

Approved by the Board of Trustees
November 12, 2020

Board Meeting
November 12, 2020

ROLL CALL

APPROVE REQUESTS FOR OPERATING AND CAPITAL APPROPRIATIONS, FISCAL YEAR 2022

Action: Approve Fiscal Year 2022 Operating and Capital Budget Requests

Funding: Incremental State Operating and Capital Appropriations

Requests for additional funding from the state for incremental operating funds and new capital appropriations for the University of Illinois System for the fiscal year commencing July 1, 2021, are presented for action by the Board of Trustees. Following Board approval, these requests will be submitted to the Illinois Board of Higher Education for review. The accompanying tables summarize the major elements of each request, and the document, *Fiscal Year 2022 Budget Request for Operating and Capital Funds*, provides detailed descriptions of each program and project included in the request.

The Fiscal Year 2022 Operating Budget Request is outlined in Table 1. The University seeks \$51.4 million in new funds, an increase of 8.3 percent in state appropriations. The additional funding will allow the University to maintain its academic competitiveness, continue to provide world-class education to Illinois students, prepare the next generation of leaders, and support the state's economic development. The Fiscal

Year 2022 request focuses on our need to provide additional scholarships to resident undergraduate students, to increase the number of faculty to respond to growing enrollment demands, and to maintain salary competitiveness for faculty and staff. The request also continues prior efforts to secure resources to meet targeted operating cost increases. The request presents the most urgent funding needs confronting the University.

The Fiscal Year 2022 capital budget request, as displayed in Table 2, identifies the University's most crucial and strategic capital priorities. These priorities directly support the University's goals outlined in our Strategic Framework document and they focus on fostering innovation and workforce development. Together, these projects represent an investment of \$602.3 million, devoted to preserving and enhancing facilities already in place on the university campuses as well as supporting critically important new initiatives. Upgrades to existing facilities comprise 34 percent of the total funds requested; this amount is in line with the Illinois Board of Higher Education's recommendation that universities should annually request an investment of at least two percent of the replacement cost of state-supported facilities for repair and renovation. Additionally, three new projects that are designated as the highest priority in each university's capital plan are requested. These projects will enhance our innovation ecosystem at the universities as well as support workforce development related to STEM and healthcare. Finally, funding is requested for renovation and expansion of existing libraries at Urbana-Champaign and Chicago, which serve as crucial digital, collaborative learning spaces for students. Overall, the capital request underscores the importance the

U of I System places on maintaining and extending the institution's physical infrastructure needed for academic programs.

Together, the operating and capital requests reflect the system's highest priority budget needs, focusing on our missions of education, research, public service, and economic development. These requests are consistent with the priorities set forth in the University of Illinois System's Strategic Framework.

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

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

The President of the University concurs.

Table 1
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>

Table 2
 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 & Upgrades				
A. Library/Digital Learning Center Upgrades	100,000	134,000		234,000
Total Request	\$278,401	\$284,456	\$39,395	\$602,252