**Joint meeting with Administrative Affairs and Budget Committee and the**

**Planning and Finance Committee**

**Meeting Minutes**

**Wednesday, September 25, 2024, 6:00 pm**

***Founder’s Suite, conference side***

**Call to Order 6:00 pm**

**Public Comment:** DrKeith Pluymers, Department of History

Dr Pluymers spoke of the President’s recent communications regarding the University’s fiscal outlook.

1. **Presentation of FY2025 Operating Budget and FY2026 Operating and Capital Appropriation Requests,** Dan Petree, Interim Vice President for Finance and Planning

AABC Chair Cline welcomed Interim VP Petree for this annual presentation, jointly presented to AABC and PFC members.

* Petree presented information shared from a slide deck. He began by stating that the Dr Pluymers’ public comment referred to past financial data and that Petree would share current and future projections highlighting the concerns from the President’s recent messages.
* Petree shared that higher education is a “mature market.” In the United States, there is likely all the universities and colleges there is a need for, and given the market, there are probably more universities than what the U.S. needs. He presented a slide with images of news stories serving as evidence for the struggling condition of universities nationwide. He highlighted the sad state of Western Illinois University and the eminent enrollment cliff that will affect higher education. It is Illinois State University’s goal to be among those universities that can withstand the upcoming challenges.
* He spoke of the external factors we are reacting to, and the internal factors we have more control over.
* Petree shared statistics:
	+ Illinois State University is receiving about the same amount of funding from the State of Illinois that we received in FY2005 ($79 million) that we are for FY2025 ($80 million); the numbers aren’t inflation adjusted.
	+ Illinois State University teaches 11% of students in Illinois’ public universities but receives only 6% of state appropriations. The support we receive from the State is roughly the equivalent to an enrollment of ~11,000–12,000 students.
	+ In FY2005, state appropriations provided 30% of the annual budget and tuition only provided 25%. In FY2025, tuition now funds 45% of the total budget and state appropriation only provides 14%.
	+ Unfunded state mandates are expensive. All Illinois universities are required to provide waivers for programs. The most expensive for the University is Teacher Special Education that costs the University nearly $6 million annually.
	+ Today’s students are receiving more financial aid than in the past. In the fall of 2009, it was an average of $305 and in the fall of 2024, it is $3,046.
	+ The current General Revenue Reserves totals ~$84 million and the Bond Revenue or Auxiliary Facilities System ***(***AFS) Reserves totals $160 million. From the GR, only ~$19 million from the total reserves is uncommitted. All of the AFS reserves are considered committed for repairs and maintenance.
	+ The enrollment cliff with Illinois high school graduation statistics will particularly affect the University because over 90% of the University’s students are from Illinois. We will have a more difficult challenge than other universities in the nation because the Midwest has fewer graduating students than other regions of the U.S.
	+ He shared the percentage change in enrollment count from the fall of 2023 to the fall of 2024 for public Illinois universities. Some examples:
		- Western Illinois University’s enrollment is 6,332 and decreased ~10%.
		- Illinois State University’s enrollment is 21,546 and increased 2.7%.
		- University of Illinois Urbana Champaign’s enrollment is ~60,000 and increased 4.7%.
	+ The University’s general fund expenses are increasing at a higher rate than general fund revenues – funds from tuition and state appropriations. Expenses are projected to come in higher than revenues if the University does not change.
* He referred to the President’s plan for the RISE (Resilience, Innovation, Sustainability, Excellence) Task Force.
* Petree addressed the FY26 Operating Appropriation Request and the FY26 Capital Appropriation Request to the State of Illinois.
	+ - * Pending the University’s Board of Trustee’s approval at the upcoming October meeting, the University is seeking an FY2026 Appropriation Operating request of ~$100 million. This is about $20 million more than we received from the State for FY2025. The increase represents requests for funding for unfunded mandates, increased financial aid, and support for engineering and nursing.
			* Pending the University’s Board of Trustee’s approval at the October meeting, we are seeking an FY2026 Capital request of $653 million. The FY26 request is similar to last year with a new STEM/Science Lab Building in the top spot. We are also asking for $40 million in deferred maintenance funds or capital renewal.

**Planning and Finance Committee Meeting Minutes**

**Wednesday, September 25, 2024, 7:10 pm**

***Spotlight Room***

**Public Comment** none

**Roll Call**

**Committee:**

[x]  Senator Blanco-Lobo, CAS Faculty

[x]  Senator Bonnell, MIL Faculty, PFC Chair

[x]  Senator Cottingham, Student Senator, Secretary

[x]  Dr. Cutting, Provost Designee (non-voting)

[x]  Senator Gaucin, Student Senator

[x]  Senator Godwyll, COE Faculty

[x]  Senator Gonzalez, Student Senator

[x]  AVP Hendrix, VPFP Designee (non-voting)

[x]  Senator Horst, WKCFA Faculty, Senate Chair

[ ]  Senator Lawson, CS Rep

[x]  Senator Leone, Student Senator

[x]  AVP Polifka, VP Student Affairs Designee (non-voting)

[x]  Senator Sankara, COB Faculty

**Guests:** Dan Taube, Chief Information Security Officer

**Public Comment:** none

1. **Approval of Committee Minutes from 9/11/2024**
2. **9.2 Appropriate Use Policy,** Dan Taube, Chief Information Security Officer

Planning and Finance Committee welcomed guest, Dan Taube, Chief Information Security Officer, who provided an overview of proposed changes covering the 9.2 Appropriate Use policy.

* Taube shared the policy was last approved by Academic Senate in 2011 and is out-of-date policy. It has not as been as effective given its date. He has needed to use his best judgement when considering use cases.
* Changes in the proposed policy reflect a major overhaul given the many changes in IT over the last thirteen years.
* The revisions were made by Taube and General Counsel.
* Switching to the policy’s name to “acceptable” rather than “appropriate” use is a strategic decision.

Committee members raised concerns in the proposed language:

* + It includes much stronger language for reporting violations;
	+ It seems an overreach in many areas;
	+ The protection of the University is more prevalent than protection for faculty, staff, and students;
	+ Language covering personal gain and its potential effect on students is concerning particularly perhaps with student athletes and potential Name Image Likeness (NIL) opportunities, and nuances with esports;
	+ The removal of the academic freedom in the policy;
	+ The expanded definition of information (including handwritten documents);
	+ The expansion of adherence to all applicable federal and state laws and University policies and procedures, to now also include guidelines.
	+ There was particular concern about software and use of personal devices on the University’s network. There was a need in finding the balance with purchasing licensing software given the already lengthy delays with approval for low-risk software, while still countering potentially malicious software. It was noted the University is at risk with some licenses and the need to protect personal identifiable information (examples of [Slido](https://www.slido.com/) and [Mentimeter](https://www.mentimeter.com/)).
	+ The question was raised of the possibility of referring to other relevant policies (such as 9.8 Information Security Program Policy) in 9.2.

Adjourned at 8:03 pm