and as a pipeline of next-generation talent and innovation.

It is imperative to continue those investments, and sustain our power to help lead the way through these difficult times. The attached documents outline the fiscal year 2022 appropriations and capital requests to continue the growth of a system that enrolled more than 90,000 students this fall across its universities in Urbana-Champaign, Chicago, and Springfield. It marked our eighth straight year of record enrollment, even in the midst of a global pandemic – a testament to the lifelong value that students place in a U of I degree.

Our fiscal year 2022 appropriations request seeks an increase in state funding to help support best-in-class universities that pump \$17.5 billion into the state's economy every year and account for more than 171,000 Illinois jobs – one in every 46 jobs across the state.

The proposals are detailed in the pages that follow, but here is a brief overview:

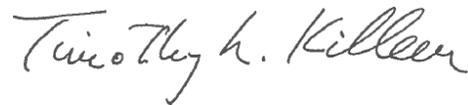
- Annual appropriation: Our request for \$673.4 million represents an 8.3 percent increase in our state appropriation compared with fiscal year 2021. It is critical to maintain a world-class academic, research, and health-care enterprise that employs more than 31,000 FTEs and offers programs that touch literally every corner of Illinois. State funding also would support our ongoing efforts to continue increasing enrollment of in-state and underrepresented students.
- Capital: Our request for \$602.2 million seeks to address only the most urgent priorities at our three universities. The greatest need is funding for repair and renovation, which would enable us to reduce a backlog of projects that has grown in recent years.

The U of I System is a springboard to a better tomorrow for our students and our state. A record 23,000-plus students earned degrees last year, adding to a global alumni base of nearly 800,000 that includes more than 450,000 who are supporting their communities and our economy right here in Illinois. The system is also a leader in research discovery that will create the new products, businesses, and jobs of tomorrow, and add to a legacy of achievement that includes the first graphical internet browser, life-saving HIV drugs, and the technology behind MRIs and home air conditioning.

With your help, our state's flagship university system has carved its place as a global powerhouse. And we are grateful for your support as we continue to reach even higher.

Thank you for your consideration, and for your dedicated service to the people of Illinois.

Sincerely,



Timothy L. Killeen

**OPERATING BUDGET
REQUEST FOR FY 2022**



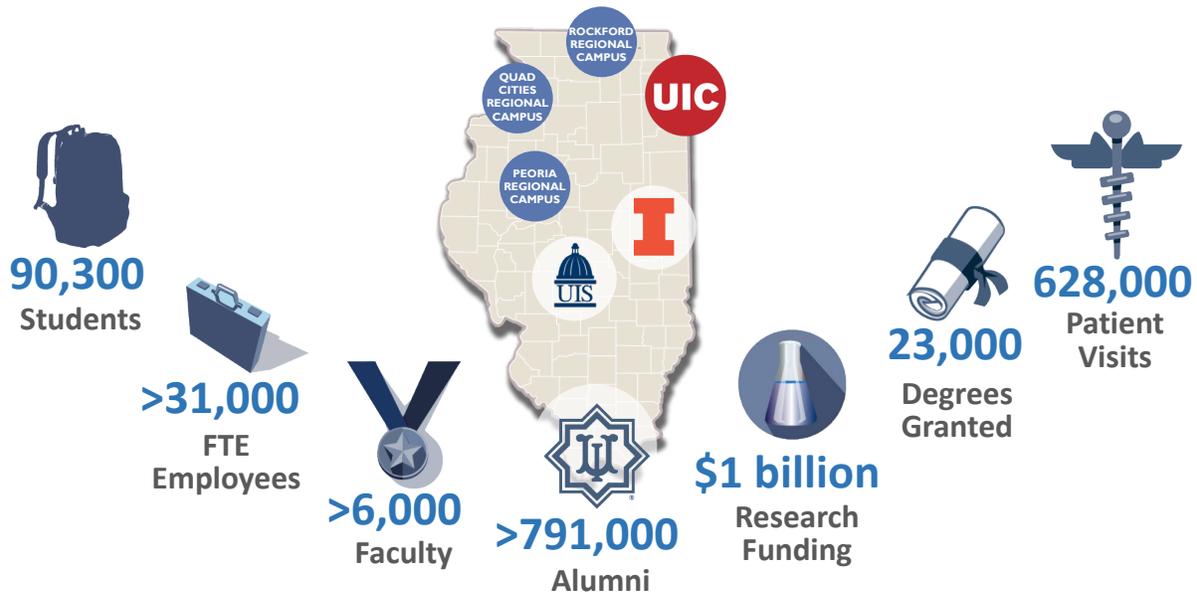
OPERATING EXECUTIVE SUMMARY



OPERATING EXECUTIVE SUMMARY

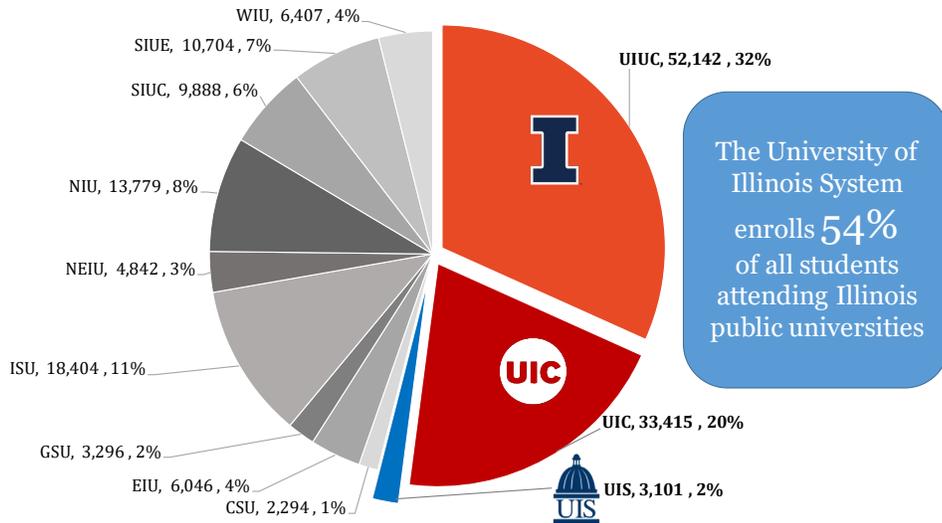
The University of Illinois System is the premier higher education system in the state. With three best-in-class universities, a robust healthcare enterprise, and a celebrated legacy, the U of I System transforms lives and enhances public good for tens of thousands of citizens in the state (see Figure 1).

Figure 1
University of Illinois System



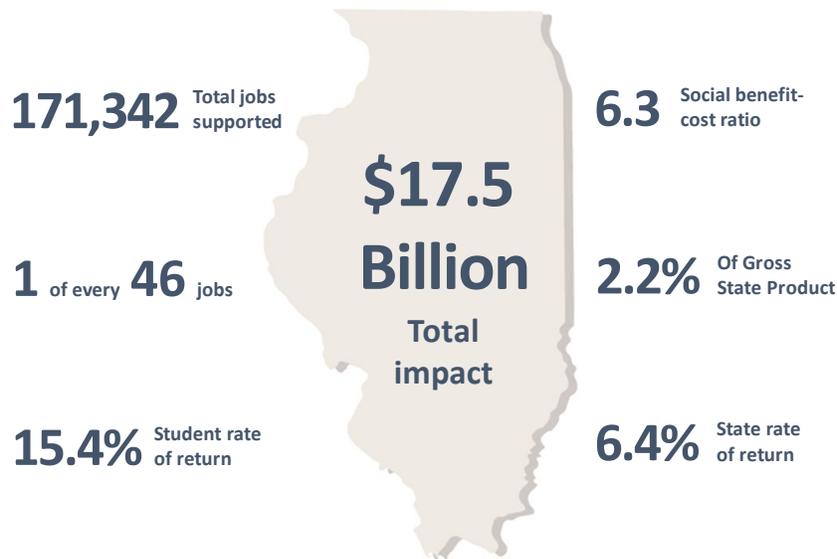
The University of Illinois System now educates more than 90,000 students and employs more than 31,000 individuals while harnessing our technical expertise, medical resources, and research capabilities to help the state of Illinois and beyond. The research funding brought in by our talented faculty places our two largest universities, the University of Illinois Urbana-Champaign and University of Illinois Chicago, among the most prestigious scholarly institutions of higher education in the country. And our student enrollment comprises **54% of all students attending public universities in the state** (see Figure 2). Last year, our three universities graduated 23,000 students, many of whom stayed in Illinois to become taxpayers and leaders in their communities.

Figure 2
Illinois Public Universities
Total FTE Enrollments



And, as it turns out, we are a tremendous investment for our students and for the state. A study released in 2018 conducted by Economic Modeling Specialists International (Emsi) documented that the **University of Illinois System pumps almost \$17.5 billion into the state economy each year and supports over 171,000 jobs state-wide** (see Figure 3).

Figure 3
University of Illinois System
Contributions to the State



The U of I System's leadership role has never been showcased so prominently as it has during the current COVID-19 pandemic. Our healthcare workers at the UI Hospital have led the state in battling the virus and helping patients from the most vulnerable communities to recover from the disease. UIC researchers were chosen early on to lead clinical trials of various treatment drugs and most recently, UI Health was chosen as the only site in Chicago and among just a few in the nation to run the Phase 3 trial of a potential vaccine. At UIUC, faculty have played a key role in developing epidemiological models that have been used by Governor Pritzker and other leaders to make health and safety decisions for regions of the state. Other researchers at UIUC have pioneered a new saliva-based testing and surveillance plan that has attracted national and international attention because it is the first of its kind to provide rapid results at both low cost and large scale. Indeed, the **groundbreaking work at our universities is a profound illustration of how higher education can lead our state and our nation forward during challenging times.**

Yet this stunning set of initiatives along with our ongoing and ramped up support for our students has left us vulnerable. We have invested hundreds of thousands of dollars in technologies for students who cannot travel to our campuses, we have ramped up financial aid for students whose families are struggling with the economic impact of the virus, we have offered extra pay to healthcare workers on the front lines, and we are covering the costs of regular saliva-based testing at all three universities. Across all these unanticipated expenses, the financial impact has been substantial. **We estimate that from March through September, the U of I System has experienced approximately \$400 million in costs and lost revenues due to COVID-19.**

Without steady and reliable state support, there are considerable risks to our institution and hence to our citizens. We have not laid off any employees, we have welcomed more students than ever to join our academic communities, and we have helped the state manage a pandemic. And we can do more! We are now looking at sharing our saliva testing with the nine other public universities and even with the state. We continue to innovate around the virus, finding new drug treatments, and testing new protective equipment for our citizens. And we are helping the K-12 schools with distance education. A modest increase in state support will ensure that the University of Illinois System remains a state and national leader in research and in preparing the next generation of entrepreneurs, innovators, engaged community citizens, and business leaders.

To ensure our continued excellence and impact, the University of Illinois System requests a \$51.4 million increase in its annual appropriation for FY 2022. Compared to FY 2021, this amount represents an 8.3% increase in state appropriated funds composed of the General Revenue Fund (GRF) and Education Assistance Fund (EAF). To put this figure in context, current core state support is still \$28.3 million below the FY 2017 appropriation level, without accounting for inflation. Our modest request would restore funding to FY 2017 levels and provide additional funds to ensure that the U of I System can continue to support the state’s education goals, its health and safety, and its economic vitality. It is important to note that when adjusting for inflation, our request is still below the purchasing power in FY 2017. This request would only fill a portion of the loss in funding eroded by inflation.

As shown in Table 1, the requested increase in funds will be used to support two broad areas. First, and most importantly, we urgently need to **keep on the path of attracting great talent**, which means enhancing undergraduate scholarships to recruit bright Illinois students from across the state, recruiting and growing our faculty to keep up with our burgeoning enrollments, and providing a competitive salary program to retain world-class faculty and staff.

Table 1
University of Illinois System
FY 2022 Operating Budget Request
(Dollars in Thousands)

I. Maintaining Competitiveness and Quality		\$ 48,939.2
A. Enhancing Undergraduate Scholarships for Illinois Residents	\$ 15,000.0	
B. Recruiting and Growing Faculty to Meet Enrollment Demand	10,000.0	
C. Competitive Compensation	23,939.2	
II. Technology Infrastructure		\$ 2,500.0
A. Information Technology & Security Upgrades	\$ 2,500.0	
Total Request		\$ 51,439.2
<i>% increase in state appropriated funds</i>		<i>8.3%</i>

Specifically, funding of \$15 million is requested to provide additional scholarships for Illinois students in order to stem the flow of high school graduates to out-of-state universities, building on the improvements made in fall 2020. Special emphasis will be given to attracting underrepresented students, including those from low-sending counties in Illinois. We also propose an investment of \$10 million in our five-year initiative aimed at hiring new faculty to keep pace with our record system-wide enrollment growth. Funds also will be devoted to providing a competitive salary program to retain our talented faculty and staff who are being courted on a regular basis by peer universities.

Second, we will use requested funding to **address technology infrastructure needs**. The pandemic has shown all universities that we can do more in the area of education with sophisticated technologies. Our universities have spent the summer working with faculty to re-imagine courses and pedagogy in the face of a virus that makes face-to-face teaching very difficult. Our faculty are using technologies to reach out to students individually and in small groups, to simulate laboratory activities, to enhance feedback and student interaction, and to create virtual learning environments. Ensuring that our technologies are state-of-the-art will help us recruit the best students, faculty, and staff and to educate our students with unsurpassed technological tools in and out of the classroom.

INTRODUCTION



INTRODUCTION

OVERVIEW

This document presents an overall budget plan for FY 2022 that will ensure the continued preeminence of the University of Illinois System. Now more than ever, the state of Illinois needs public higher education to flourish. Investing in the U of I System is an investment in the families of Illinois, the economic future of our state, and the innovation required to tackle society’s most pressing social issues. The University of Illinois System’s FY 2022 operating budget request will provide the funding necessary to implement and enhance key strategic initiatives.

UNIVERSITY STRATEGIC FRAMEWORK

In May 2016, the University of Illinois Board of Trustees approved a Strategic Framework that serves as a roadmap for the university’s future. The framework, titled *The Public’s University: Optimizing Impact for the Public Good*, sets collective priorities for the University of Illinois System and each of its three universities. The framework pledges to organize university resources around four strategic pillars (see Figure 4).

Figure 4
Strategic Framework Pillars



For more information on each of these pillars and the overall strategic planning process, visit the Strategic Framework website at uillinois.edu/strategic_framework.

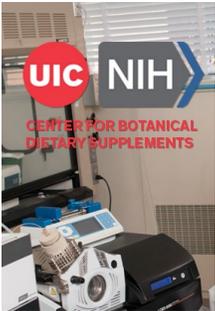
BACKGROUND

The University of Illinois System has tremendous and broad-based impact, serving a multitude of people throughout the state. The system includes a Big Ten flagship university in Urbana-Champaign; a highly diverse urban research university as well as hospital and health sciences system in Chicago; and a liberal arts university located in the state’s capital. The U of I System’s three universities each provide academic programs that attract students from every county in the state. Each university also has distinct academic and research strengths. Urbana boasts world-class engineering, science, agriculture, data science and technology, and interdisciplinary programs in the arts and humanities. Chicago hosts one of the nation’s largest medical schools as well as cutting-edge programs in nursing, pharmacy, dentistry, and social work. Springfield is home to strong programs in public policy, political science, and online education (see Figure 5).

Figure 5
University of Illinois Strengths: Urbana-Champaign



Figure 5 (continued)
University of Illinois Strengths: Chicago



Leader in NIH funding

Discovery to market

Highly diverse student body

Leaders in Health Sciences Education

University of Illinois Strengths: Springfield



Strong government internship programs

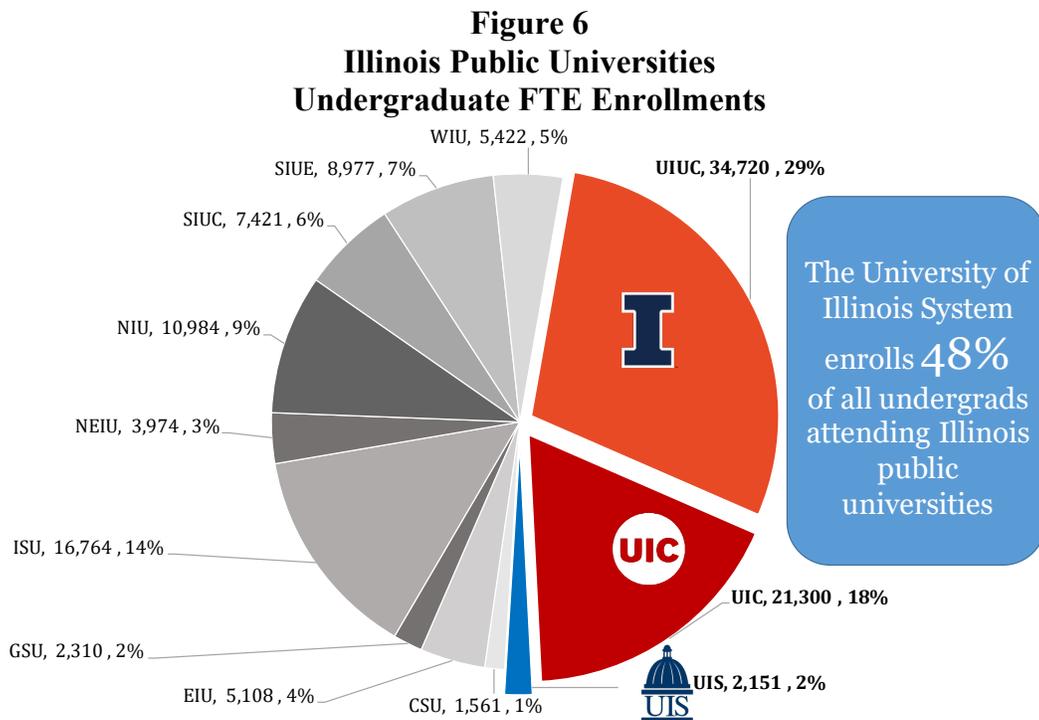
Leader in online education

Engagement emphasis on community and public affairs

Leading public policy programs

Our universities have quickly pivoted to serving the state’s and world’s emerging needs during the COVID-19 pandemic. Throughout this crisis, the U of I System has been an indispensable partner to state government and public health leaders. Our experts are helping develop the modeling for the spread of COVID-19, constructing a state-wide approach to testing and tracing cases, and providing frontline medical services through UI Health to heal our communities. The U of I System is fulfilling its land grant mission by harnessing our technical expertise, medical resources, and research capabilities to help steer Illinois and the country through the pandemic.

The University of Illinois System has a long legacy of commitment to Illinois families. Currently, we admit more than 70% of Illinois students who apply to our universities. Moreover, **across our three universities, more than 80% of our undergraduates are Illinois residents.** Collectively, the University of Illinois System enrolls 54% of *all students* (undergraduate and graduate) and 48% of all *undergraduate students* that attend a public university in the state, as shown in Figure 6.



As one part of our commitment to affordability, we are continuing our efforts to provide robust scholarships and financial aid to Illinois students. Following a five-year tuition freeze for Illinois undergraduates, the longest freeze in half a century, we increased tuition modestly for students entering in fall 2020. However, in light of COVID-19, we committed to cover the current year’s tuition increase

for every first-year in-state undergraduate student as part of our newly launched Students FIRST: COVID-19 emergency fund. The Students FIRST fund is helping defray tuition, housing, and other costs for undergraduate and graduate students experiencing unexpected shortfalls. Supported through the federal relief package, funding from the system and its three universities, and private fundraising, this \$36 million fund prioritizes financial aid for students from Illinois.

Aside from COVID-related support, we have worked hard to grow our internal funding for student support. Last year, we gave out over \$239 million in scholarships and financial aid to Illinois undergraduates, which is more than our students receive from MAP and PELL combined.

In addition to educating students from across the state, the University of Illinois System has a substantial impact on families state-wide through University of Illinois Extension. University of Illinois Extension, housed in the College of Agriculture, Consumer, and Environmental Sciences (ACES) at UIUC, made 1.3 million educational contacts and averaged more than 950 educational events across the state per week in FY 2019. Extension has rapidly expanded online delivery during the pandemic. Year-over-year web traffic increased 120% to 10,000 page views per day. Extension programs span five focus areas: community, economy, environment, food, and health.

As another measure of our impact, the University of Illinois System is a research powerhouse, known throughout the country and the world for developing cutting-edge innovations that solve societal problems. **In FY 2020, faculty innovations resulted in 401 technology disclosures, 306 US patent applications, 98 issued US patents, and 112 licenses and options to commercialize technologies.** Some of these innovations will become the products, industries, and job-creating companies of the future. As examples, there are several COVID-related research projects at UIUC and UIC that are poised to make a large impact in 2020 and beyond. In fact, 70 new licenses have already been awarded this year for the RapidVent emergency ventilator developed by a team led by Urbana's Grainger College of Engineering and Carle Health. The team focused on designing a device that could help the sickest patients to breathe, by plugging into the oxygen source available in most hospital rooms or into a tank of oxygen. Within one week, the team demonstrated a working prototype. Another game-changer is the I-COVID saliva-based test pioneered by U of I researchers and currently in use at all three universities system-wide. I-COVID supports widespread testing with rapid results to limit spread of the COVID-19 virus. The technology behind the testing is being made available state-wide via a new organization known as SHIELD Illinois and nationally via SHIELD T3 (Target, Test, Tell).

Beyond COVID-19, business incubation facilities at UIUC and at UIC house dozens of companies that involve faculty and students in innovative research, internships, and discovery. And the Discovery Partners Institute (DPI) in downtown Chicago as well as the Illinois Innovation Network (IIN), both launched by the U of I System, are designed to enhance applied research and development throughout the state as well as spur workforce development in high tech arenas.

The University of Illinois System also sponsors several outreach and training programs that ensure the safety of Illinois citizens. For example, the Illinois Fire Service Institute at UIUC offers on-campus and online instruction and certifications for the state's firefighters. Courses offer college credit and range from firefighting basics to rescue techniques to disaster response preparation. **In FY 2019, the Illinois Fire Service Institute provided training to more than 61,455 firefighter students from 101 of Illinois' 102 counties** – training that translates into lives saved and property damage minimized throughout the state.

The University of Illinois Hospital & Health Sciences System (UI Health) provides comprehensive care, education, and research to train healthcare leaders and foster healthy communities in Illinois and beyond. A part of UIC, UI Health is a clinical enterprise that includes a 462-bed tertiary care hospital, 40+ outpatient clinics, 12 federally qualified Mile Square Health Centers, and the University of Illinois Cancer Center. This health system also includes the academic and research activities of UIC's seven health sciences colleges. The impact of UI Health on the state of Illinois is vast; 1 in 3 physicians, over 1 in 3 pharmacists, more than 1 in 3 dentists, and nearly 1 in 4 social workers in the state were trained at UI Health.

UI Health has proven itself indispensable to the State of Illinois and the world during the COVID-19 pandemic. A total of 192 medical students elected to graduate early to join the fight against COVID-19, representing about two-thirds of the college's 2020 graduating class. In late September, phase 3 clinical trials for the Johnson & Johnson single dose vaccine began at UI Health. Just before that in late August, phase 3 clinical trials for the Moderna vaccine began under Dr. Richard Novak, professor and head of infectious diseases at UI Health. Dr. Novak was also the principal investigator on a clinical trial funded by the NIH of a drug called remdesivir, and is now involved in another trial investigating the efficacy of the combination of remdesivir with a second drug named baricitinib in the treatment of COVID-19.

Last but not least, the University of Illinois System is one of the largest employers in the state. **Across our three universities as well as in the System offices, we employ over 31,000 FTE.** In terms of economic impact, the added income created by the University of Illinois System and its robust student populations support over 171,000 jobs. According to a 2018 study conducted by Emsi, for every dollar invested in the U of I System, \$2.40 is added to state taxes and public-sector savings, and \$6.30 is added to state income and social savings.

In total, the University of Illinois System pumps an **estimated \$17.5 billion into the state's economy each year.**

Clearly, the University of Illinois System is a treasure for our state and its people. And it is a dynamic treasure, transforming lives through the power of education in an ever-changing environment and for an increasingly diverse population. Ultimately, the greatest impact of the University of Illinois System is on the lives of students. Students learn in our classrooms, interact with our faculty, study in our libraries and laboratories, and graduate to become leaders in their communities. In fact, research shows that compared to those with a high school education, college graduates:

- Earn \$1 million more in lifetime wages
- Volunteer more in their communities
- Are healthier and live longer
- Are more likely to vote and participate in civic activities

In the midst of an explosion of new technologies and rapid globalization, a high-quality education is more important today than ever before, enabling people to achieve their dreams and change their economic conditions. University of Illinois students help build our society, shape our culture, and fuel our economy. They are the engaged and informed citizens on whom our democracy depends.

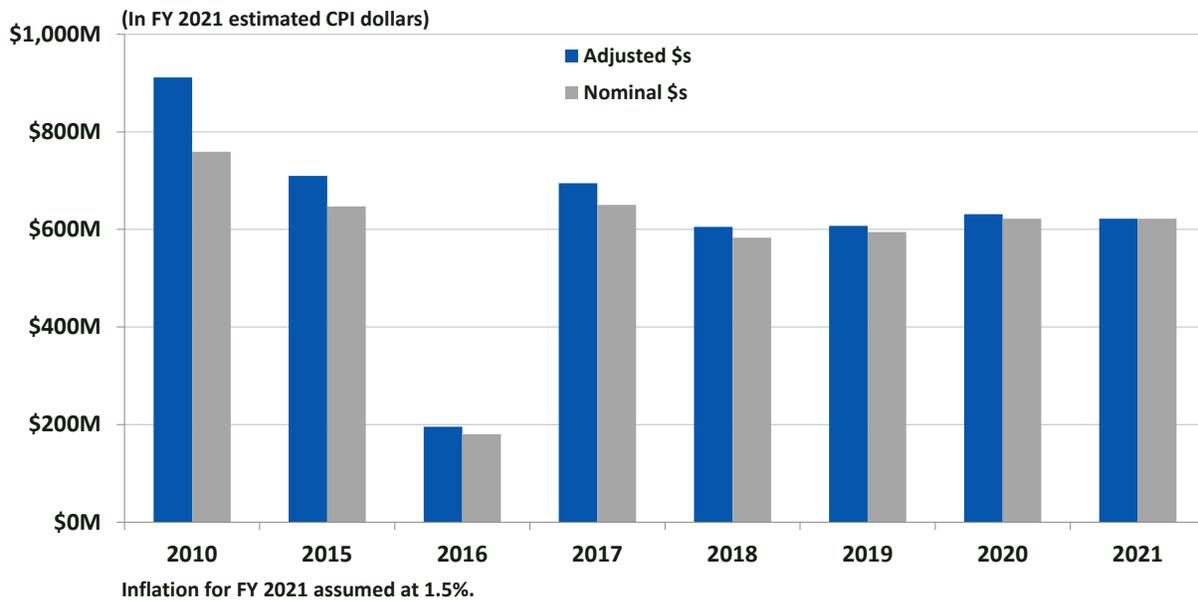
As evidenced by our broad and deep impact, the **University of Illinois System makes a difference in the prosperity and quality of life of tens of thousands of Illinoisans every day.** Many of these citizens depend upon and care deeply about our institution and about what we are able to do.

Stewardship requires that all of our stakeholders – from trustees, faculty, and staff to students, alumni, legislators, and citizens – share a deep commitment to the values of public higher education and particularly to the University of Illinois System.

THE BUDGET FRAMEWORK

During the fiscal challenges in recent years, the University of Illinois System has worked closely with our Board of Trustees to address key issues of resource management, administrative reorganization, and tuition and financial aid policies. Although education is often cited among the state’s highest budget priorities, an examination of direct state tax appropriations (shown in Figure 7) reveals the declining investment in University of Illinois students.

Figure 7
University of Illinois System
Direct State Tax Support
 (In FY 2021 Estimated CPI Dollars)



Direct state support now represents less than one-eighth of the university’s total operating budget. However, in combination with tuition revenue, state support represents virtually the entire funding we devote to instructional programs. The University of Illinois System cannot sustain, let alone enhance, quality without a foundation of strong and reliable state support.

FY 2016 – FY 2021 BUDGET OUTCOMES

The state's budget impasse in FY 2016 and FY 2017 presented a distinct and serious set of challenges for the University of Illinois System. In FY 2016, the U of I System received just \$180 million, leaving a shortfall of \$467 million compared to the year before (FY 2015 level), and those funds have never been received. After resolving the budget impasse, the system eventually received funding for FY 2017 equivalent to the FY 2015 level of \$650 million. However, this was followed by a 10% reduction in FY 2018 to \$583 million.

During the years of decreased state support, we enhanced our tuition income by growing our enrollments and increasing tuition for non-resident students. We also worked hard to reduce administrative costs and reallocate funds internally to cope with shrinking state support. The result is that we have had to prioritize carefully with regard to expenditures, permitting us to address only our most urgent needs.

In FY 2019, the system received a welcome 2% increase to \$595 million, followed by a 4.6% increase to \$622 million in FY 2020. In February, the Governor proposed a roughly 5% increase (to \$651 million) for FY 2021. However, due to COVID uncertainties, the FY 2021 budget was not increased but instead held at the FY 2020 level of \$622 million. We are grateful for the recent positive trends in state funding and for the timeliness of the recent budget appropriation process. Nevertheless, **direct state appropriations to the system are still below FY 2017 levels even before adjusting for inflation.**

In addition to support for operating expenses, the FY 2019 budget included our first capital appropriation since FY 2010. It consisted mainly of reappropriations for previously halted projects. Nevertheless, representing an exciting and first-ever commitment of its kind, the FY 2019 capital appropriation also included \$500 million for a University of Illinois-led Illinois Innovation Network (IIN), a set of virtually connected clusters across the state designed to catalyze economic growth. At its center is the Discovery Partners Institute (DPI) in Chicago, an interdisciplinary public-private research institute allowing faculty, students, and companies to work side-by-side to develop solutions, promote entrepreneurship, and empower inventors of the future.

One year later, the FY 2020 budget promised an historic and well-received capital investment in the University of Illinois System. The capital bill included \$333 million in appropriations for new facilities at each of the universities as well as \$353 million in funding for repair and renovations for existing

facilities. Additionally, \$629 million was reappropriated from the FY 2019 capital bill, including the \$500 million for DPI. To support the state-wide capital plan, the legislature also passed revenue enhancements that will help to support this exciting funding, which is scheduled to be released over the next six years.

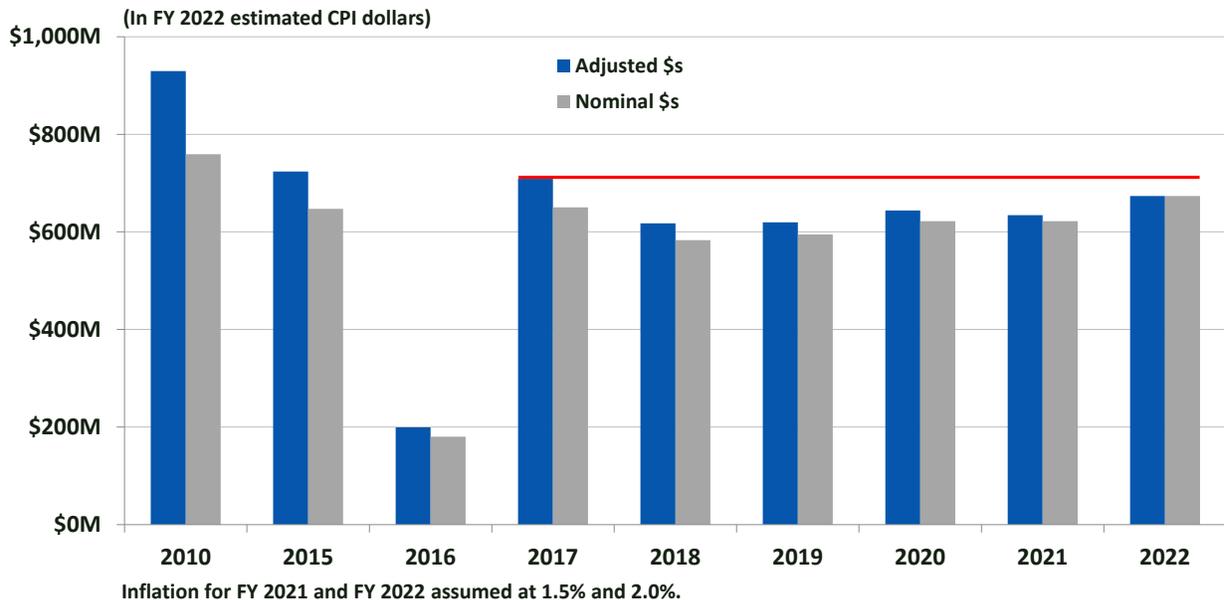
These recent trends in increased state support for the U of I System are extremely gratifying and have done much to enhance morale at our universities. Yet there is no doubt that the COVID-19 pandemic has caused substantial financial challenges to higher education and beyond, and its impact will continue into future years. The additional costs and lost revenues for the U of I System in FY 2020 far exceed any funding we have received from federal sources to date. This added strain on our system reinforces the need for stable, increased funding from the state.

SUMMARY OF THE FY 2022 BUDGET REQUEST

The University of Illinois System’s FY 2022 operating budget request is forward-thinking and essential. As shown in Figure 8, this increase still falls below the buying power of FY 2017.

Figure 8
University of Illinois System Appropriations
 (In FY 2022 Estimated CPI Dollars)

- FY 2022 request represents an 8.3% increase from FY 2021
- With adjustment for inflation, request is still below FY 2017 funding level
- Undergraduate resident enrollment increased by 4,575 or 11% since FY 2015
- No increase in tuition for resident undergraduates in FY16, FY17, FY18, FY19, or FY20



Our 2016 Strategic Framework calls on us to serve more students, continue the groundbreaking research that addresses state and national challenges, and ensure that the Midwest is a vibrant and healthy region of the country. The state of Illinois needs its flagship system now, more than ever. We can help attract and retain talent to Illinois and grow the state’s infrastructure and economy. To do all this, we urgently need a modest and healthy FY 2022 budget (see Figure 9).

Figure 9
University of Illinois System
FY 2022 Operating Budget Request

FY 2021 State Appropriation: \$622.0M
FY 2022 Incremental Request: \$51.4M



FY 2022 State Appropriation Request: \$673.4M

MAINTAINING COMPETITIVENESS AND QUALITY



ENHANCING UNDERGRADUATE SCHOLARSHIPS FOR ILLINOIS RESIDENTS

(\$15,000,000)

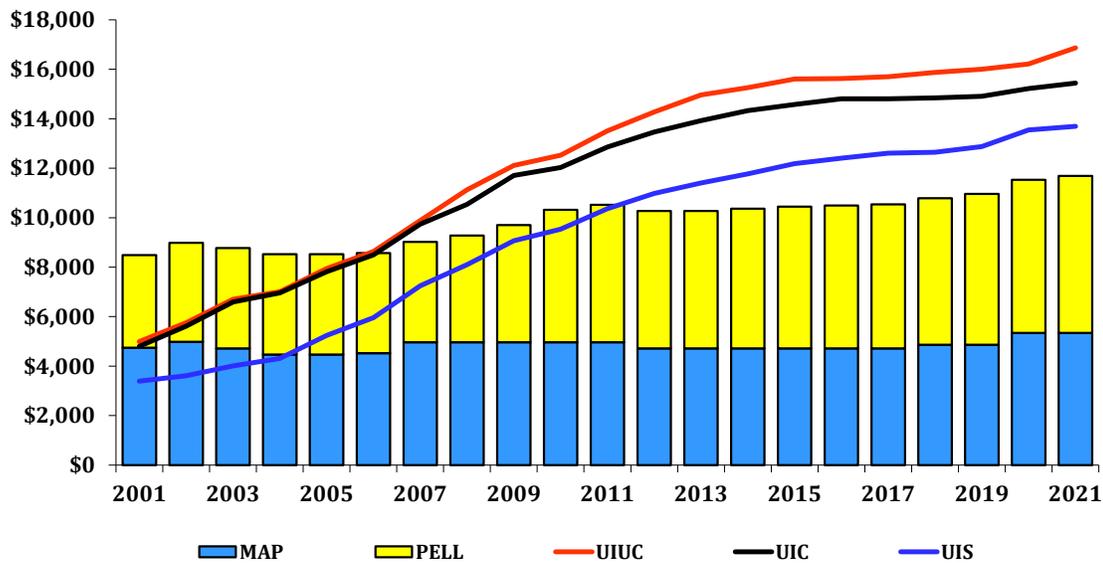
OVERVIEW

The University of Illinois System has a strong commitment to the citizens of Illinois whose taxes contribute to the support of this premier public institution. Our goal is to ensure access for all qualified Illinois students, regardless of their income level. Toward that end, the U of I System assists students with a wide range of financial aid programs including grants and loans from federal, state, and private sources; federal work study funds; and grants and loans from institutional resources. Over 34,700 undergraduates across our three universities (56.4%) received some form of gift aid in FY 2019, the largest portion consisting of need-based financial support.

Our universities survey admitted students who choose to go elsewhere for college and the evidence is clear – **financial support is at the heart of how students make choices about which college to attend**. In fact, out of all the reasons our admitted students give for choosing other schools, the most frequently cited reason is cost.

A crucial component of financial aid packages for Illinois residents is the Monetary Award Program (MAP) grants from the Illinois Student Assistance Commission (ISAC). Many years ago, the maximum MAP grant awarded to students with greatest financial need was large enough to cover the full tuition and mandatory fees at all Illinois public universities. By FY 1996, however, tuition and mandatory fees at UIUC and UIC exceeded the maximum MAP award. During the last 10 years, Pell and MAP maximum awards have been fairly stagnant and have not kept pace with very modest inflationary-based increases in tuition and fees, as shown in Figure 10. Consequently, our universities have had to supplement MAP grants for these students to cover the difference.

Figure 10
Federal Pell Grants and Illinois MAP Maximum Award Levels vs. Entering General Undergraduate Tuition and Mandatory Fees



FY12-FY17 MAP Max \$4,968 with reduction factor of 5% applied; 2% reduction factor FY18-FY19.
 Beginning in FY18, formula using FY09-10 tuition levels.
 FY20 MAP Max increased to \$5,340 and no reduction factor.

Notably, the U of I System committed to freezing in-state undergraduate tuition for a record five consecutive years from 2015 to 2020, and yet the gap between MAP and PELL support and cost per student has persisted. **We urge the state to consistently fund MAP awards in a timely fashion and to consider augmenting this support.**

INVESTING IN ILLINOISANS

Research shows that most college graduates stay in the state where they earn their degrees. Along with driving economic growth, college-educated citizens bring a host of other benefits to the state. Compared to those with no college degree, studies show that college graduates are healthier and live longer, and are more likely to vote and volunteer in their communities.

Unfortunately, the proportion of Illinois high school graduates who are enrolling in universities outside the state has grown significantly over time, as shown in Figure 11 at the top of the next page. This increased outmigration should be of urgent concern to all.

Figure 11
Four-year College-going Illinois High School Graduates



Enhancing our investment in Illinois undergraduates is critical to halting this outmigration. In fact, according to a recent study by the IBHE, the State of Illinois is second only to New Jersey in the net number of students lost to colleges in other states.

UIUC created a bold new financial aid program that began in fall 2019 to encourage the best and brightest students in the state to enroll, regardless of their family income. This new program, called **Illinois Commitment**, relies on a combination of institutional, federal, and state aid. The Illinois Commitment **covers tuition and fees for up to four years for all qualified in-state freshman and transfer students whose family income is \$67,100 or less** and whose family assets are less than \$50,000. More than half of all households in the state qualify, and there is no cap or limit in the number of students the program will help. Illinois Commitment provides a new pathway to a degree for first-generation college students and low- to moderate-income students, keeping our talented young people in the state. A number of other need- and merit-based scholarship programs will continue to be available for students who do not qualify for Illinois Commitment.

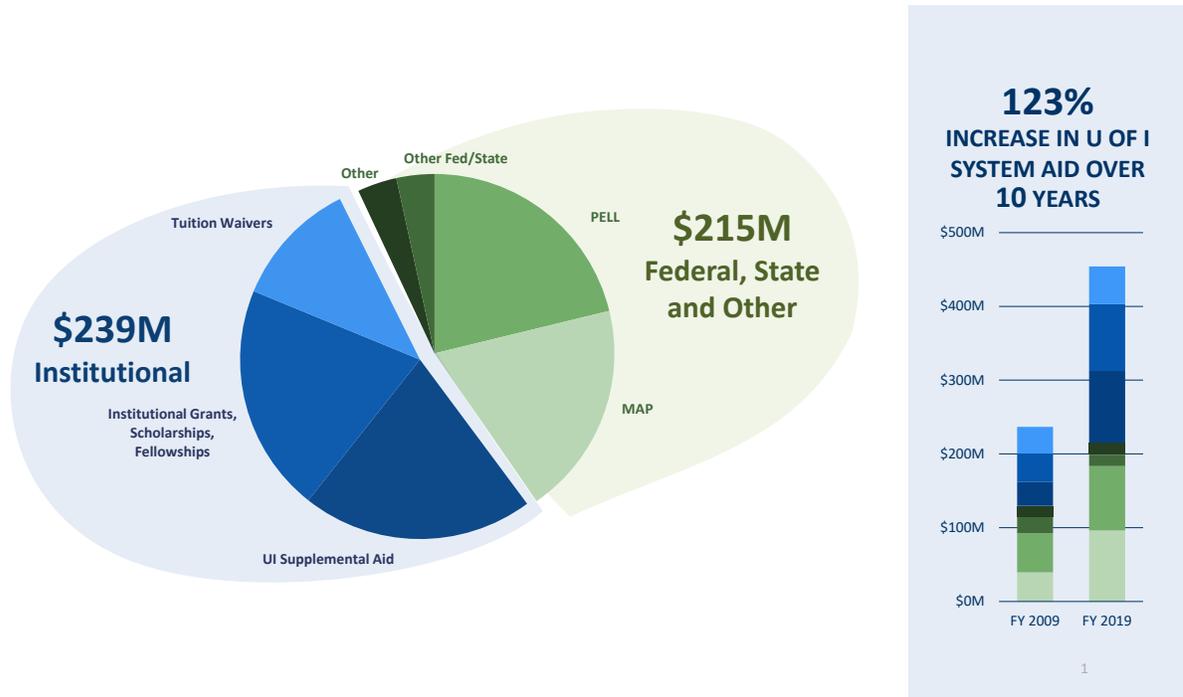
In a similar vein, UIC launched the **Chancellor’s Fellows Program** to help stem the outmigration of high-achieving Illinois high school students. The program began in fall 2019 and **covers tuition and fees for first-time college students with a minimum unweighted high school GPA of 3.8 and a minimum SAT score of 1360 or minimum ACT score of 30**. High school valedictorians are also eligible, without reference to GPA and standardized test scores. Eligible students also receive priority consideration for admission in the UIC Honors College. UIC funds this program by providing matching funds to the merit-based AIM HIGH (Aspirational Institutional Match Helping Illinois Grow Higher)

grant program, introduced by Illinois legislators in the summer of 2018. Together with state AIM HIGH funds, the Chancellor's Fellows Program allows UIC to recruit and retain highly qualified students from Illinois and give these students the opportunity and resources to succeed.

This spring, a new challenge to our students and their families emerged – the COVID-19 pandemic. In direct response, the University of Illinois System created the Students FIRST (Funding Is Required to Support Tuition) COVID-19 Emergency Fund to help defray tuition, housing, and other costs for undergraduate and graduate students due to the pandemic. The \$36 million fund prioritizes financial aid for students from Illinois, including a guarantee to cover the current year's modest tuition increase for every new in-state undergraduate. Students FIRST is supported through the federal relief CARES Act package as well as internal funds from the system and its three universities, and private fundraising,

In addition to these new programs, the University of Illinois System and its three universities will continue to enhance efforts to retain and support student talent. As shown in Figure 12, we have steadily increased internal resources to student financial aid and we now provide more aid than the state and federal programs combined. Total institutional aid, which now stands at \$239 million, was \$193 million just five years ago and only \$107 million a decade ago.

Figure 12
University of Illinois System
Undergraduate Financial Aid FY 2019



Much of this internal funding comes from donors and from increased tuition for nonresident and international students. As we continue to balance quality with affordability, institutional aid has become a much larger part of our financial portfolio.

We applaud the state for taking a significant step in augmenting student support with the AIM HIGH scholarship program. However, it is simply not enough. **Even with state and institutional investments in aid, the average unmet need continues to be too high for our undergraduate students. In addition, federal CARES Act funding will not be available going forward, leaving our students even more vulnerable than ever before.** For FY 2022, we are requesting \$15 million to support additional scholarships for Illinois residents. This funding will increase access and help ensure that our brightest students pursue a university degree and do not leave the state to attend college.

RECRUITING AND GROWING FACULTY TO MEET ENROLLMENT DEMAND

(\$10,000,000)

OVERVIEW

The University of Illinois System plays a central role in education, research, and economic development in the state of Illinois and beyond. As laid out in our Strategic Framework, we see ourselves as the *Public's University* and we have set forth four overarching pillars to which our three universities are committed:

- An institution of and for our students
- Research and scholarship with global impact
- A healthy future for Illinois and the Midwest
- Tomorrow's university today

All four of these pillars rely on the recruitment and retention of **faculty of the highest caliber**.

RETAINING TOP FACULTY

One of the casualties of the state budget crisis is that the U of I System has lost a number of award-winning faculty. For example, in 2017 Professor Thomas Overbye, a world-renowned engineer, was lured away from UIUC's College of Engineering to Texas A&M University. When he left UIUC, he took much of his grant money and graduate students with him.

Also in 2017, Dr. José Oberholzer, a leading diabetes researcher and transplant surgeon, was recruited away from UIC where he led the Division of Transplantation, to become the Director of the Charles O. Strickler Transplant Center at the University of Virginia. Dr. Oberholzer pioneered the use of robotic-assisted surgery to provide safe access to kidney and pancreas transplants. In addition, he is the founder of the Chicago Diabetes Project, an international research collaboration for a functional cure for diabetes. He is an elected fellow of the American College of Surgeons, and a member of the American Society of Transplant Surgeons, the American Medical Association, and the American Diabetes Association. UIC lost this talented clinician and well-funded investigator along with his international reputation for progressive discoveries.

There are many other examples of such faculty losses. The fact is that our peer institutions, public and private, have taken advantage of the state's budget challenges over the last few years and have unabashedly raided our universities because of it. As one example, the state of Texas set up special funds to aggressively recruit distinguished faculty from other states (called the Governor's University Research Initiative or GURI) and we have been told that Illinois has been a prime target. As a case in point, the state of Texas spent \$9 million to bring Professor Overbye to Texas A&M.

During the two-year budget impasse, **a total of 321 tenure-system faculty from across our three universities received firm outside offers from other institutions** (156 in FY 2016 and 165 in FY 2017). **This spike represented a 40% increase in outside offers when compared to the previous four years** (from FY 2013 to FY 2017). Almost 70% of those retention cases involved faculty at UIUC. Thankfully, after the resolution of the budget impasse, retention cases at UIUC have dropped back down to normal levels. Exceptional universities are always going to be the target of faculty poaching, but the extent of these activities had reached an all-time high because of the budget impasse and dramatic cuts in state funding over the past few years. Continued state support for higher education will help us recover from key faculty losses during the impasse and allow us to circumvent this focused pilfering.

RECRUITING DISTINGUISHED FACULTY

The U of I System has worked hard over the past five years to counter the perception that our faculty are more vulnerable to outside offers because of the state's challenging fiscal situation. To assist in this effort, we launched the President's Distinguished Faculty Recruitment Program in FY 2017 to go on the offensive and lure talent to Illinois. Although we requested supplemental funding for this initiative from the state in prior budget requests, we have had to use internal resources that were reallocated for this crucial program.

The Distinguished Faculty Recruitment Program provides matching funds from the President's Office to attract highly distinguished, superstar faculty to our three universities. The funds are to be used for start-up costs such as: the purchase of new equipment, renovation of space, graduate student support, and/or other needs associated with supporting the research and teaching needs of prominent faculty.

Since 2017, a total of **21 renowned experts have been recruited away from prestigious institutions such as Duke, University of Texas at Austin, University of Washington, Northwestern, and Harvard**. For example, Professor William Ocasio recently left Northwestern to become the James F.

Towey Professor of Business and Leadership at the Gies College of Business at UIUC. Professor Ocasio is the top scholar in the management subfields of organizational attention and corporate strategic agendas, and he is also known for bringing junior scholars from a wide variety of ethnic and educational backgrounds into the field.

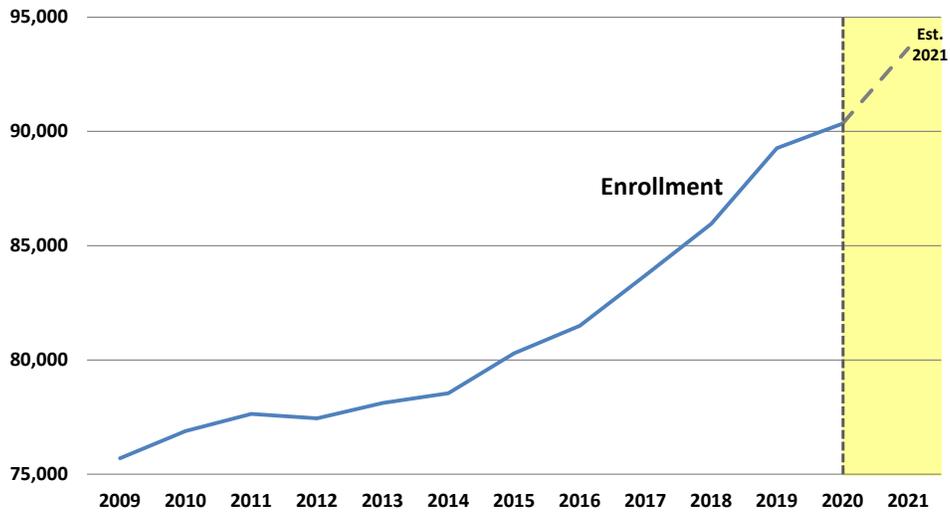
Another recent hire is Professor Xiaowei Wang who left Washington University in St. Louis to join UIC's College of Medicine and help lead the University of Illinois Cancer Center in UIC's Bioinformatics core. He will bring with him two National Institutes of Health grants involving microRNA research, totaling nearly \$5 million. Another noted scholar, Professor Graham Peck, recently joined the history department at UIS as the Wepner Distinguished Professor of Lincoln Studies. All of these faculty and the other transformational hires we have made will ensure that the quality of our academic programs continues to be strong into the future. This year, we are again requesting state support to help foster this program and ensure this type of hiring initiative can continue.

GROWING FACULTY ACROSS RANKS TO KEEP UP WITH ENROLLMENTS

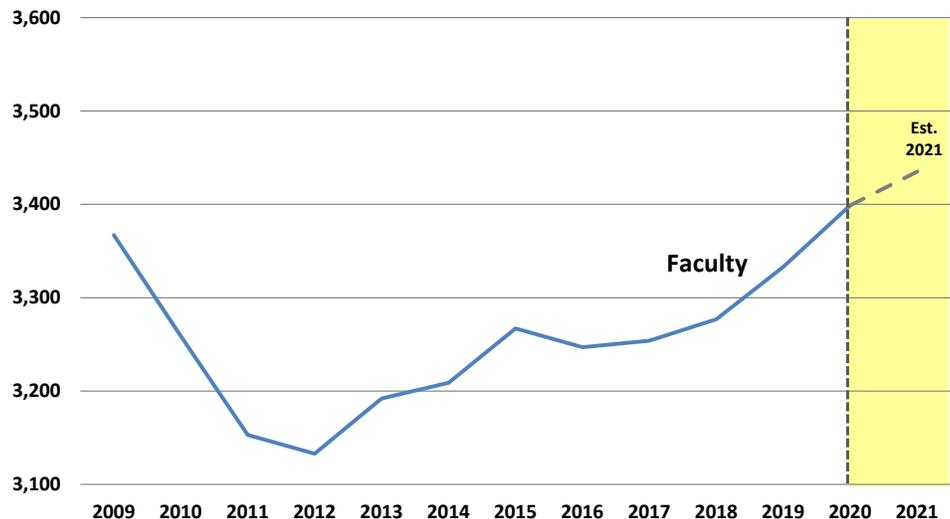
The top portion of Figure 13 illustrates our growing student enrollments, reflecting a multi-year commitment we have made to increase accessibility and provide more transformational opportunities for students, particularly Illinois residents. However, as the student body has grown, we have not kept pace with faculty numbers (see lower portion of Figure 13).

Figure 13
University of Illinois System
Trends in Student Enrollment and Tenure System Faculty

- 14,645 more students since fall 2009, nearly 20% increase
- 8 straight years of record enrollment
- On-pace to meet fall 2021 enrollment target of over 93,000 students



- 5 year plan to hire roughly 100 new faculty each year begun in 2019
- Drop after 2009 driven by UIUC retirement program and SURS changes
- Hiring recovery stalled by state budget impasse from 2015 to 2017



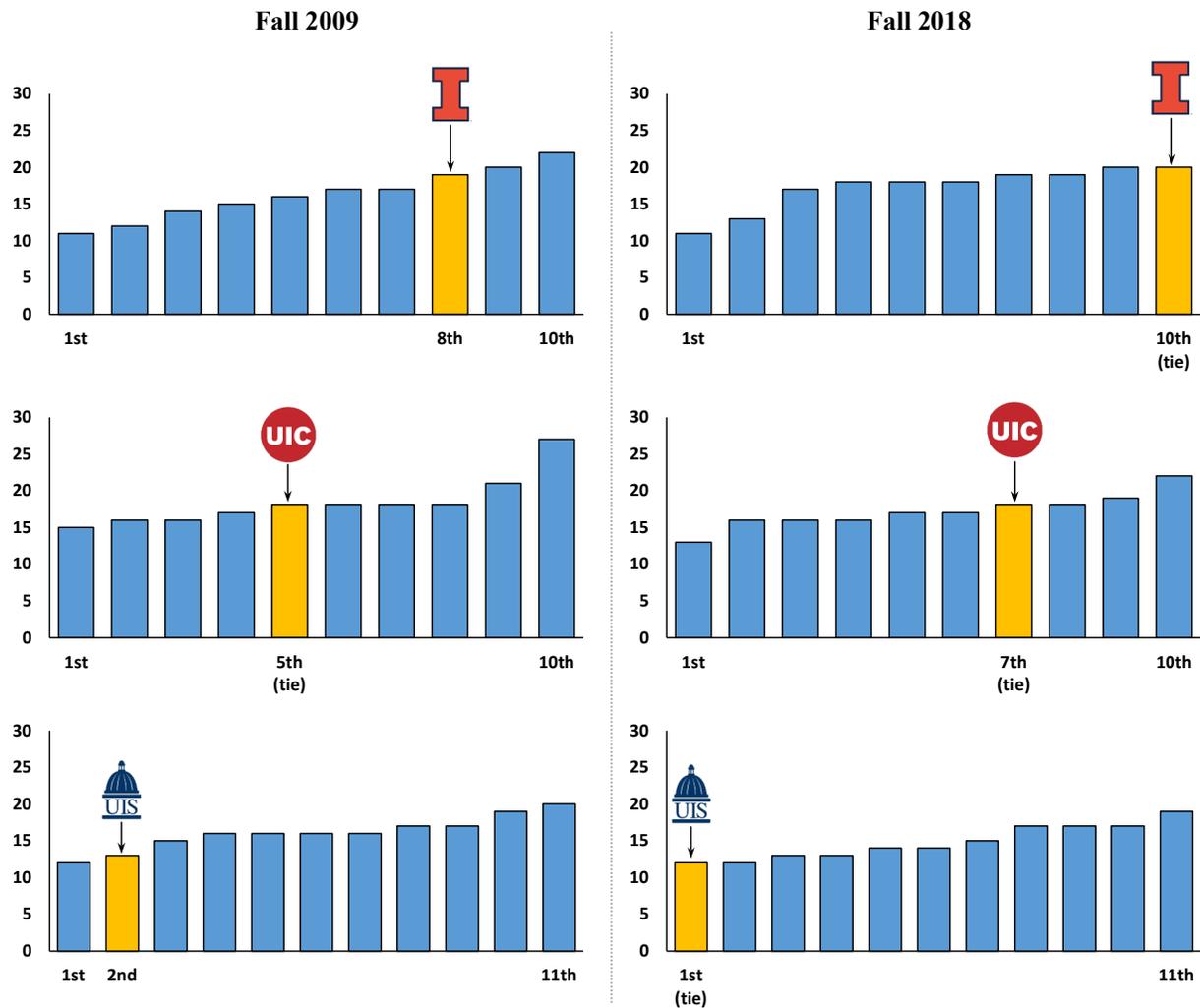
The budget impasse and subsequent years of modest state support have caused our universities to curtail faculty hiring. In addition, several SURS changes have accelerated faculty retirements during particular years. The result has been a growing increase in student-to-faculty ratios.

Maintaining a healthy balance between student and faculty numbers is vital to academic quality.

Otherwise, class sizes grow too large, courses may not be offered as often because of fewer faculty to teach, and students are faced with fewer opportunities to work one-on-one with talented faculty because of workload issues. All of this negatively affects the student experience. Moreover, student-to-faculty ratios are among several key factors used in university rankings. High student-to-faculty ratios can also influence decisions of prospective students as well as faculty.

As shown in Figure 14 on the next page, we have **lost considerable ground** in the last 10 years with respect to our student-to-faculty ratios when compared to our peers.

Figure 14
Changes in IPEDS Student-to-Faculty Ratio in Relation
to BOT Performance Dashboard Peers



In fall 2009, UIUC was 8th among its peers; **by fall 2018 UIUC had fallen into a tie for last place.** UIC dropped from 5th (tied) to 7th (tied) place among its peers during this same time period. Only UIS has improved, moving from 2nd into a tie for 1st; however, this change is due to a decrease in student enrollment rather than an increase in faculty numbers.

Taking an in-depth look at Urbana-Champaign’s loss of competitiveness relative to peers is illuminating. Michigan and Purdue historically have had some of the lowest student-to-faculty ratios; from fall 2009 to fall 2018, both institutions were able to lower these ratios still further, thus maintaining their top positions. At the other end of the spectrum, the University of Florida historically has had one of the

highest student-to-faculty ratios among Urbana-Champaign peers. In an effort to improve the situation, the University of Florida hired 500 new faculty over the last two years, partially funded by a \$52 million special allocation from its state legislature. This dramatic change (i.e., lowering of the student-to-faculty ratio) helped the University of Florida make significant improvements in the *U.S News & World Report* public university rankings. In fact, the University of Florida overtook the University of Illinois Urbana-Champaign for the first time ever in the history of the rankings in 2018. Now, in 2020, U of Florida has become the 6th highest ranked public university according to *U.S News & World Report*; Urbana-Champaign ranks 15th.

To ensure competitiveness and reverse the trends at both Urbana-Champaign and Chicago we need to rebuild our faculty numbers. In March 2019, our three universities completed a thorough assessment of curricular needs as a function of enrollments and student demand for different majors. The resulting five-year plan carefully outlines a goal of adding 448 net-new tenure-system faculty across the U of I System to keep pace with enrollment (the actual number is 916 hires but that includes replacements for expected faculty retirements and turnover). The hiring plans focus on expanding faculty in disciplines where student demand is expected to grow, capitalizing on opportunities to build on each university's existing strengths as well as interdisciplinary areas that reflect cutting-edge intersections such as healthcare and engineering.

We are requesting a total of \$10 million from the state of Illinois to help support our five-year plan to rebuild our faculty numbers and to assist in our continuing efforts to recruit and retain distinguished faculty. These crucial initiatives will allow us to maintain excellence in teaching and research, meet current student demands, and strategically invest for future enrollment growth.

COMPETITIVE COMPENSATION

(\$23,939,200)

OVERVIEW

The University of Illinois System is a recognized leader among the nation's top public institutions of higher education. Our three best-in-class universities provide transformational education for students as well as intellectually vibrant environments for faculty who are experts in their respective fields. As national leaders, our three universities face a continuous challenge: to sustain excellence in a highly competitive environment, we must attract and retain top-quality faculty, staff, and students. And yet national prominence marks our universities as prime targets for other institutions seeking to enhance their own quality through recruitment of top faculty. Our two large, Research I institutions, Urbana-Champaign and Chicago, are especially vulnerable to losing talent. That risk only increases during budget challenges. When other universities perceive vulnerability because of funding issues, they target talent in those places. **The University of Illinois System must remain aggressive in the highly competitive market for top-quality faculty or risk falling behind.** Our respective compensation levels are among the crucial factors that affect our ability to attract and retain personnel at all levels.

The current COVID-19 pandemic demonstrates quite dramatically how important exceptional faculty are to a university and, indeed, to the state and the nation. Our UIC scholars are at the helm of leading clinical trials for three different vaccines to stop the virus, our UIUC faculty have pioneered a rapid saliva-based test plus tracking enterprise that has been described as "a game changer" in national news, and our engineering faculty at both research universities are developing more effective ventilators, masks, and other personal protective equipment (PPE). These faculty experts could go anywhere, anytime. Our goal is to keep them in Illinois, at our universities.

In the last few years, many states across the nation have experienced budget pressures brought on by slow revenue growth and rising costs, presenting policymakers with difficult decisions. Despite this constrained budgetary environment, **most states have approved modest salary increases for faculty and staff each year since FY 2009.** In contrast, **the state of Illinois has provided little or no support for salary increases between FY 2009 and FY 2020,** forcing the University of Illinois System to fund modest salary programs internally through tuition revenues and reallocation of other funds. In addition, UIC's current tenure system faculty contract (excluding faculty in the colleges of medicine, pharmacy,

and dentistry) guarantees a 4% yearly increase, putting additional pressure on already scarce resources. Even with the increase in state funding in FY 2019, prolonged decreases in state support have undermined our ability to compete for and retain talent. To provide context for the retention issue, losing one stellar faculty member in the sciences to a peer institution translates to:

- The loss of thousands and sometimes millions of external research dollars
- An exodus of talented graduate students and post-doctoral researchers working in the professor's lab
- Reduced morale among faculty who collaborate with the exiting professor
- Reputational damage to the department and college

It is difficult to overestimate the detrimental results of such faculty loss. In such an environment, the need to monitor the U of I System's competitive standing is more crucial than ever and numerous salary analyses are performed annually for that purpose. The discussion that follows provides background information concerning the three universities' standing relative to their peers.

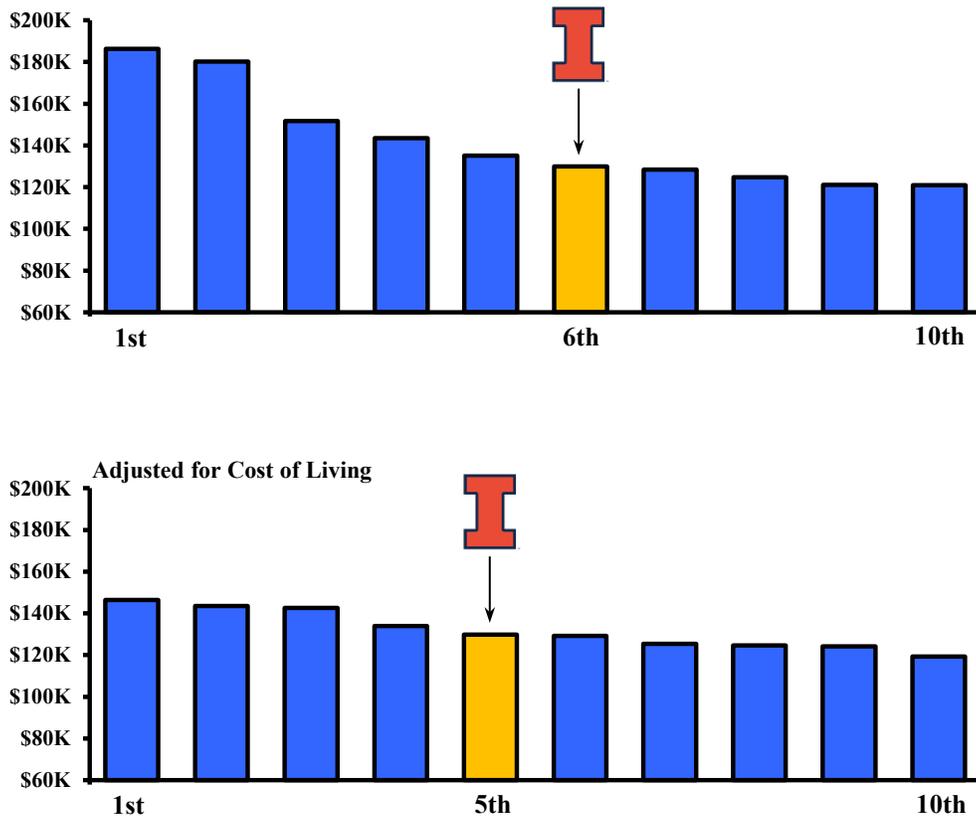
FACULTY SALARIES

Specific peer groups were developed in 2011 for Urbana-Champaign, Chicago, and Springfield to be used in performance metrics for the Board of Trustees' dashboards. These peer groups were reviewed and updated in October 2018 and are used to compare the universities with similar public institutions across many areas, including faculty salaries.

The competitive standing of each university indicates how well its faculty salaries have fared relative to the dashboard peers. The analyses examine salaries before and after cost-of-living adjustments are made. It is important to note that cost of living is only one factor to consider in such comparisons; we do not have good ways of assessing less tangible factors such as safety, cultural venues, and other quality of life indicators that also impact overall competitiveness.

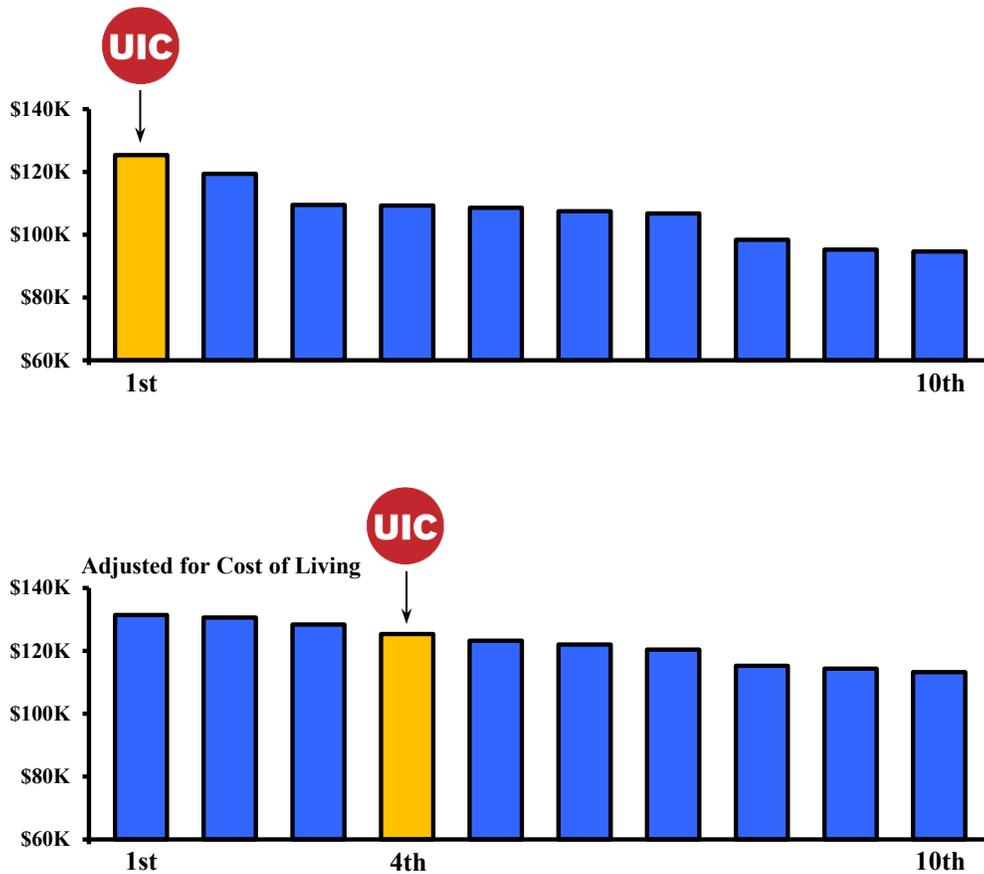
As shown in Figure 15, without adjusting for the cost of living, Urbana-Champaign ranks 6th among its peers in terms of average salary for tenure-system faculty (across ranks). Applying a cost-of-living adjustment to the salaries has little effect on Urbana-Champaign’s position relative to its peers, as it moves up to 5th place, with notably little stratification among surrounding peers.

Figure 15
FY 2020 Faculty Salary Competitive Standing
Urbana-Champaign Dashboard Peers



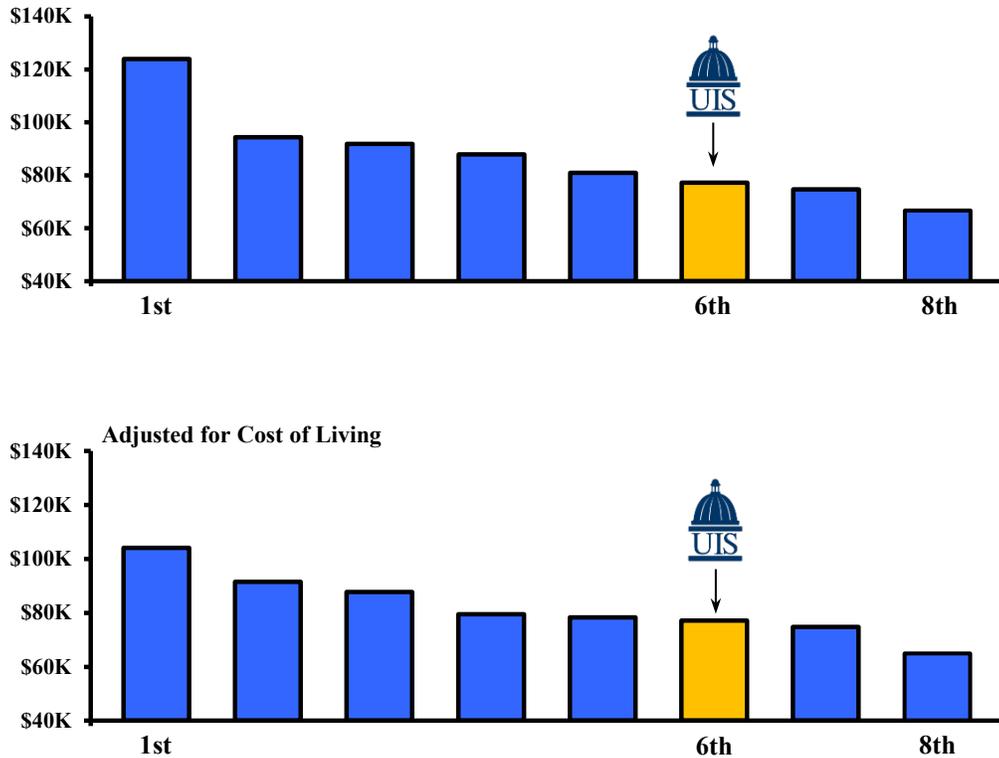
As shown in Figure 16, without adjusting for the cost of living, Chicago ranks 1st among its peers. When the cost of living is taken into account, Chicago drops from 1st to 4th among its peers. This puts them slightly above the middle of the peer group.

Figure 16
FY 2020 Faculty Salary Competitive Standing
Chicago Dashboard Peers



As shown in Figure 17, Springfield ranks 6th out of 8 peers with available faculty salary data. When factoring in cost of living, Springfield remains 6th out of 8.

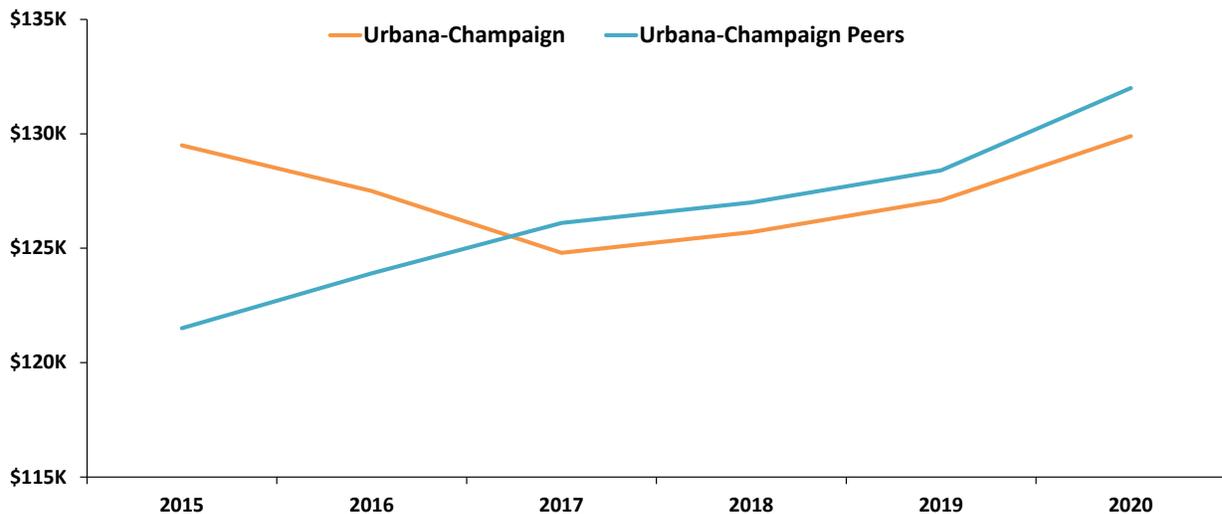
Figure 17
FY 2020 Faculty Salary Competitive Standing
Springfield Dashboard Peers



As all these figures illustrate, our universities lag behind several of their peers in terms of faculty salary. Although Urbana-Champaign is among the nation’s most academically competitive institutions (routinely ranked among the top 15 public institutions in the U.S.), salaries for faculty at Urbana-Champaign are in the middle of the pack among its peer group, regardless of cost of living. Chicago appears to be best among peers at first glance, but when cost of living is factored in, faculty salaries fall to the middle of the peer group. Springfield is in the bottom half of its peer group in terms of faculty salary.

A look over time is also illuminating. Back in FY 2015, Urbana-Champaign faculty salaries in constant dollars adjusted for cost of living were on average \$8,000 higher than those of their peers (see Figure 18). After the two-year State of Illinois budget impasse, Urbana-Champaign faculty salaries dipped below their peers in FY 2017 and have been struggling to keep pace ever since.

Figure 18
Mean Faculty Salary in Constant Dollars Adjusted for Cost of Living
Urbana-Champaign and Dashboard Peers
FY 2015 – FY 2020



Progress toward more competitive faculty salaries is likely to be insignificant in FY 2021 because we are not offering a salary program for Urbana-Champaign and Springfield; collective bargaining determined the salary program for Chicago. The good news is that due to the economic impact of COVID-19, most of our peers will not be offering a salary program either.

An important point to underscore is that lack of state funding also causes internal salary discrepancies among faculty ranks. Beginning salaries for newly hired assistant professors typically increase over time in accord with inflation and the marketplace. Without competitive salary programs, our long-standing tenured faculty, especially at the mid-level associate professor rank, are experiencing salary compression compared to newly hired assistant professors. Often times, these mid-level faculty have robust research portfolios, and are more vulnerable to outside offers. The salaries of more senior full professors are falling further and further behind too, relative to those of colleagues at junior ranks. Without adequate state appropriations, such difficulties could reach critical levels, weakening the overall quality of the University of Illinois System.

To recap, the University of Illinois System cannot sustain excellence unless it remains a go-to destination place for top faculty. **A multi-year strategic, state-wide commitment to fund salary increases is required to restore competitiveness** that has diminished over the last decade.

FACULTY SALARIES BY DISCIPLINE

Another way to gauge competitiveness is to examine salaries by discipline. Attracting exceptional faculty is particularly challenging in high-demand disciplines, where private enterprises often can offer lucrative alternatives to academic service.

The Association of American Universities Data Exchange (AAUDE) serves as a useful reference for detailed salary data by discipline for many of the Urbana-Champaign and Chicago peer institutions. Institutions included in the AAUDE Salary Study that are appropriate for University of Illinois System comparisons are:

- | | |
|---|---------------------------------------|
| University of Arizona | University at Buffalo |
| University of California, Berkeley | University of California, Davis |
| University of California, Irvine | University of California, Los Angeles |
| University of California, San Diego | University of Colorado Boulder |
| University of Florida | Indiana University |
| University of Iowa | Iowa State University |
| University of Kansas | University of Maryland, College Park |
| University of Michigan | Michigan State University |
| University of Minnesota | University of Missouri |
| University of North Carolina at Chapel Hill | Ohio State University |
| University of Oregon | University of Pittsburgh |
| Purdue University | Rutgers University – New Brunswick |
| University of Texas at Austin | Texas A&M University |
| University of Virginia | University of Wisconsin – Madison |

The study allows us to look at the years between 2008 and 2020 when economic conditions and funding levels fluctuated significantly and, in turn, affected salary levels. The data indicate that by FY 2015, both Urbana-Champaign and Chicago had recovered a good portion of ground lost from the 2008 economic recession. By FY 2015, Urbana-Champaign had retained or improved from its FY 2008 rank in 13 of the 18 examined disciplines. These include: Architecture, Business, Communications, Engineering, Family and Consumer Sciences, Foreign Languages, Law, Mathematics, Philosophy,

Physical Sciences, Psychology, Social Sciences, and Visual/Performing Arts. During these same years (between FY 2008 and FY 2015), Urbana-Champaign lost ground in five disciplines: Agriculture, Computer & Information Sciences, Education, English Language & Literature/Letters, and Social Work.

By FY 2015, Chicago too had regained or improved its rank in 12 of the 13 examined disciplines. These include: Architecture, Business, Education, Engineering, Foreign Languages, English Language & Literature/Letters, Mathematics, Philosophy, Psychology, Social Sciences, Social Work, and Visual/Performing Arts. During these same years (between FY 2008 and FY 2015), Chicago lost ground in only one discipline: Physical Sciences.

After FY 2015, the state of Illinois experienced a two-and-a-half-year budget impasse. Without a budget, the state legislature was unable to appropriate funding for higher education. Public universities were especially hard hit, with many struggling to make payroll, much less provide salary increases for faculty. **Between FY 2015 and FY 2020, Urbana-Champaign faculty salary rankings lost ground in 17 of the 18 disciplines**, including high-demand disciplines such as Business, Computer & Information Science, and Engineering. Social Work was the only discipline that did not lose ground.

Faculty salary rankings at Chicago fared better, maintaining or increasing rankings in 9 of the 13 disciplines examined from FY 2015 to FY 2020 (Architecture, Business, Engineering, English Language & Literature/Letters, Foreign Languages, Mathematics, Physical Sciences, Social Sciences, and Visual/Performing Arts). Faculty salary rankings fell in the other four disciplines (Education, Philosophy, Psychology, and Social Work).

It is clear that **declines in state funding have hampered the University of Illinois System's ability to stay competitive in particular disciplines**, and the impact has been greater at Urbana-Champaign than at Chicago. Many of these disciplines, such as Engineering, Computer Science and Business, are crucial for economic and workforce development in the state. The magnitude of loss at Urbana-Champaign between FY 2015 and FY 2020 is unprecedented and will take years to overcome. It is critically important that we resume the road to recovery in FY 2022 and beyond.

STATE UNIVERSITIES RETIREMENT SYSTEM

The health of the State Universities Retirement System (SURS) has been a matter of prime concern for many years. The University of Illinois System's competitiveness among peer institutions with respect to retirement benefits is essential for the recruitment and retention of talented faculty and staff. Any discussion of compensation policy for higher education in Illinois should include a strong call for continued adequate funding of the SURS program to ensure that existing benefits will remain secure.

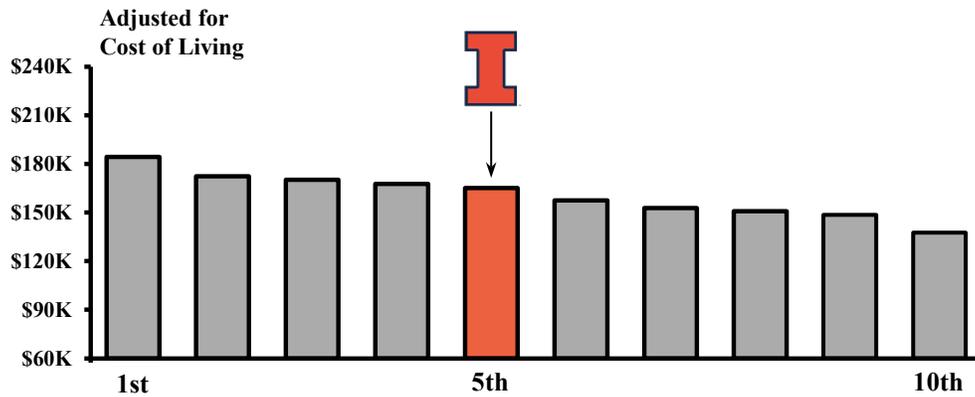
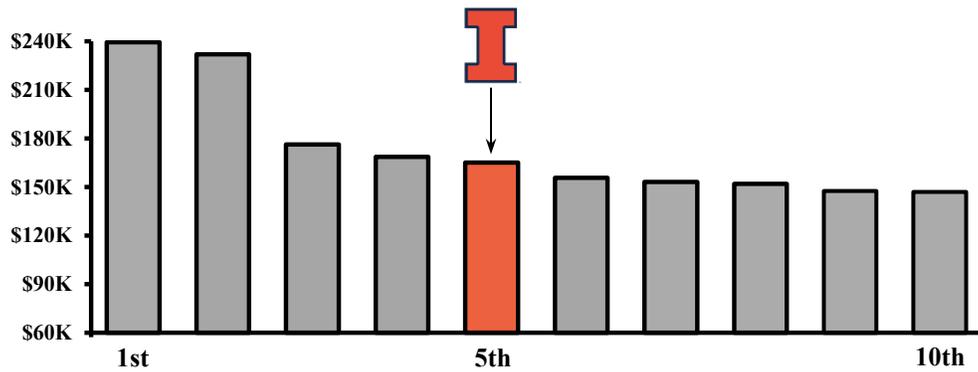
It should be understood, however, that while achieving and maintaining adequate SURS funding remains a key concern for FY 2022 and beyond, funding improvements will not, in and of themselves, improve the benefits available to U of I System employees or our competitive position among peer institutions in total compensation. The adequacy of SURS' fiscal support must be assured *and* improvements in our universities' competitive position in total compensation must be achieved.

TOTAL COMPENSATION

Total compensation represents the combination of average cash salary plus employer contributions to retirement and medical benefits. The following figures show FY 2020 average total compensation for tenure-system faculty at each university relative to its dashboard peers, with cost of living adjusted data provided as well.

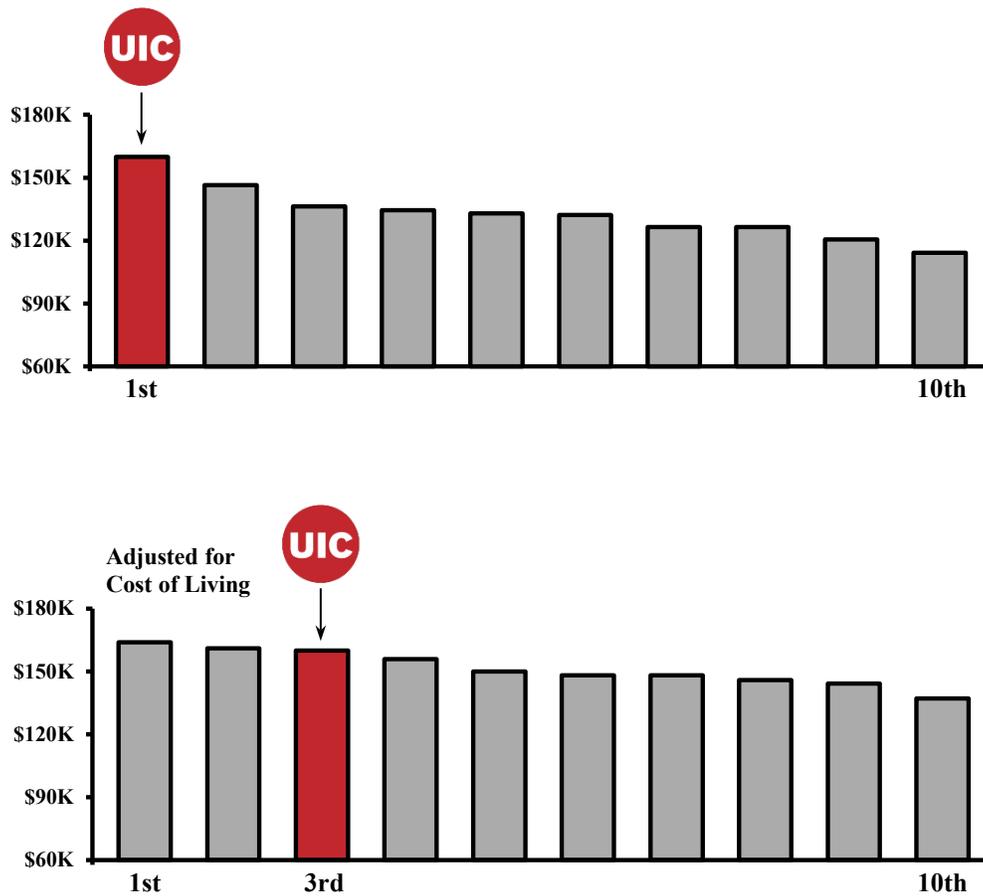
As shown in Figure 19, without adjusting for the cost of living, Urbana-Champaign ranks 5th among its peers for faculty average total compensation. Factoring in the cost of living, Urbana-Champaign comes closer to the peers ranked above it but still remains in 5th place.

Figure 19
FY 2020 Faculty Average Total Compensation
Urbana-Champaign Dashboard Peers



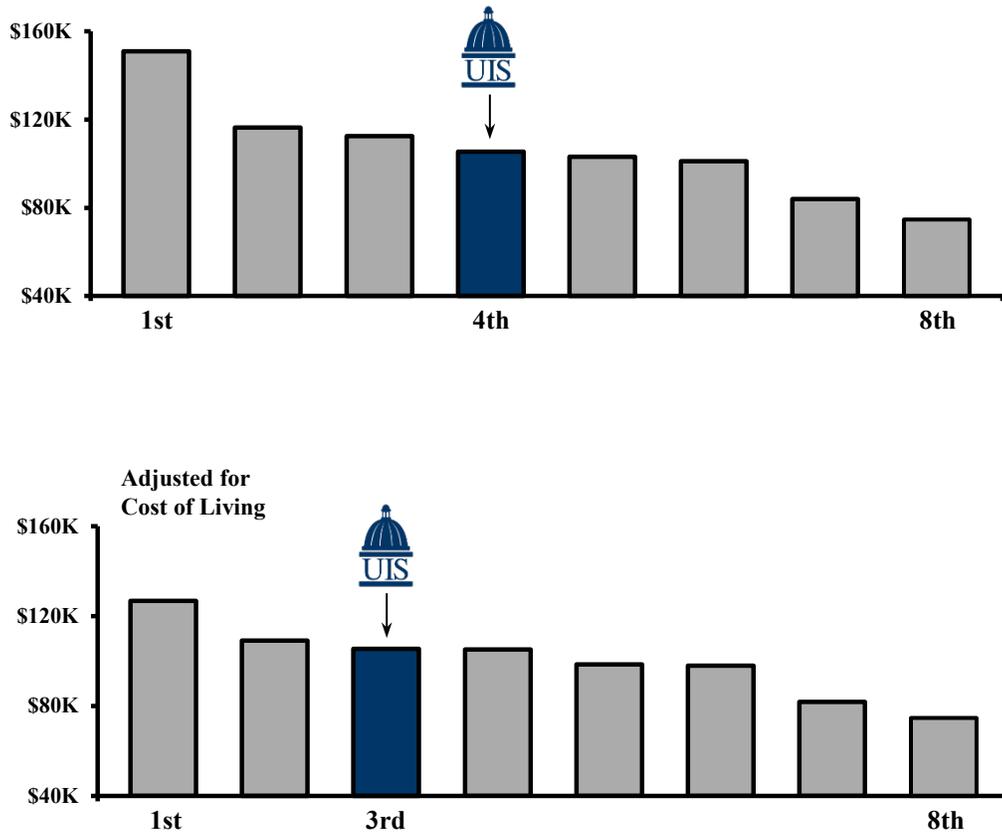
As shown in Figure 20, without adjusting for the cost of living, Chicago was best among its peers in terms of faculty average total compensation. However, when adjusting for cost of living, Chicago drops to 3rd out of 10.

Figure 20
FY 2020 Faculty Average Total Compensation
Chicago Dashboard Peers



As shown in Figure 20, Springfield ranks 4th out of 8 peers with available faculty total compensation data. Factoring in the cost of living, Springfield moves up one spot, but the difference between Springfield and the peer just below it is less than \$190.

Figure 21
FY 2020 Faculty Average Total Compensation
Springfield Dashboard Peers



To recap, when adjusted for cost of living, Urbana-Champaign ranks 5th out of 10 in total compensation (including retirement and medical benefits), Chicago ranks 3rd out of 10, and Springfield ranks 3rd out of 8. Clearly, the University of Illinois System employer contributions for retirement and medical benefits are not competitive enough to compensate for the drag on total compensation caused by salary deficits. Consequently, the total compensation package must be considered a vital part of an overall strategy to maintain and strengthen our competitive position.

In sum, budgetary constraints prior to FY 2008 hurt the University of Illinois System in the faculty salary market. Between 2008 and 2015, modest state funding as well as internal reallocation produced salary programs that kept pace with inflation but were below the three universities' top competitors in many cases. **In the last several years, though, the lack of funding for a salary program has rendered our three institutions, especially Urbana-Champaign, exceedingly vulnerable in terms of competitiveness.** Furthermore, because we have had to do a good amount of juggling of funds to cope with the substantial decrement in our FY 2016 state allocation, we have very little financial flexibility to continue to reallocate internal funds into the future.

Given this situation, we are requesting incremental funds totaling \$23.9 million for FY 2022, to be used for a modest faculty/staff salary program as well as to help recover slippage in particular disciplines and ranks of faculty (referred to as "compression, market, equity, and retention" or CMER). Overall, this compensation allocation will allow us to retain world-class faculty who are targeted by other universities and to ensure our salaries are competitive up, down, and across the ranks as well as by particular demographics such as gender and race/ethnicity.

TECHNOLOGY INFRASTRUCTURE



INFORMATION TECHNOLOGY AND SECURITY UPGRADES

(\$2,500,000)

OVERVIEW

An increment of \$2.5 million is requested for information technology and security upgrades.

Technology is embedded in every one of the core missions of the University of Illinois System. Our classrooms are infused with computers, projectors, internet connectivity, and clickers. Our students each bring an average of five portable devices (e.g., smartphones, iPads, laptops) to campus each year, which they use ubiquitously in their daily lives to support their education whether on campus, at home, or traveling. Our world-class researchers need cutting-edge information technology capabilities to support their work solving intractable societal problems. Indeed, the University of Illinois System is known across the state and the world as a technology-rich, innovation hub, mandating that we stay up to date in information technology. And this effort is expensive, especially during the time of a pandemic when we have rapidly expanded online course offerings and shifted many employees to remote work environments. We continuously look for ways to operate more efficiently through shared services and technological innovations that save time and money. Yet there are still many unavoidable costs. Some of these costs are related to the following:

- **Cybersecurity risks** to information technology are significant and increasing. Our IT experts have documented that across the U of I System, we receive approximately *56 million security events a day* (i.e., scans, probes and connections that are blocked by our IT firewalls). Because of both accidental and purposeful efforts to penetrate systems, vendors publish frequent security patches as well as software updates. We must remain on current, supported hardware and software platforms in order to accept and implement these updates. We must also implement new tools and safeguards to continually mitigate cybersecurity threats.
- As **more processes become automated**, a greater number of individuals require access to and increased usage of systems to streamline work. This increasing reliance upon electronic systems and related data stores means we need to spend money on process automation, identity and access management, training, and security to ensure that work can be accomplished.
- The U of I System's increasing **dependence upon electronic records** and increasing use of document management (e.g. eSignature) is resulting in increases in the amount of disk storage required as well as tools to digitize and automate information management.

- Having up-to-date hardware and software is a necessity due to the **increasing number and complexity of business rules** that must be supported. Many of these rules change frequently, such as in the area of financial aid where multiple regulatory upgrades are required throughout the year. The systems that run these applications are complex, with many hardware and software interdependencies between the hundreds of applications across the U of I System, and they must stay current. Independent of budget levels, software and hardware vendor support and maintenance costs increase annually.

Of urgent concern is the recent proliferation of ransomware attacks against institutions of higher education across the world. This risk has been amplified during the COVID-19 crisis, as many employees are working remotely and using potentially less secure networks. In addition, a large majority of students are currently taking a good amount of coursework online. In this environment, the potential negative impact of an extended outage of university systems cannot be overstated. Proper funding of our cybersecurity infrastructure and staff allows us to be as prepared as possible to protect the institution from inevitable cyberattacks.

In the past, we have tried to manage technology costs in incremental ways or by waiting until we could manage a major technology initiative, such as the UI-Integrate project. It is clear that this approach is not sustainable. In many ways, the information technology issue is similar to the deferred maintenance being accrued because of our aging infrastructure. We need a special, dedicated pool of funds to ensure that our universities stay competitive in information technologies as well as maintain a highly reliable ecosystem of IT services supporting our faculty, staff, and students.

The requested increment of \$2.5 million is not large enough to cover all of our anticipated incremental expenses, especially big-ticket overhauls or replacements. However, it would help with a growing list of more moderate upgrades that are crucial to our students, faculty, and staff. Without allocating additional recurring funds, the U of I System would face a number of problematic risks to IT management such as:

- Dropping maintenance on some components. This puts the U of I System at risk of: a) security breaches due to unavailability of critical software patches in unsupported environments, b) possible system failures resulting in loss of service, and c) diversion of limited, existing technology staff to resolving failures, thereby increasing the time to correct problems and raising the cost of new projects.
- Use of out-of-date, unsupported hardware. This puts the U of I System at risk of being unable to run current software versions and being susceptible to hardware failures resulting in loss of services.
- Reducing capacity of services or potentially rationing services as components fail.

Clearly, our 90,000 students need the best technology to support their learning. And our talented researchers need top-of-the-line technologies to support complex data analytics, data storage, and data modeling across the sciences, healthcare, and social sciences. By establishing funding that will cover a significant portion of the anticipated needs, we can maintain up-to-date, well-functioning technology systems at the U of I System. This approach is vital to ensuring that our three best-in-class universities can continue to serve our missions of providing exceptional education, scholarship, public service, and economic development for the state of Illinois.

**SUMMARY OF THE FY 2022
OPERATING BUDGET REQUEST**



SUMMARY OF THE FY 2022 OPERATING BUDGET REQUEST

(\$51,439,200)

OVERVIEW

The University of Illinois System's FY 2022 operating budget request will provide the funding necessary to implement and enhance key strategic initiatives.

Our 2016 Strategic Framework calls on us to serve more students, continue the groundbreaking research that addresses state and national challenges, and ensure that the Midwest is a vibrant and healthy region of the country. **The state of Illinois needs its flagship system now, more than ever.** We can help attract and retain talent to Illinois and grow the state's infrastructure and economy. To do all this, we urgently need a modest and healthy FY 2022 budget.

The requested increase in funds will be used to support two broad areas. First, and most importantly, we urgently need to **keep on the path of attracting great talent**, which means enhancing undergraduate scholarships to recruit bright Illinois students from across the state, recruiting and growing our faculty to keep up with our burgeoning enrollments, and providing a competitive salary program to retain world-class faculty and staff.

Specifically, funding of \$15 million is requested to provide additional scholarships for Illinois students in order to stem the flow of high school graduates to out-of-state universities, building on the improvements made in fall 2020. Special emphasis will be given to attracting underrepresented students, including those from low-sending counties in Illinois. We also propose an investment of \$10 million in our five-year initiative aimed at hiring new faculty to keep pace with our record system-wide enrollment growth. Funds also will be devoted to providing a competitive salary program to retain our talented faculty and staff who are being courted on a regular basis by peer universities.

Second, we will use requested funding to address technology infrastructure needs. The pandemic has shown all universities that we can do more in the area of education with sophisticated technologies. Our universities have spent the summer working with faculty to re-imagine courses and pedagogy in the face

SUMMARY OF THE FY 2021 OPERATING BUDGET REQUEST

of a virus that makes face-to-face teaching very difficult. Our faculty are using technologies to reach out to students individually and in small groups, to simulate laboratory activities, to enhance feedback and student interaction, and to create virtual learning environments. Ensuring that our technologies are state-of-the-art will help us recruit the best students, faculty, and staff and to educate our students with unsurpassed technological tools in and out of the classroom.

Requested operating budget details are shown in Table 2.

Table 2
University of Illinois System
FY 2022 Operating Budget Request
(Dollars in Thousands)

I. Maintaining Competitiveness and Quality		\$ 48,939.2
A. Enhancing Undergraduate Scholarships for Illinois Residents	\$ 15,000.0	
B. Recruiting and Growing Faculty to Meet Enrollment Demand	10,000.0	
C. Competitive Compensation	23,939.2	
II. Technology Infrastructure		\$ 2,500.0
A. Information Technology & Security Upgrades	\$ 2,500.0	
Total Request		\$ 51,439.2
<i>% increase in state appropriated funds</i>		<i>8.3%</i>

**CAPITAL BUDGET REQUEST
FOR FY 2022**



CAPITAL EXECUTIVE SUMMARY



CAPITAL EXECUTIVE SUMMARY

To contextualize the University of Illinois System capital budget request, it is important to note that an institution of this size, scope, and complexity faces a recurring array of facility related needs **every year**. Indeed, the capital facilities make up the University’s largest asset and provide one of the foundations to attract and retain top quality faculty, staff, and students. The fiscal year 2022 capital budget request focuses on several themes in the capital budget that directly support the academic mission of the University of Illinois System, as shown in Figure 1.

Figure 1
University of Illinois System
FY 2022 Capital Budget Themes



**REPAIR &
RENOVATION**
\$202.3 Million



**INNOVATION &
WORKFORCE DEVELOPMENT**
\$166.0 Million



**ACADEMIC
LIBRARIES**
\$234.0 Million

The first theme related to capital continues our longstanding request for funds for **Repair and Renovation** projects at the three universities. To date, the University of Illinois System has a backlog of roughly \$2 billion in deferred maintenance. As buildings age through their normal life cycles, it is crucial to address minor repair and renovation needs as they occur. Failure to do so accelerates deterioration and leads to costly major remodeling requirements more quickly than would be necessary if prudent attention to annual repair and renovation were possible. Changing programmatic emphases in academic units also create the need for relatively small remodeling projects, which can be addressed quickly to make existing space more useful for emerging academic priorities. This year’s request totals \$202 million to combat the remodeling and rehabilitation projects at each university. Much of this money will be used to remedy deferred maintenance in classrooms, labs, studios, and faculty-student collaborative spaces.

The second theme—**Innovation and Workforce Development**—represents funds to keep the U of I System on the forefront of invention as well as developing the workforce of the future to support a vibrant economy in the state of Illinois. Included here are key initiatives such as a building addition for the chemical sciences at Roger Adams Laboratory in Urbana and a Clinical Decision Unit and Cancer Care Center at the hospital at UIC. Both of these projects aid in basic science development and delivery of medical care.

The third focus of the capital budget seeks to upgrade the libraries at Urbana-Champaign and Chicago in order to meet the changing educational and research needs of diverse users. Gone are the days when libraries simply held books and journals and offered quiet study spaces for students. The libraries now play a vital role as digital learning centers, supporting students, faculty, and staff. Our university stakeholders are calling for collaborative spaces that provide access to a multitude of documents and online materials, and that allow for interactive exploration and innovation. Our libraries also provide resources and information services to the citizens of the state. In fact, our libraries collectively are the largest contributor to the statewide library network, containing over 53% of the unique titles available and providing over 22% of the statewide library loans through the network.

The allocation by university is shown in Figure 2.

Figure 2
University of Illinois System
FY 2022 Capital Budget Request by University

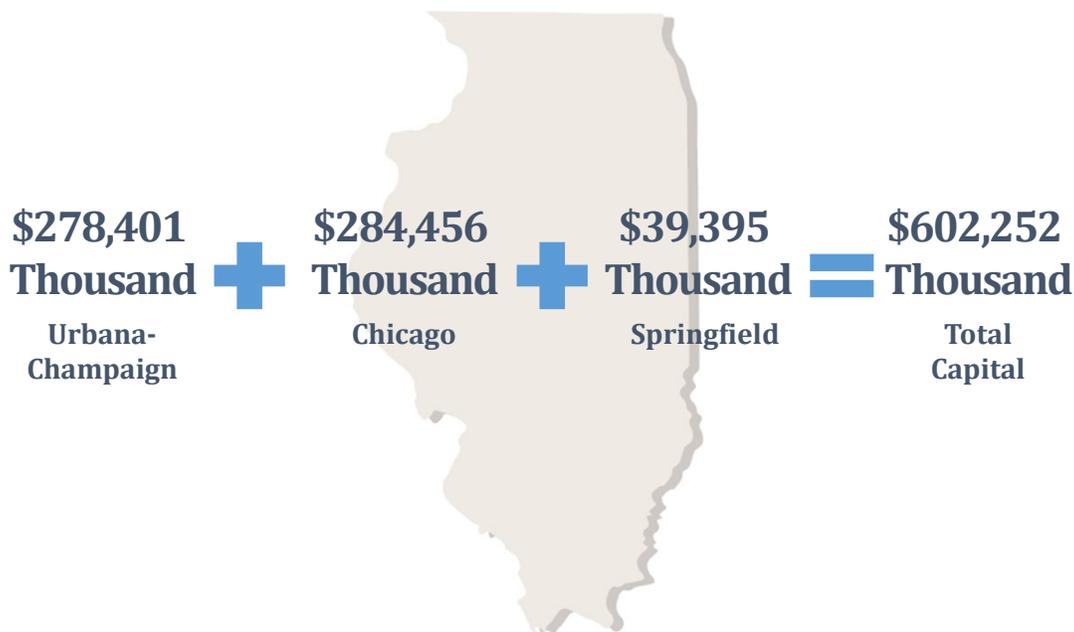
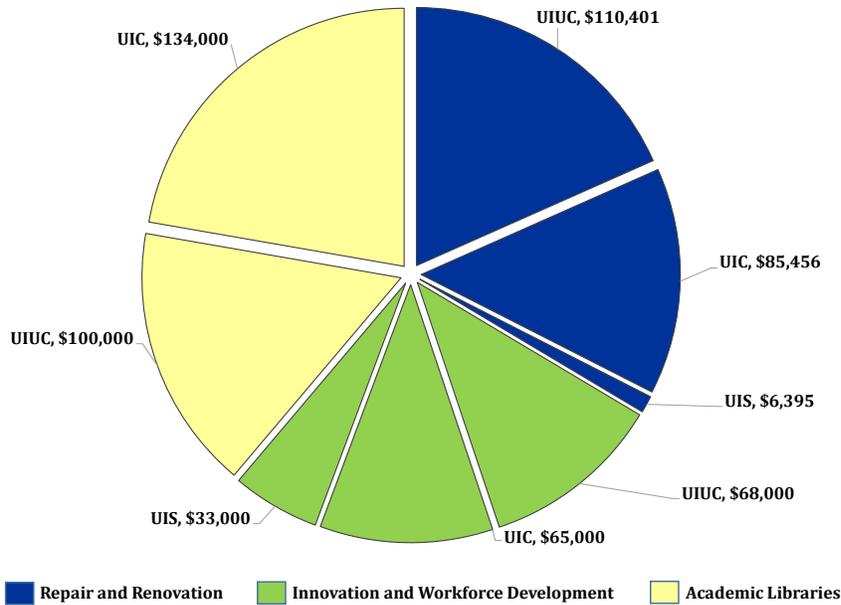
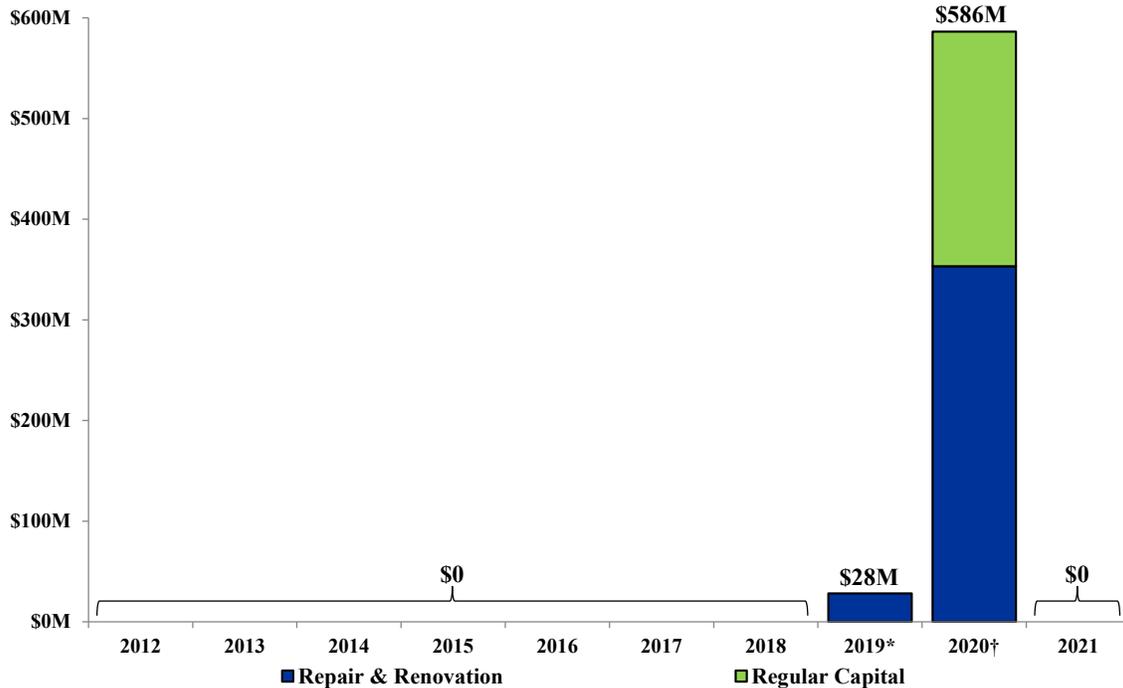


Figure 3
University of Illinois System
FY 2022 Capital Budget Request by University Detail
 (Dollars in Thousands)



As Figure 4 shows, the U of I System has received capital appropriations only twice in the last decade.

Figure 4
University of Illinois System
Capital Appropriations FY 2012 – FY 2021



*Does not include \$500M appropriated to DCEO for Discovery Partners Institute.
 †Does not include \$100M appropriated for a quantum research center in partnership with the Chicago Quantum Exchange.

The FY 2020 capital appropriation did provide public universities across the state with hopeful signs. The welcome appropriation included \$353 million for repair and renovation projects for the U of I System, along with \$233 million for new building projects, one for each university. Additionally, \$500 million in capital funds were reappropriated for the Discovery Partners Institute, which will aid the U of I System in its state-wide research and innovation agenda. While these projects have not been released, it is hoped that the funding drought will be short lived so that these projects can progress and see completion.

Consistent and steady state funding is critically important to maintain the physical plant. There is no doubt that costs rise and safety is at risk when we do not attend to maintenance of our facilities on an annual basis. When that is not possible, a backlog of unfunded projects grows quickly and accelerates the cycle of deterioration in facilities. The result is that the University of Illinois System suffers from a decline in the physical environment that is so desperately needed to attract talented faculty and students. With the recent new appropriations in FY 2020 and reappropriation of prior fiscal years, we hope this is the start of a new pattern of steady funding for the valuable plant infrastructure at our universities. Perhaps it is obvious yet worth stating that academic facilities exist for one purpose: to support academic and research programs. The capital facilities make up the U of I System’s largest asset and provide a crucial foundation for attracting and retaining exceptional faculty, staff, and students.

For FY 2022, the University of Illinois System requests a capital budget of \$602,252,000. A detailed project list is provided in Table 1.

Table 1
University of Illinois System
FY 2022 Capital Budget Request
(Dollars in Thousands)

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Total</u>
I. Repair and Renovation				
A. Repair and Renovation	\$110,401	\$85,456	\$6,395	\$202,252
II. Innovation and Workforce Development				
A. Roger Adams Lab Renovation/Addition	68,000			68,000
B. Clinical Decision Unit		65,000		65,000
C. Brookens Building Remodel			33,000	33,000
III. Library Renovations and Upgrades				
A. Library/Digital Learning Center Upgrades	100,000	134,000		234,000
Total Request	<u>\$278,401</u>	<u>\$284,456</u>	<u>\$39,395</u>	<u>\$602,252</u>

CAPITAL REQUESTS



PRIORITIES

(\$602,252,000)

OVERVIEW

The University of Illinois System's FY 2022 capital budget request consists of five projects reflecting three themes, for a total cost of \$602,252,000 as detailed below.

REPAIR AND RENOVATION – \$202,252,000

- *Urbana-Champaign (\$110,401,000)*
- *Chicago (\$85,456,000)*
- *Springfield (\$6,395,000)*

The first priority is a \$202,252,000 Repair and Renovation request, which is comprised of projects at Urbana-Champaign, Chicago, and Springfield. These projects, while not large enough to compete with major remodeling requests, represent a significant, real funding need. A high priority on renovation and renewal must be maintained by institutions that have facilities that are at the size, scope, and age of those within the University of Illinois System. Years of insufficient funding coupled with an aging physical plant serve to create rising levels of deferred maintenance that have reached the critical stage on our campuses. The Repair and Renovation request is vital for the continued renewal of existing facilities across our three universities; those facilities are at the core of how we provide excellence in instruction and research, and how we deliver on the promise of transforming the lives of tens of thousands of students across the U of I System. Indeed, providing up-to-date support for academic programs and innovation is tantamount to protecting the state's investment in our future.

INNOVATION AND WORKFORCE DEVELOPMENT – \$166,000,000

- *Urbana-Champaign (\$68,000,000)*
- *Chicago (\$65,000,000)*
- *Springfield (\$33,000,000)*

Roger Adams Lab Renovation/Addition (\$68,000,000) – Urbana-Champaign

The College of Liberal Arts and Sciences is proposing an addition to the Roger Adams Laboratory – the Center for Applied Molecular Sciences (CAMS) – that will be transformative for the Departments of Biochemistry, of Chemical and Biomolecular Engineering, and of Chemistry. The new annex will provide much needed research and teaching space, which yields a modern interdisciplinary research and education facility. A major positive impact will be on the teaching mission of each of these chemistry-related departments, the College of LAS, and the entire campus. Among other factors, there is a substantial need across campus for a new lecture hall to accommodate a large number of students. The goal is to create a large, technologically sophisticated lecture hall that can facilitate live demonstrations, small and large group learning pods, and interactive learning sessions with whiteboards and laptops. The lecture hall will be located close to the main quad and can be used by the aforementioned chemistry departments as well as other units on campus. The updates will help sustain the excellence of the School of Chemical Sciences (the home of two of these departments) at Urbana, which has been called “a major force of chemical education” in the U.S. by the American Chemical Society.

Equally important is the need for additional research space for the three departments, which are all among the most active, productive, and well-funded research units on campus. New research spaces and laboratories will be accommodated in this addition. In addition, the new space will help to better integrate laboratory spaces that could profitably collaborate but are currently scattered across other buildings. Overall, the new addition will enhance departmental efficiencies and synergies by creating safe research space for cutting-edge molecular sciences and catalysis research. In turn, some of the older labs can be repurposed as general classroom space for the College of LAS. Funds in the amount of \$68,000,000 are requested from the state for this addition.

Clinical Decision Unit (\$65,000,000) – Chicago

This project consists of two separate but interconnected capital projects: a small addition to the U of I Hospital and remodeling of existing hospital space. The two-story, 18,750 square foot addition to the hospital will feature a new 17-bed Clinical Decision Unit (CDU) as well as a 16-bed outpatient treatment unit designed to support hemapheresis therapy, infusion therapy, and sickle cell acute care. The current CDU is located on the 7th floor of the Hospital and does not have the sufficient capacity for adult patients based on current and anticipated volumes, and its distance from the ground floor emergency room creates significant inefficiencies. The new CDU will serve as a sub-unit within the emergency department where patients can be rapidly tested and screened, thereby addressing the

overcrowding of the emergency department. The unit's design will focus on observation care and extended outpatient care, bridging the gap between immediate care in the emergency department while avoiding lengthy and expensive inpatient stays. This addition will be strategically located at the southeast plaza directly adjacent to the emergency department so that it may serve as flexible care space in response to external disasters, including pandemics. In response to the COVID-19 pandemic, for example, UI Health was required to stand up temporary space to triage an influx of patients so they could be directed to the appropriate care unit. Locating the new CDU within the Emergency Department will provide permanent access to highly flexible care space, which will enhance UI Health's ability to respond to a myriad of patient surge situations.

The second component of this project is a 46,000 square foot renovation of the existing hospital CDU space. The renovation is focused on the expansion and modernization of UI Health space dedicated to cancer care. The outpatient portion of the project will create a multi-specialty Cancer Care Center that will bring patients, providers, and researchers together in a convenient location. The project will provide a renovation and addition of inpatient oncology beds that will connect clinical trials and research areas. The renovation and expansion of UI Health's cancer care will enable UI Health's continued efforts to address the cancer health inequities in our communities while supporting access to innovative cancer care, arising from our "community to bench" approach.

Construction costs are \$31,000,000 for the CDU addition and \$34,000,000 for the hospital renovation related to cancer care, for a total requested from the state of \$65,000,000.

Brookens Building Remodel (\$33,000,000) – Springfield

With funding appropriated in the last capital bill to build a new Library, Learning, and Student Success Center, it will be necessary to renovate and reinvent the 120,000 square feet of interior space in the existing Brookens Library Building. The repurposing of the Brookens Building centralizes several critical student, faculty, and staff resources. These resources include the Online, Professional, and Engaged Learning (OPEL) program, which promotes learning through initiatives in four departments: the Center for Online Learning, Research, and Service (COLRS), the Office of Engaged Learning (OEL), the Continuing and Professional Education (CAPE) program, and the Faculty Development Resource Office (FDRO). Several key student services will be moved and centralized in the building, including: Health Services, Counseling Services, the Office of Disability Services, the Office of International Student Services, and the Intercultural Center. In addition, the university's Human Resources office, several departments of the Office of Business and Financial

Services, and an expansion of the Center for Lincoln Studies, will reside in the building. Other improvements include the ability to provide better temperature control to all spaces in the facility and improve wayfinding in the facility. Renovation of the HVAC and mechanical systems will allow the university to dramatically improve the energy efficiency of the facility in addition to providing optimal humidity and climate controls that are required.

This project aspires to achieve U.S. Green Building Council LEED Gold certification with HVAC, plumbing, lighting, fire suppression, electrical, and building envelope modernizations. This project also enables the demolition of temporary facilities that were constructed in the early 1970's when the university was established. The \$33,000,000 renovation of the Brookens Building will rehabilitate the building into a state-of-the-art learning center, extending the life of the facility and enhancing the building's presence on the UIS quadrangle.

LIBRARY RENOVATIONS AND UPGRADES – \$234,000,000

Main/Undergraduate Library Redevelopment (\$100,000,000) – Urbana-Champaign

The University Library at UIUC recently completed the Main Library Stack Removal Feasibility Study and is now ready to move forward with the next phase of the Main/Undergraduate Library Redevelopment. The project will demolish five of the existing six stacks, the majority of which are 60 years old or older; the sixth stack will be retained because its capacity and conditions have been modernized and offer a substantially better environment for older printed materials. Several special collections and archival materials currently located in the library will be relocated to the Undergrad Library and Oak Street High Density Storage Facility, which is environmentally designed for proper storage of print materials. The main library will still hold over 3 million volumes on site, mostly focused on the humanities and social sciences. The new five-story infill at approximately 100,000 square feet would serve as an interdisciplinary hub for the arts, humanities, and social sciences such as psychology, sociology, and economics. The addition will allow for current and future interdisciplinary collaborative research spaces and departmental libraries, learning spaces, and interactive presentation spaces with large format visual walls that will help enhance the educational experience and create a research hub for the humanities and social sciences. The project will be constructed in phases so that the library can remain open to serve patrons. The total project amount is \$250,000,000, with the portion requested from the state in the amount of \$100,000,000.

Daley Library Addition (\$134,000,000) – Chicago

An addition of roughly 120,000 square feet to the Richard J. Daley Library will supplement student academic life through the inclusion of a new information commons, an auditorium, a large café, a winter garden, and a temporary exhibit space. A central atrium will allow natural light deep into the building and provide a visual connection to the upper floors. A new 200-seat auditorium will provide a public meeting venue to offer programs, lectures, performances, readings, and other events related to library and campus interests. To promote 24/7 campus life, a larger café with food prep areas and seating will be central to the ground floor. To create spaces that promote research, learning, and collaboration, the third floor will include a double height reading room, large group meeting spaces, and small group meeting rooms. Renovation of the existing spaces in the library will also be accommodated with this project. \$134,000,000 is requested from the state for this project.

APPENDIX I

REPAIR AND RENOVATION



REPAIR AND RENOVATION

SYSTEM-WIDE — \$202,252,000



Requested Funds: State \$202.3M
Multiple projects at each university
74% of space is 40+ years old

Stated most simply, physical facilities are a critically important component of the academic support structure necessary to conduct instructional, research, and service activities in any institution of higher education. Academic facilities constructed and operated with state funds for the University of Illinois System have a replacement cost of over \$8.3 billion. Most of these facilities were built to “institutional standards” in construction materials and techniques, meaning that with proper maintenance and regular renovation of components which have exceeded their useful lives, the facility can have a nearly infinite life. A variety of programs are today housed satisfactorily in buildings more than 100 years old and that experience can continue if adequate facilities funds are available. The U of I System faces an array of facility related needs each year but a major component in that capital portfolio is repair and renovation to existing facilities. Buildings and the infrastructure systems that support them have finite useful lives; masonry decays, roofs deteriorate, heating and cooling systems wear out. As buildings age through their normal life-cycle it is crucial to address repair and renovation needs that normally arise. Failure to do so accelerates deterioration and leads to more costly repairs more quickly than would be necessary if prudent annual attention to annual repair and renovation were possible.

Three factors contribute to the need for annual attention to the configuration and quality of the physical facilities supporting any academic program:

Replacement Needs – Normal use inevitably causes wear and tear on building systems and components to the point at which their useful lives are exceeded and they must be replaced. This process is frequently described as depreciation and is universally recognized. If proper annual maintenance is not available for building systems, their useful lives are shortened. If replacement of worn-out building systems is not completed on a timely basis, significant backlogs of deferred maintenance needs arise, eventually resulting in larger and more costly major remodeling requirements.

Realignment Needs – The needs of academic programs vary over time. As enrollments shift among fields of study, space needs change with them. As the state-of-the-art within fields of study changes, so too do the facilities needed to support new activities. In some cases, the entire functional use of space must shift to accommodate changes within or among academic programs.

Renewal Needs – Technological advances can render both facilities and equipment obsolete, sometimes at rates far exceeding their physically useful lives. The application of computing to every discipline within a university and the dizzying pace at which computing power, speed, and applications continue to evolve is the most obvious example of such a change.

APPENDIX II

INNOVATION AND WORKFORCE DEVELOPMENT



- **Roger Adams Lab Renovation/Addition**
- **Clinical Decision Unit**
- **Brookens Building Remodel**

INNOVATION AND WORKFORCE DEVELOPMENT

ROGER ADAMS LAB RENOVATION/ADDITION – \$68,000,000 – URBANA-CHAMPAIGN



Requested Funds: State \$68M
New Construction est. 90,000 square feet
Academic Impact of Chemistry-related departments in the College of LAS:

- **1,800 students enrolled each fall**
- **Over 400 degrees awarded each year**
- **Over \$24M in research funds in FY20**

The College of Liberal Arts and Sciences is proposing an addition to the Roger Adams Laboratory – the Center for Applied Molecular Sciences (CAMS) – that will be transformative for the Departments of Biochemistry, of Chemical and Biomolecular Engineering, and of Chemistry. The Roger Adams Laboratory Building was built in 1950 and is one of several buildings that serves chemistry-related departments in the College of Liberal Arts and Sciences. The new annex will provide much needed research and teaching space, which yields a modern interdisciplinary research and education facility. A major positive impact will be on the teaching mission of each of these chemistry related departments, the College of LAS, and the entire campus. Among other factors, there is a substantial need across campus for a new lecture hall to accommodate a large

number of students. The goal is to create a large, technologically sophisticated lecture hall that can facilitate live demonstrations, small and large group learning pods, and interactive learning sessions with whiteboards and laptops. The lecture hall will be located close to the main quad and can be used by the aforementioned chemistry departments as well as other units on campus.

Equally important is the need for additional research space for the three departments, which are all among the most active, productive, and well-funded research units on campus. New research spaces and laboratories will be accommodated in this addition. In addition, the new space will help to better integrate laboratory spaces that could profitably collaborate but are currently scattered across other buildings. Overall, the new addition will enhance departmental efficiencies and synergies by creating safe research space for cutting-edge molecular sciences and catalysis research. In turn, some of the older labs can be repurposed as general classroom space for the College of LAS. Funds in the amount of \$68,000,000 are requested from the state for this addition.

INNOVATION AND WORKFORCE DEVELOPMENT

CLINICAL DECISION UNIT – \$65,000,000 – CHICAGO



Requested Funds: State \$65M
New Construction of 18,750 square feet
Renovation of 46,000 square feet

- **Centralized care for patients**
- **Reduce hospital stay**
- **Reduced cost for patients**

This project consists of two separate but interconnected capital projects: a small addition to the U of I Hospital and remodeling of existing hospital space. The two-story, 18,750 square foot addition to the hospital will feature a new 17-bed Clinical Decision Unit (CDU) as well as a 16-bed outpatient treatment unit designed to support hemapheresis therapy, infusion therapy, and sickle cell acute care. The current CDU is located on the 7th floor of the Hospital and does not have the sufficient capacity for adult patients based on current and anticipated volumes, and its distance from the ground floor emergency room creates significant inefficiencies. The new CDU will serve as a sub-unit within the emergency department where patients can be rapidly tested and screened, thereby addressing the overcrowding of the emergency department. The unit's design will focus on observation care and extended outpatient care, bridging the gap between immediate care in the emergency department while avoiding lengthy and expensive inpatient stays. This addition will be strategically located at the southeast plaza directly adjacent to the emergency department so that it may serve as flexible care space in response

to external disasters, including pandemics. In response to the COVID-19 pandemic, for example, UI Health was required to stand up temporary space to triage an influx of patients so they could be directed to the appropriate care unit. Locating the new CDU within the Emergency Department will provide permanent access to highly flexible care space, which will enhance UI Health's ability to respond to a myriad of patient surge situations.

The second component of this project is a 46,000 square foot renovation of the existing hospital CDU space. The renovation is focused on the expansion and modernization of UI Health space dedicated to cancer care. The outpatient portion of the project will create a multi-specialty Cancer Care Center that will bring patients, providers, and researchers together in a convenient location. The project will provide a renovation and addition of inpatient oncology beds that will connect clinical trials and research areas. The renovation and expansion of UI Health's cancer care will enable UI Health's continued efforts to address the cancer health inequities in our communities while supporting access to innovative cancer care, arising from our "community to bench" approach.

Construction costs are \$31,000,000 for the CDU addition and \$34,000,000 for the hospital renovation related to cancer care, for a total requested from the state of \$65,000,000.

INNOVATION AND WORKFORCE DEVELOPMENT

BROOKENS BUILDING REMODEL – \$33,000,000 – SPRINGFIELD



Requested Funds: State \$33M Renovation of 120,000 square feet

With funding appropriated in the last capital bill to build a new Library, Learning, and Student Success Center, it will be necessary to renovate and reinvent the 120,000 square feet of interior space in the existing Brookens Library Building. The Brookens Building was constructed in 1975 as the first major permanent building on campus. The building's deficits include a confusing physical layout; an inefficient window system that creates uncomfortable cold and hot spaces; poor lighting system; severe acoustic problems; worn and outdated finishes and furnishings; and inaccessible spaces. A large portion of deferred maintenance will be addressed with this remodel.

The repurposing of the Brookens Building centralizes several critical student, faculty, and staff resources. These resources include the Online, Professional, and Engaged Learning (OPEL) program, which promotes learning through initiatives in four departments: the Center for Online Learning, Research, and Service (COLRS), the Office of Engaged Learning (OEL), the Continuing and Professional Education (CAPE) program, and the Faculty Development Resource Office (FDRO). Several key student services will be

moved and centralized in the building, including: Health Services, Counseling Services, the Office of Disability Services, the Office of International Student Services, and the Intercultural Center. In addition, the university's Human Resources office, several departments of the Office of Business and Financial Services, and an expansion of the Center for Lincoln Studies, will reside in the building. Other improvements include the ability to provide better temperature control to all spaces in the facility and improve wayfinding in the facility. Renovation of the HVAC and mechanical systems will allow the university to dramatically improve the energy efficiency of the facility in addition to providing optimal humidity and climate controls that are required.

This project aspires to achieve U.S. Green Building Council LEED Gold certification with HVAC, plumbing, lighting, fire suppression, electrical, and building envelope modernizations. This project also enables the demolition of temporary facilities that were constructed in the early 1970's when the university was established. The \$33,000,000 renovation of the Brookens Building will rehabilitate the building into a state-of-the-art learning center, extending the life of the facility and enhancing the building's presence on the UIS quadrangle.

APPENDIX III

LIBRARY RENOVATIONS AND UPGRADES



- **Library/Digital Learning Center Upgrades**

LIBRARY RENOVATIONS AND UPGRADES

LIBRARY/DIGITAL LEARNING CENTER UPGRADES – \$234,000,000



Requested Funds: State \$234M
Urbana-Champaign Main Library \$100M
Chicago Daley Library \$134M
State-wide Participation from U of I

- Account for over 22% of loans
- Provide over 53% of unique titles
- Over 30% of library record counts

Urbana-Champaign:

Since the founding of the University, the Library has been a catalyst for University of Illinois scholarship and innovation. With this remodel, the university has a unique opportunity to create a new model of the research library, one that actively fosters engagement with grand challenges that transcend disciplinary boundaries and leverages access to enduring historical collections. The project will demolish five of the existing six stacks, the majority of which are 60 years old or older; the sixth stack will be retained because its capacity and conditions have been modernized and offer a substantially better environment for older printed materials. Several special collections and archival materials currently located in the library will be relocated to the Undergrad Library and Oak Street High Density Storage Facility, which is environmentally designed for proper storage of print materials. The main library will still hold over 3 million volumes on site, mostly focused on the humanities and social sciences. The new five-story infill at approximately 100,000 square feet would serve as an interdisciplinary hub for the arts, humanities, and social sciences such as psychology, sociology, and economics. The addition will allow for current and future interdisciplinary collaborative research spaces and departmental libraries, learning spaces, and interactive presentation spaces with large format, visual walls that will help enhance the educational experience and create a



research hub for the humanities and social sciences. The project will be constructed in phases so that the library can remain open to serve patrons. The total project amount is \$250,000,000, with the portion requested from the state in the amount of \$100,000,000.

Chicago:

An addition of roughly 120,000 square feet to the Richard J. Daley Library will supplement student academic life through the inclusion of a new information commons, an auditorium, a large cafe, a winter garden, and a temporary exhibit space. A central atrium will allow natural light deep into the building and provide a visual connection to the upper floors. A new 200-seat auditorium will provide a public meeting venue to offer programs, lectures, performances, readings, and other events related to library and campus interests. To promote 24/7 campus life, a larger café with food prep areas and seating will be central to the ground floor. To create spaces that promote learning, research, and collaboration, the third floor will include a double height reading room, large group meeting spaces, and small group meeting rooms. Renovation of the existing spaces in the library will also be accommodated with this project. \$134,000,000 is requested from the state for this project.