

MEETING OF THE GOVERNANCE, PERSONNEL, AND ETHICS COMMITTEE
OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

JULY 16, 2025

This meeting of the Governance, Personnel, and Ethics Committee of the Board of Trustees of the University of Illinois was held in the Isadore and Sadie Dorin Forum, Rooms D, E, and F, 725 West Roosevelt Road, Chicago, Illinois, on Wednesday, July 16, 2025, beginning at 2:01 p.m.

Trustee Joseph Gutman, chair of the committee, convened the meeting and asked the secretary to call the roll. The following committee members were present: Ms. J. Carolyn Blackwell, Ms. Tami Craig Schilling, Mr. Joseph Gutman, Dr. Suzet M. McKinney, and Mr. Wilbur C. Milhouse III.¹ Mr. Ramón Cepeda; Ms. Sarah C. Phalen; Mr. Jesse H. Ruiz; Dr. Bryan S. Traubert; Ms. Ariana A. Mizan, voting student trustee, Urbana; Mr. Quinn S. Basta, student trustee, Chicago; and Mr. Joe Humphrey, student trustee, Springfield, attended as guests.

Also present were Mr. Lester H. McKeever Jr., treasurer; President Timothy L. Killeen; Dr. Nicholas P. Jones, executive vice president and vice president for academic affairs; Dr. Charles L. Isbell Jr., chancellor designate, University of Illinois Urbana-Champaign, and vice president designate, University of Illinois System; Dr.

¹ Mr. Milhouse attended via remote videoconference.

Marie Lynn Miranda, chancellor, University of Illinois Chicago, and vice president, University of Illinois System; Dr. Janet L. Gooch, chancellor, University of Illinois Springfield, and vice president, University of Illinois System; Dr. Paul N. Ellinger, comptroller (and vice president/chief financial officer); Ms. Adrienne Nazon, vice president of external relations and communications; Mr. Scott E. Rice, University counsel; and Dr. Jeffrey A. Stein, secretary of the Board of Trustees and of the University.

Mr. Gutman asked if there were any comments or questions regarding the minutes from the meeting that was held on May 21, 2025, and there were none. On motion of Ms. Blackwell, seconded by Mr. Basta, the minutes were approved. There were no “nay” votes.

REVIEW OF RECOMMENDED BOARD ITEMS
FOR THE MEETING OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF ILLINOIS ON JULY 17, 2025

Mr. Gutman introduced the recommended items within the purview of this committee on the Board’s agenda at its meeting on July 17, 2025. All recommended items discussed at the meeting are on file with the secretary.

Appointments to the Faculty, Administrative/Professional Staff,
and Intercollegiate Athletic Staff

Mr. Gutman asked Dr. Stein to comment on the recommended appointments to the faculty, administrative/professional staff, and intercollegiate athletic staff. Dr. Stein

explained that the appointments recommended in this item are thoroughly reviewed at the appropriate levels within the college, department, and unit, and he asked that members of the committee contact him with any questions.

Appoint Member to the University of Illinois Research Park, LLC,
Board of Managers, Urbana

Mr. Gutman asked Dr. John Coleman, executive vice chancellor for academic affairs and provost, University of Illinois Urbana-Champaign, to discuss the recommendation to appoint Dr. Germán Bollero, dean, College of Agricultural, Consumer, and Environmental Sciences, as a voting member to the University of Illinois Research Park, LLC, Board of Managers. Dr. Coleman stated that Dr. Bollero would fill the vacancy left by Dr. Kimberlee K. Kidwell, whose term would expire in 2025. Dr. Coleman described Dr. Bollero's background and experience, as well as the rationale for the appointment.

Appoint Vice Chancellor for Finance and Administration, Springfield

Mr. Gutman then asked Dr. Gooch to report on the recommendation to appoint Ms. Jill S. Wilberg as vice chancellor for finance and administration at the University of Illinois Springfield. Dr. Gooch described Ms. Wilberg's background and experience and said she will succeed Dr. Kenneth Kriz, who has served in the interim role since May 2023 and will return to his faculty role.

There were no objections to these items being forwarded to the full Board for approval.

PRESENTATIONS

Enterprise Risk Management Annual Report

Mr. Gutman asked Mr. Joe Barnes, chief digital risk officer, University of Illinois System, to give the Enterprise Risk Management (ERM) annual report (materials on file with the secretary). Mr. Barnes stated that ERM is the process of identifying, evaluating, and responding to potential risks and opportunities, and he listed the members of the System Executive Risk Management Council, which he said comes to a consensus on the identification of key enterprise risk areas. He shared key enterprise risk areas, which he said are reviewed annually, and stated that one or two areas of focus are selected each academic year.

Mr. Barnes reported that the risk counsel selected data strategy and the deferred maintenance backlog for their Fiscal Year 2024 agenda. He then discussed the data strategy goal and described the work of a task force focused on student data and innovation, information privacy, governance for institutional academic data, and technology operations. Mr. Barnes said the task force produced a plan summary with six goals and actions approved by the risk council, which he shared with the committee.

Mr. Barnes then discussed deferred maintenance and said a System-wide deferred maintenance and building renewal task force was established with the goal of

developing a comprehensive funding and prioritization strategy to address deferred maintenance and building renewal across the University System. He said the resulting report was presented to the risk council in Fiscal Year 2025, and he told the committee that a facility condition assessment is being conducted to inform task force recommendations and project prioritization, adding that this work will continue into Fiscal Year 2026.

Mr. Barnes listed focus areas for Fiscal Year 2025, which he said include leveraging Artificial Intelligence (AI) as a strategic differentiator, enhancing the workforce experience, and improving System-wide crisis communications. He described the role of the University of Illinois System AI Exchange, a System-wide advisory group that was formed in Spring 2025 that connects and coordinates existing AI efforts across the System.

Mr. Barnes said efforts related to enhancing the workforce experience focus on the critical importance of prioritizing employee well-being. He said this underscores the need to enhance employee education and retirement planning and examines administrative challenges posed by unfunded mandates. Mr. Barnes stated that the project to enhance the candidate and employee experience began in February 2025 and is expected to be complete in June 2026. He said a task force has been established to improve System-wide crisis communication and create a crisis communication guide, which is expected to be completed later this year.

Mr. Barnes then discussed the annual risk assessment process, which he said is comprised of a risk register update, executive interviews, and a risk stakeholders survey. He noted that this year's responses were significantly impacted by several federal executive orders and administrative actions. Mr. Barnes discussed aspects of each component of risk assessment, and he shared high-level results of the interviews and surveys. He listed the top six possible action steps for leadership, noting that many are already in progress.

Mr. Barnes concluded his presentation and commented on the positive outcomes of the ERM program. Discussion followed regarding deferred maintenance, and Dr. Ellinger referred to the assessment that is underway, stating that the results should be available in two weeks. President Killeen stated that the total deferred maintenance cost is likely more than \$2.0 billion. Dr. Traubert and Dr. Ellinger then discussed the release of State appropriated funds. Ms. Craig Schilling expressed appreciation for the focus on AI, and she and Mr. Barnes discussed the phrasing of emerging risks from the stakeholder survey, as well as the identification of AI and emerging technologies as an emerging risk at Chicago, Springfield, and the System Offices. Dr. Miranda clarified that the survey asks participants to identify preparedness and risk rather than areas of importance. Ms. Craig Schilling asked if Board members could see the definitions of risks listed in the survey, and Mr. Barnes stated that this could be made available to trustees. President Killeen added that the risk management council discusses and selects two or three issues to address through a deliberative process, noting

that he welcomes trustee input. Mr. Barnes told the Board that his presentation highlighted 18 key risks and stated that 173 other risks are being monitored. Mr. Milhouse asked if buildings associated with organizations such as the Prairie Research Institute are included in the deferred maintenance numbers, and Dr. Ellinger confirmed that they are. Dr. Ellinger stated that the task force would aim to develop a process for prioritizing, funding, and delivering projects. Mr. Gutman expressed an interest in learning more about specific risks associated with AI, federal funding, and general financial issues, and Dr. Miranda stated that it would be helpful to include a discussion of AI risks within the context of the healthcare system.

REVIEW OF RECOMMENDED BOARD ITEMS
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Appoint Vice Chancellor for Finance, Urbana

Next, Mr. Gutman asked Dr. Coleman to discuss the recommendation to appoint Dr. Aimee Susan Heeter, currently vice provost for finance and administration at Indiana University Bloomington, as vice chancellor for finance at the University of Illinois Urbana-Champaign. Dr. Coleman described Dr. Heeter's background and experience and highlighted her most recent role at Indiana University of Bloomington, her unwavering focus on the mission of the university, and her efforts to successfully identify and secure more than \$130.0 million in financial aid and merit-based scholarships. He said her success at Indiana University demonstrates her ability to bridge the gap between financial

strategy and academic priorities and said he is confident that she will be a transformative leader. Dr. Coleman added that she has worked in every level of finance and has a deep understanding of all levels of finance at a university.

There were no objections to this item being forwarded to the full Board for approval.

PRESENTATIONS

Legislative Update

Mr. Gutman asked Ms. Jennifer M. Creasey, assistant vice president, external and state relations, and Mr. Paul Weinberger, assistant vice president, federal relations, to give a legislative update.

Ms. Creasey referred to the end of the spring session and said Governor J. B. Pritzker's administration continues to prioritize education, higher education, workforce development, and infrastructure. She reported that the Office of External Relations and Communications engaged on more than 400 bills impacting higher education, and she said the Fiscal Year 2026 budget included a 1 percent increase in operating funds totaling \$726.9 million. Ms. Creasey discussed opposition to the State's proposed equitable funding formula, which she said would disproportionately shift potential cuts to the University System, and said an extraordinary advocacy campaign successfully stopped the legislation. She said changes to all bills initially opposed were successfully negotiated, and she told the Board that advocacy efforts continue to focus on

promoting a mission-sensitive funding model that supports institutions serving high-need populations while recognizing the statewide impact and contributions of a comprehensive public research university system. Ms. Creasey then remarked on efforts to build influence in Chicago and said the University of Illinois System Caucus of Chicago was launched on June 25, 2025. She gave a summary of the conversations that took place at the event and said it is part of a broader strategy to leverage alumni, civic leaders, and institutional partnerships to solidify the System's role as an indispensable driver of opportunity and progress. Ms. Creasey told the Board that the veto session is scheduled for October 14-16 and October 28-30. She reminded the Board to save the dates for the upcoming University of Illinois System leadership state tour, taking place on October 6-10, and she described plans and goals for this year's tour.

Ms. Creasey concluded her remarks, and Ms. Craig Schilling asked about the proposed equitable funding formula and next steps, as well as feedback from legislators on the amount, volume, and type of outreach that occurred. Ms. Creasey referred to impressive outreach, stating that more than 6,000 witness slips were filled out to oppose legislation. She said legislators witnessed and commented on the volume of outreach opposing the proposed equitable funding legislation. Ms. Creasey referred to next steps and expressed uncertainty, noting that budget constraints and potential federal implications would be considered. She also acknowledged the advocacy efforts of the University of Illinois Caucus. Mr. Gutman requested education or talking points that would help trustees who are engaging in discussions on this topic over the coming

months. Ms. Creasey said these could be provided and expressed appreciation for the support and advocacy from trustees.

Mr. Weinberger reported on federal relations and discussed the reconciliation bill that was recently signed into law, stating it has significant implications for the System's students, universities, patients, and healthcare system. He gave some background on the legislation, its history, and its cost, and he described extensive advocacy efforts on behalf of the University System. Mr. Weinberger listed some provisions that would have negatively impacted the University that were not included in the final bill. He then discussed aspects of the bill that will impact the University System, including limits and changes to federal student loans; cuts to healthcare spending and changes to Medicaid; and elimination of the SNAP education program. He said there are some positive provisions of the bill, including funding for agriculture research infrastructure. He stated that there will be challenges for the University System going forward.

Mr. Weinberger stated that while the reconciliation bill addresses taxes and mandatory spending, it does not address discretionary spending, which is determined by Congress through the annual appropriations process. He said the Fiscal Year 2026 congressional appropriations process is underway and told the Board that half the bills that have been released have not reflected the extremely steep cuts proposed by the president, adding that there is no agreement yet on overall spending levels. Mr. Weinberger said it was likely that Congress would pass a \$9.4 billion recissions package,

which he said reflects a worrisome trend. He discussed the potential impacts of the recissions package on the University System and said that while it targets foreign aid, an amendment would exempt a USAID program, Feed the Future Innovation Labs, which funds the Soybean Innovation Lab at Urbana. Mr. Weinberger said the bill would eliminate two years' worth of funding for public media, which would be a 20 percent reduction in the Illinois Public Media budget at Urbana and a 12 percent reduction in the WUIS budget at Springfield. He referred to advocacy efforts of Illinois Connection and said they supported a call to action to oppose the cuts to public media. He expressed concern that a government shutdown may be ahead. Mr. Weinberger concluded his remarks by stating that the University's faculty and administrators are present and in demand in Washington, D.C., and he gave examples of testimony at congressional briefings and events.

Mr. Basta referred to the implications of professional and graduate students seeking loans in the private market and advocated for increased financial advising. Mr. Weinberger stated that there are some legal limitations regarding universities' ability to provide this type of guidance. Dr. Miranda stated that conversations are underway regarding these issues and said that there are some ways of providing guidance that are within statutory confines, including the use of online tools that students could use to calculate the impact of loan amounts and interest rates. She referred to the diversity of students enrolled in professional healthcare programs at the university, noting that the College of Medicine and College of Dentistry are some of the most diverse in the

country, and said many of these students rely on loans to fund their education. Dr. Miranda said the university is working on a plan to support these students, and she added that these changes do not take effect this academic year. President Killeen referred to uncertainty surrounding federal funding and said principal investigators do not know the number of graduate students they will be able to take on, stating that these potential missed opportunities are a cause for great concern. Mr. Gutman asked if trustees could receive a monthly summary of federal issues and their financial impact. President Killeen stated that this type of report is provided to the governor's office and said it could also be shared with trustees. Dr. Ellinger added that a group is being convened to report on the financial impact, with representation from each university. Dr. Gutman stated this would also be helpful, and he asked that trustees be notified if there are specific legislators that should be contacted regarding issues on the docket.

Discussion concluded, and Mr. Gutman recognized Dr. Isbell. He welcomed him and said he is looking forward to working with him. This was followed by a round of applause.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

Mr. Gutman asked if there was new business to discuss, and there was none. He announced that the next meeting is scheduled for September 17, 2025, at 1:30 p.m., in Urbana.

MEETING ADJOURNED

Mr. Gutman then asked for a motion to adjourn the meeting. On motion of Ms. Craig Schilling, seconded by Mr. Basta, the meeting adjourned at 2:54 p.m. There were no “nay” votes.

Respectfully submitted,

JEFFREY A. STEIN
Secretary

JOSEPH GUTMAN
Chair

EILEEN B. CABLE
Special Assistant to the Secretary