

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

MAY 21, 2025

This meeting of the Governance, Personnel, and Ethics Committee of the Board of Trustees of the University of Illinois was held in the I Hotel and Conference Center, Heritage Hall, 1901 South First Street, Champaign, Illinois, on Wednesday, May 21, 2025, beginning at 12:18 p.m.

Trustee Jesse H. Ruiz, vice 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,¹ Mr. Wilbur C. Milhouse III, Mr. Jesse H. Ruiz, Mr. Ramón Cepeda; Dr. Bryan S. Traubert; Mr. Quinn S. Basta, student trustee, Chicago; and Mr. Christian Johnson, 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. Robert J. Jones, chancellor, University of Illinois Urbana-Champaign, and vice president, University of Illinois System; Dr. Marie Lynn Miranda, chancellor, University of Illinois Chicago, and vice president, University of Illinois

¹ Mr. Gutman attended via remote videoconference.

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); Dr. Joseph T. Walsh Jr., vice president for economic development and innovation; 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. Ruiz asked if there were any comments or questions regarding the minutes from the meeting that was held on March 19, 2025, and there were none. On motion of Ms. Craig Schilling, seconded by Mr. Milhouse, 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 MAY 22, 2025

Mr. Ruiz introduced the recommended items within the purview of this committee on the Board’s agenda at its meeting on May 22, 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. Ruiz 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.

Amend Bylaws of the Board of Trustees

Dr. Stein then discussed the recommendation to amend the *Bylaws of the Board of Trustees*. He outlined the proposed changes, which pertain to Article IV, Section 9, and Article IV, Section 10. He said other minimal proposed changes would provide clarity and alignment with current practices. Dr. Stein recognized Ms. Marla J. Todd, assistant secretary, Office of the Board of Trustees, and Ms. Rhonda R. Perry, deputy University counsel, for their work on the project that led to this recommendation.

Reappoint Chief Internal Auditor

Mr. Ruiz asked Dr. Ellinger to report on the recommendation to reappoint a chief internal auditor. Dr. Ellinger reviewed key provisions of the Fiscal Control and Internal Auditing Act, specifically as they relate to the role and protections of the chief internal auditor of state universities. He said this recommendation would reappoint Ms. Julie A. Zemaitis, executive director of the Office of University Audits, for a five-year term as chief internal auditor, beginning on July 1, 2025. Dr. Ellinger informed the committee that Ms. Zemaitis has served as executive director of the Office of Internal Audits since 2005. He said her current five-year appointment was approved by the Board in May 2020 and expires June 30, 2025. He said she continues to meet all the qualifications required under

the Fiscal Control and Internal Auditing Act and said that as outlined in the *General Rules*, academic professional appointments exceeding one year require Board approval.

Approve Minutes of the Board of Trustees as the Sole Member of
Prairieland Energy, Inc., Meeting

Mr. Ruiz asked Mr. Mike Wilson, assistant vice president, capital programs and utility services, University of Illinois System, to provide information regarding the recommendation to approve the minutes of the meeting of the Board of Trustees as the sole member of Prairieland Energy, Inc. Mr. Wilson stated that the Board of Trustees of the University of Illinois as the sole member of Prairieland Energy, Inc. met on November 14, 2024. He said they approved minutes and appointed directors at that meeting, and he said the November 14, 2024, minutes reflect that meeting.

Appoint Director, Prairieland Energy, Inc.

Mr. Wilson then reported on the recommendation to appoint Mr. Phillip McCarthy, associate controller for the University of Illinois, as a director to the Prairieland board. He said Mr. McCarthy would replace Ms. Joda Morton, who recently retired from her role as the director of enterprise risk management for the University of Illinois System after more than 20 years of service. Mr. Wilson expressed appreciation for Ms. Morton's service to the University and the Prairieland board.

Appoint Members to the Athletic Board, Urbana

Mr. Ruiz then asked Dr. Robert Jones to discuss the recommendation to appoint members to the Athletic Board at Urbana. Dr. Jones described the role of the Athletic Board and listed the members being recommended for appointment.

Amend Multiyear Contract with Head Varsity Coach, Men's Basketball,
Division of Intercollegiate Athletics, Urbana

Dr. Robert Jones reported on the recommendation to amend the multiyear contract with Mr. Bradley Underwood, head varsity coach, men's basketball, Division of Intercollegiate Athletics, Urbana. He referred to the stability and sustained success of the university's athletic programs and highlighted the consistent success of the men's basketball team. Dr. Jones gave an overview of the proposed contract, which he said restructures a portion of Mr. Underwood's compensation to support base salary stability and predictability and shifts a significant portion of the total contract value from the base salary to retention and longevity incentive payments. He said it would extend the contract term through 2031 with the option to extend through 2035 if specific targeted accomplishments are achieved. Dr. Jones told the committee that the annual value of the proposed contract is \$6.17 million dollars, including incentives, noting that it contains strong protective language for the university in case of termination. Dr. Jones said the proposed contract is consistent with the marketplace and rewards Mr. Underwood for his success. He said this contract would make Mr. Underwood the eighth highest paid men's

basketball coach among public universities and the second highest among Big Ten coaches.

Amend Multiyear Contract with Head Varsity Coach, Football,
Division of Intercollegiate Athletics, Urbana

Dr. Robert Jones then discussed the recommendation to amend the multiyear contract with Mr. Bret Arnold Bielema, head varsity coach, football, Division of Intercollegiate Athletics, Urbana. He stated that the past football season was one of the best in program history and said that the next season should be similar because nearly all players are returning. He described Mr. Bielema's focus on retention and said this is unique among peers. Dr. Jones gave an overview of the proposed contract, which he said was based on significant research, and said the intention was to stabilize the base salary. He told the committee that more compensation was shifted to incentive compensation, and that meaningful deferred compensation was also included. Dr. Jones said there was strong protection for the university in case of termination or early departure. He stated that Mr. Bielema's contract, like that of Mr. Underwood, includes strong terms related to termination for cause, noting that the assumption and hope is that this would never need to be executed. Dr. Jones said the proposed contract for Mr. Bielema has an average annual value of \$8.87 million, with 12 percent of total contract value in the form of retention and longevity incentives. He told the committee that this would place Mr. Bielema as the 18th highest paid football coach among public universities and the seventh highest among Big Ten universities.

Dr. Jones then discussed the financial impact these coaches have made through their successful programs, stating that game ticket revenue for the 2024-2025 basketball season was \$7.89 million, which surpassed the previous season by 9.5 percent. He said that a successful program results in increased ticket sales, drives fan behavior, and leads to significant increases in applications to the university. He added that the basketball and football programs are self-supporting through the revenue those programs generate. Dr. Jones concluded his remarks by expressing pride in the work these coaches have done to advance the reputation and impact of the university.

Mr. Ruiz thanked Dr. Jones for the information and invited trustees to ask questions. Mr. Johnson inquired about the impact of successful athletic programs on enrollment, and Dr. Jones stated that while he could not cite a specific percentage, it does have a significant impact. He said first-year students often mention the success of the athletics programs when asked why they enrolled at the university.

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

PRESENTATIONS

Ethics and Compliance Annual Update

Next, Mr. Ruiz asked Ms. Melissa Mlynski, chief ethics and compliance officer, University of Illinois System, to give a compliance update. Ms. Mlynski gave a

presentation (materials on file with the secretary) on the 2024 annual report and showed the Ethics and Compliance Office organizational chart. She shared the mission statement and listed significant accomplishments from 2024, including the review or investigation of 109 cases; training of existing staff and new hires; review and filing of 9,727 Statements of Economic Interest; efforts related to the compliance program; and significant staffing changes. Ms. Mlynski provided details about each area, and Mr. Ruiz asked if she personally reviewed each Statement of Economic Interest. Ms. Mlynski indicated that she did, stating that this is a requirement from the Secretary of State. She told Mr. Ruiz that statements indicating no disclosures can be automatically approved, which saves time, noting that she does have to review and potentially approve all disclosures. Ms. Mlynski and Mr. Ruiz discussed the workload associated with this process. Brief discussion followed regarding opportunities to utilize artificial intelligence and the role and responsibility of the chief ethics and compliance officer. Mr. Ruiz thanked her for the presentation and for her work.

Legislative Update

Mr. Ruiz 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 critical priorities, including proposed public university funding and the Fiscal Year 2026 budget, and said the primary concern is

Senate Bill 13 and House Bill 1581, which propose a new funding formula for public universities in Illinois. She said that this model would cause long-term harm to the University of Illinois System and the students and communities it serves, stating that the formula would allocate only 20 percent of any new funding for higher education to the University System, even though it enrolls 53 percent of all public university students and 45 percent of Pell eligible students in Illinois. Ms. Creasey told the committee that the proposed formula does not incorporate student outcomes, such as graduation and retention rates, and does not consider the cost and scale of the University System's research enterprise, graduate programs, and public service efforts. Ms. Creasey described the implications of the formula on current funding levels. She stated that Dr. Nicholas Jones and Dr. Robert Jones testified in opposition to Senate Bill 13 on April 30 and indicated that their testimony was understood and well received by members of the Senate Executive Committee. She referred to a System-wide advocacy effort and said an alumni call-to-action will be issued if the legislation advances.

Ms. Creasey then discussed the Fiscal Year 2026 State budget and said President Killeen and the three chancellors testified before the House and Senate appropriations committees, making a strong case for sustained investment in the University System. She said their testimony was well received and emphasized the University System's statewide economic impact; role in expanding access; and the critical importance of maintaining stability and funding to support workforce development, innovation, and affordability. Ms. Creasey gave examples of advocacy

events, including a statewide virtual townhall on May 6 that drew more than 700 attendees, including staff, faculty, students, alumni, and external stakeholders from across the state.

Mr. Weinberger reported on federal relations and referred to challenges facing the University System. He discussed issues pertaining to federal support for research, stating that it is unclear whether federal agencies will spend the money Congress appropriated for various research programs. He said there are also disruptions caused by reorganizations and personnel departures at federal agencies, including the National Institutes of Health and the National Science Foundation. Mr. Weinberger referred to proposed cuts to domestic non-defense spending in the federal Fiscal Year 2026 budget. Next, he discussed a tax and spending bill being considered by the House that would negatively impact student aid, healthcare, and Medicaid and would eliminate the Supplemental Nutrition Assistance Program (SNAP) education program. He explained that SNAP provides support for nutrition education and food access across the country and is operated statewide by the University in Illinois. He said the bill would also impose new taxes on universities and nonprofit organizations. Mr. Weinberger described the University's response to the bill and said President Killeen wrote a letter signed by the presidents at Illinois public universities expressing their concerns. He referred to additional advocacy efforts, including a call-to-action issued by Illinois Connection. Lastly, Mr. Weinberger informed the committee that Senator Dick Durbin and U.S.

Representative Jan Schakowsky, who he said are both friends to the University, will be retiring.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

Mr. Ruiz asked if there was new business to discuss, and there was none. He announced that the next meeting is scheduled for July 16, 2025, at 1:30 p.m., in Chicago.

MOTION FOR EXECUTIVE SESSION

At 1:09 p.m., Mr. Ruiz stated: “A motion is now in order to convene an executive session to consider the following topic as permitted under Section 2(c) of the Illinois Open Meetings Act: discussion of minutes of meetings lawfully closed under the Open Meetings Act (subsection 21).” On motion of Mr. Milhouse, seconded by Ms. Blackwell, the motion was approved. There were no “nay” votes.

EXECUTIVE SESSION

Material redacted pursuant to the Illinois Open Meetings Act (5 ILCS 120/2.06d)

EXECUTIVE SESSION ADJOURNED

With no additional questions or comments, the executive session ended at 1:12 p.m.

REGULAR MEETING RESUMED

The meeting resumed at 1:13 p.m., with all committee members recorded as being present at the start of the meeting in attendance. Mr. Ruiz stated that there was one agenda item requiring action by the committee, and Dr. Stein read aloud the title of the item, “Disclose Certain Minutes of Executive Sessions Pursuant to Open Meetings Act.” The committee agreed that one vote would be taken and considered the vote on the agenda item as listed below.

Disclose Certain Minutes of Executive Sessions Pursuant to Open Meetings Act

(1) Under the Open Meetings Act passed by the General Assembly, public bodies subject to the Act that conduct business under exceptions specified in the Act must, at least every six months, determine whether the need for confidentiality still exists with respect to each item considered under such exception. Pursuant to the Act, “[m]inutes of meetings closed to the public shall be available only after the public body determines that it is no longer necessary to protect the public interest or the privacy of an individual by keeping them confidential...” [5 ILCS 120/2.06(f)].

A review of unreleased items from September 2010 to November 2024 has been conducted, and the previously withheld text noted below is recommended for release at this time.

The University counsel and the secretary of the Board, having consulted with appropriate University officers, recommend that the following matter considered in executive session for the time period indicated above be made available to the public at this time.

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

The president of the University of Illinois System concurs.

Executive Session Minutes Released to Public

November 13, 2024, Governance, Personnel, and Ethics Committee Meeting

Mr. Ruiz convened the executive session at 2:29 p.m. All trustees that were listed as being present at the start of the meeting were in attendance. The following were also in attendance: Mr. Lester H. McKeever Jr., treasurer; President Timothy L. Killeen; Dr. Nicholas P. Jones, executive vice president and vice president for academic affairs; Dr. Paul N. Ellinger, comptroller and vice president/chief financial officer; Mr. Scott Rice,

University counsel; Dr. Jeffrey A. Stein, secretary of the Board of Trustees and of the University.

Discussion of Minutes of Meetings Lawfully Closed Under the Open Meetings Act

Mr. Ruiz asked Dr. Stein and Mr. Rice to discuss minutes sequestered under the Open Meetings Act. Dr. Stein stated that each public body subject to the Open Meetings Act shall, at least every six months, meet to review the minutes of all closed meetings. He said that he and Mr. Rice reviewed such minutes and recommend the release of minutes from May 15, 2024, which pertain to the semiannual review that took place at that time. Mr. Rice reiterated that this is a review required under the Open Meetings Act, and he listed the primary topics of sequestered minutes from Governance, Personnel, and Ethics Committee meetings. There were no comments or questions regarding this process.

On motion of Ms. Blackwell, seconded by Mr. Gutman, this recommendation was approved. There were no “nay” votes.

MEETING ADJOURNED

Mr. Ruiz then asked for a motion to adjourn the meeting. On motion of Ms. Craig Schilling, seconded by Mr. Milhouse, the meeting adjourned at 1:14 p.m. There were no “nay” votes.

Respectfully submitted,

JEFFREY A. STEIN
Secretary

JESSE H. RUIZ
Vice Chair

EILEEN B. CABLE
Special Assistant to the Secretary