UNIVERSITY OF ILLINOIS

FY 1993 BUDGET REQUEST FOR OPERATING AND CAPITAL FUNDS



PREPARED FOR PRESENTATION TO THE BOARD OF TRUSTEES SEPTEMBER 12, 1991

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PREFACE

The State of Illinois enjoyed no immunity from the recent recession that afflicted most states. A weakened economy, combined with State government expenditures that outpaced revenues created a budget crisis for the current year. Resource allocation decisions always present difficult choices, but the recently concluded legislative session was unusually difficult, as virtually every service of State government had to be cut back.

These forces had an impact on the University of Illinois. The University opens the new school year with \$7.8 million less in State support than last year, a reduction equal to some 1.3 percent. Tuition income is up slightly as a result of a five percent tuition increase. Nonetheless, the University faced the reality of scarce resources and realigned its budget in an attempt to address our highest priority needs, especially as they relate to covering unavoidable cost increases and meeting the needs of students.

Two years ago we began a four year, \$40 million program to retrench and reallocate resources toward our most important needs. In two years of that program we moved nearly \$30 million in reallocation; and as a result of steps taken this year we will have exceeded the \$40 million target, thus completing the four year program in three years. To those who ask, is the University able to make tough choices and tighten its belt to make ends meet—the answer is a loud yes. But the cut backs of the last three years make the budget request for next year—FY 1993—all the more important. We must have help in FY 1993 if we are to preserve the quality of the University of Illinois and serve our students and the people of Illinois as we should.

Despite these very tight fiscal times, there is reason for encouragement. The State did make permanent that portion of the temporary tax increase dedicated to education. This vote of confidence will bring at least some added measure of stability to our operations. Students enrolling on both of our campuses are among the best in the State and Nation and the reputation of our faculty and our academic programs remain strong. We remain a great University in spite of our financial stress; but we need help.

Our budget request for next year concentrates on strengthening the quality of our academic programs and retaining our top-quality faculty and staff members. Our needs can be stated very simply and directly:

- We need stability in State support.
- We must improve compensation if we are to retain the kind of faculty and staff who have made the University of Illinois a world-class institution.
- We must halt the continued erosion of our academic support base-especially our libraries.
- We must focus any new program resources on academic areas of greatest importance, such as improving undergraduate instruction, responding to enrollment pressures, and providing essential teaching and research equipment.
- We must maintain adequate physical facilities to house complex academic programs.

Having emerged from the current fiscal crisis, and with the prospect that the recession may be coming to an end, it is important that Illinois renew its long-term commitment to quality education. Nothing is more important to the well-being of the citizens of this State. The University of Illinois can and will continue as an institution of national prominence, providing quality education opportunities to 60,000 talented students each year and carrying out programs of advanced research and service essential to the State and Nation. But to do so, it must have the backing of the people of Illinois and their elected representatives.

It is with this vision I bring forward these recommendations for Fiscal Year 1993.

Stanley O. Ikenberry

President

INTRODUCTION AND **SUMMARY**

INTRODUCTION AND SUMMARY

OPERATING BUDGET

Development of the University's annual operating budget request became increasingly more complicated during the 1980s. Dramatic fluctuations in the State's fiscal support for higher education, including reductions in two years, disrupted the planning process. Fiscal Year 1991 saw the State's general tax revenues fall slightly below expected levels, while planned expenditures increased. As a result, the Governor implemented a statewide budget recision, including a one percent general funds reduction for higher education. For the University of Illinois, this reduction amounted to more than \$5.5 million. In addition, the University faced more than \$6.2 million in emergency needs and shortfalls, which normally would have been covered through supplemental appropriations. Although the severely constrained State budget precluded a supplemental appropriation, the University was allowed to use general funds which otherwise would have lapsed, to help meet these extraordinary needs.

The conclusion of the FY 1992 budget process brought mixed results. General funds support from the State declined by 1.3 percent over FY 1991--a reduction of \$7.8 million. Balanced against this decline in State support was revenue generated from a five percent tuition increase—the first tuition increase since FY 1989. Revenue from the tuition increase plus appropriation of previously unused tuition income balances helped partially to offset the unavoidable cost increases which the University had to meet. Despite these additional tuition revenues, however, internal reductions were required throughout the University. Although all units were affected, administrative units saw a reduction which was twice that imposed upon academic units.

On the positive side, as President Ikenberry notes in the Preface, the State has made permanent the portion of the temporary income tax increase dedicated to education. That action brings a measure of stability to education's funding support, and it can provide a base from which to advance for FY 1993.

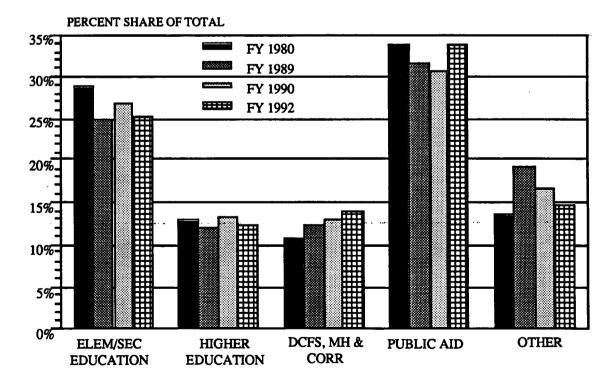
This document sets the context for describing the University of Illinois' highest priority operating and capital funds needs for FY 1993. The document presents information about each component of these requests and highlights the principal rationale which underlies each element of the requests. An accompanying volume, <u>Background Information for Preparation of the FY 1993 Budget Request</u>, presented to the Board of Trustees in July

1991, provides more detailed analyses which document each individual request area. Together, the present volume and the <u>Background Information</u> document present the full justification for the University's budget request for the coming year.

THE 1980S IN PERSPECTIVE

Funding of the State's educational systems, both elementary/secondary and higher education, often appeared as the State's number one priority during the 1980s. A review of the State's general tax appropriations, however, reveals that education's share of the State's budget today is less than it was in FY 1980. As shown in Figure A, both elementary/secondary and higher education have a smaller share of the State budget in the current year than they did in FY 1980. Although the temporary tax surcharge in FY 1990 was justified to a large degree to advance education, it actually served only to return educational funding to near the levels of the early 1980s. Moreover, the fiscal stresses of the current year have sapped virtually all of the budget strength which the tax increase of FY 1990 provided. Both elementary/secondary education and higher education have now returned to pre-tax increase budget shares.

STATE OF ILLINOIS GENERAL TAX APPROPRIATIONS

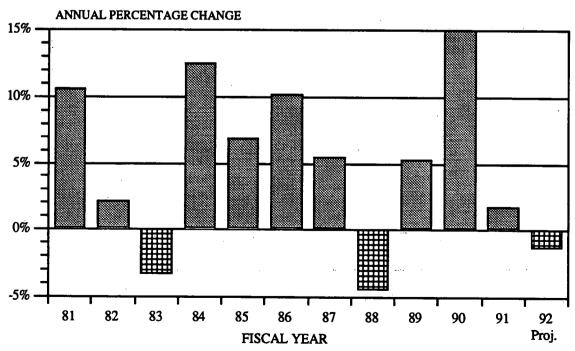


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Another perspective from which to view the funding of the 1980s is to consider the annual changes in the level of general fund support to the University, as shown in Figure B. These data explicitly demonstrate extreme fluctuations of general tax funding throughout the 1980s. Clearly, the need for a stable base of State support is required to allow the University to plan more effectively and be prepared for the challenges of the year 2000 and beyond.

The University has reacted to these fluctuations in State support in two ways. In the short term, it has been necessary to raise tuition to offset a portion of the loss in the purchasing power of State funding and to meet the immediate and unavoidable costs of the coming year. From a longer term perspective, the University has implemented a reallocation program which was designed to reallocate \$40 million or approximately eight percent of the State budget over four years.

UNIVERSITY OF ILLINOIS
GENERAL TAX APPROPRIATIONS



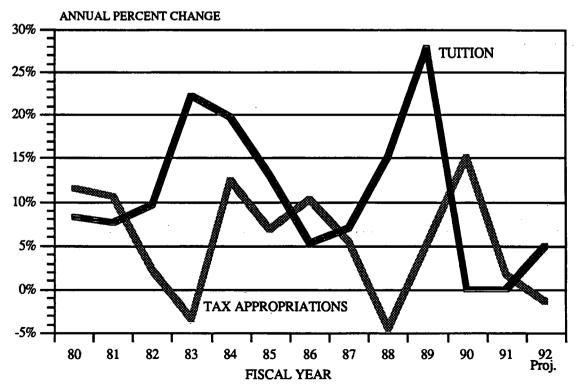
NOTE: EXCLUDES \$25 MILLION FOR UIH IN FY 1990 AND IJR/ISDD TRANSFER OF \$4.6 MILLION IN FY 1991

Tuition

As for many public and private institutions, tuition rates at the University rose during the 1980s. Figure C displays the relationship of annual tuition increases to the changes in State tax support. As shown, tuition increases peaked in the two years in which tax support actually decreased most sharply. In both cases, the State eventually responded to the funding needs of the educational system with temporary tax increases. This graphic demonstrates that the use of these temporary measures tends to add to funding irregularities, with a corresponding need for the University to take drastic actions to try to counter the resulting negative impacts. Certainly, the action taken this summer to make the education portion of the most recent tax surcharge permanent provides a positive sign toward fiscal stability. Equally clear, the State must continue to maintain education as its top priority and must continue to improve on these recent actions.

It is important to remember that the magnitude of these changes shown in Figure C reflect the budgetary imbalance of tuition versus tax support. That is, for each dollar of general tax support lost, it requires nearly five dollars of tuition to make up the loss in

TAX APPROPRIATIONS VERSUS
TUITION INCREASE



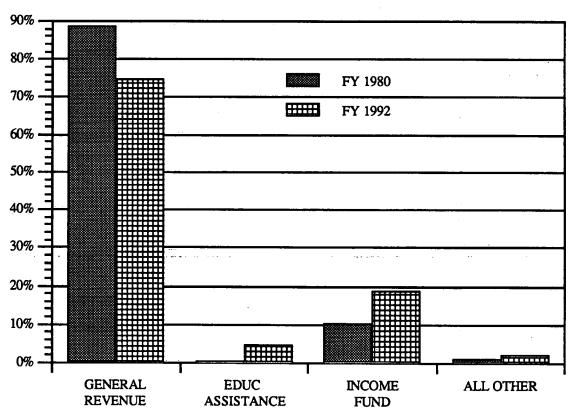
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FY 1992 dollars. That ratio has changed dramatically since FY 1980 as shown in Figure D. In that year, tuition revenue (Income Fund) represented ten percent of the University's State appropriation. In the current year, tuition's share has nearly doubled, and tuition now makes up nearly 19 percent of the total appropriation.

As noted earlier, the replacement of tax dollars with tuition revenue has never been viewed as a long-term solution to the University's funding needs. As a result, in both FY 1990 and FY 1991 the University did not implement a general tuition increase. Further, the Board of Trustees adopted several key principles in September 1990, to set guidelines for a sound tuition policy for the future. Briefly, those principles are:

- A stable and adequate level of State tax support is the most effective deterrent to sharp tuition increases.
- Tuition rate increases should more closely reflect inflationary increases as opposed to sharp increases followed by no increases.
- Statewide student aid should be maintained to provide access to public and private institutions of all levels and costs.
- If tuition is to be measured with respect to the cost of instruction, a full and complete measure of instructional costs must be utilized.

SOURCES OF APPROPRIATED FUNDS



The University continues to strive to follow these principles in making its tuition recommendations. Despite severe fiscal stress for FY 1992, those principles were upheld with a general tuition increase at the level of inflation at five percent.

Reallocation Initiatives

While the University's sources of incremental funding are limited to general tax support and tuition charges to students, each unit of the University has participated in helping to augment those sources to meet mandatory costs or academic program enhancements when State support has been lacking. After the budget cuts of FY 1988 and limited incremental funding for FY 1989, a four-year \$40 million reallocation program was implemented in FY 1990. At that time, the University recognized that State funding would be limited for the foreseeable future and in order to advance the University into the twenty-first century it would be necessary to strengthen and expand the year-to-year reallocation efforts being carried out by the campuses.

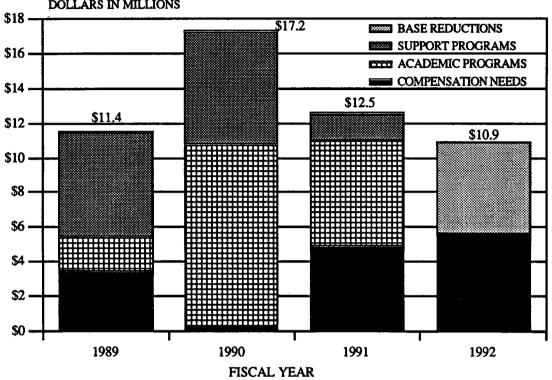
In just the first two years of the \$40 million program, the University has reallocated nearly \$30 million in support of critical budget priorities. With the budget realignment required in FY 1992, the original four year target has been exceeded in three years. In total, more than \$50 million has been reallocated since FY 1989 or 7.7 percent of the FY 1988 appropriated funds base. While final budget actions for FY 1992 continue to be tallied, implementation of a benefit offset program for all employees will require approximately \$5.6 million and will be funded internally by all units. Under this program, all employees will receive an annual adjustment to their salary of \$400 to offset increased costs associated with health and dental insurance plans. As noted earlier, the University received a reduction in State general tax support over FY 1991, resulting in base reductions across each campus. That reduction totals \$5.3 million.

Figure E illustrates the uses of funds reallocated since FY 1989. Those uses can be grouped into four categories: compensation needs, academic programs, support programs, and base reductions. Compensation needs include funding for salary increases beyond the increment provided by the State (e.g., in FY 1989, the State provided funding for a 5.7 percent average increase to faculty and staff; however the University policy was for a seven percent increase in an effort to make up for the lack of an increase in FY 1988) and other payroll increases such as Medicare and Sick Leave Payout.

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USES OF REALLOCATED FUNDS

DOLLARS IN MILLIONS



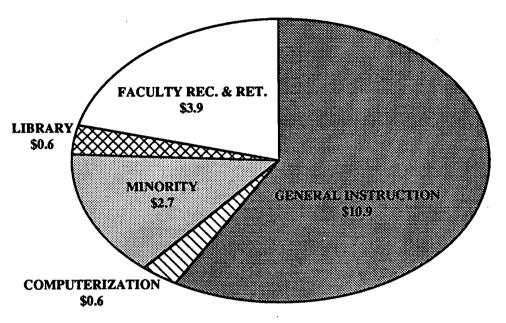
Support programs include two main items. In FY 1989, the University was required to provide incremental funding to open and maintain new facilities. Then in FY 1990, the University was able to establish University-wide Resources of \$4 million to fund deferred maintenance and repair and renovation projects. Also included in this category is a two percent general price increase in FY 1989, as well as funding for enrollment management activities and other academic support areas including equipment purchases and campus-managed deferred maintenance projects.

Figure F presents a closer look at the uses of academic program funds which include general/undergraduate instructional needs, improvements to minority access, library access, and campus computerization. Also included within this category are funds made available for faculty recruitment and retention efforts, stressing the importance that maintaining the quality of faculty has on the instructional mission of the University. By any measure the University has demonstrated the ability to make difficult decisions concerning the reassignment of existing resources. Like tuition increases, such reallocation efforts are most effective when they can be used to augment a steady, stable base of State support.

FIGURE F

REALLOCATION FOR ACADEMIC PROGRAMS FY 1989 - FY 1991

(Dollars In Millions)



TOTAL: \$18.7 MILLION

The University cannot rely solely on tuition increases and internal cut backs to maintain the strength and quality of its academic programs. The State must also contribute a share of fiscal improvement.

IMPACT OF FY 1992 BUDGET

In practical terms the FY 1992 budget covers a very limited set of unavoidable cost increases using funds from a modest five percent tuition increase and significant internal reallocations. Mandatory cost increases which are addressed include:

- Meeting federal medicare and social security requirements;
- Covering rises in Workers' Compensation awards;
- Helping to stem the losses to inflation for library acquisitions;
- Providing utilities and maintenance services for new facilities;
- Meeting statutory resource matching requirements for local contributions to the Cooperative Extension Service; and
- Funding growing minority scholarship commitments.

The FY 1992 budget included no funds for faculty and staff salary increases, and the University was unable to provide any general salary increase program. In recognition of rising employee costs for State provided benefits, the University has provided a \$400 benefits cost offset for employees, using reallocated resources. A small number of salary adjustments for persons receiving promotions, or for unusual merit, market, or equity purposes will also be made, again solely from reallocated funds.

The FY 1992 operating budget is indeed lean. What advances it provides were achieved through a very modest tuition increase and from significant retrenchment of existing resources. While absolutely mandatory costs have been addressed, the University's overall competitive position has not been advanced, placing great emphasis on the need for recovery from budget stress in FY 1993.

CAPITAL BUDGET

The State's capital budgeting process has suffered from economic constraints just as the operating budget has, and those constraints have had an impact on the University of Illinois. Capital appropriations for FY 1992 were cut back substantially from those of the recent part as the State made a deliberate effort to reduce its long-term debt commitments. Further, the Governor has "frozen" funding for a number of projects for which appropriations have already been approved and planning activity initiated. Several critically important University projects are among those delayed in this way, including the Molecular Biology building in Chicago and the Chemistry-Life Sciences facility at Urbana-Champaign. While the freeze does not threaten the long-term completion of these projects, it does delay their progress and it does affect the University's ability to enhance and improve the academic programs which these and other "frozen" facilities will support.

The areas of emphasis for capital support highlighted by the Governor in his own capital plan match with several of the areas of major need for the University. Remodeling of existing facilities, repair and renovation, and utility system and other infrastructure support were areas emphasized by the Governor and represent areas of high priority for the University as well. At the same time, both campuses of the University face major needs to add new facilities to meet space deficiencies in several academic areas or to replace outmoded, inefficient, and unproductive existing facilities.

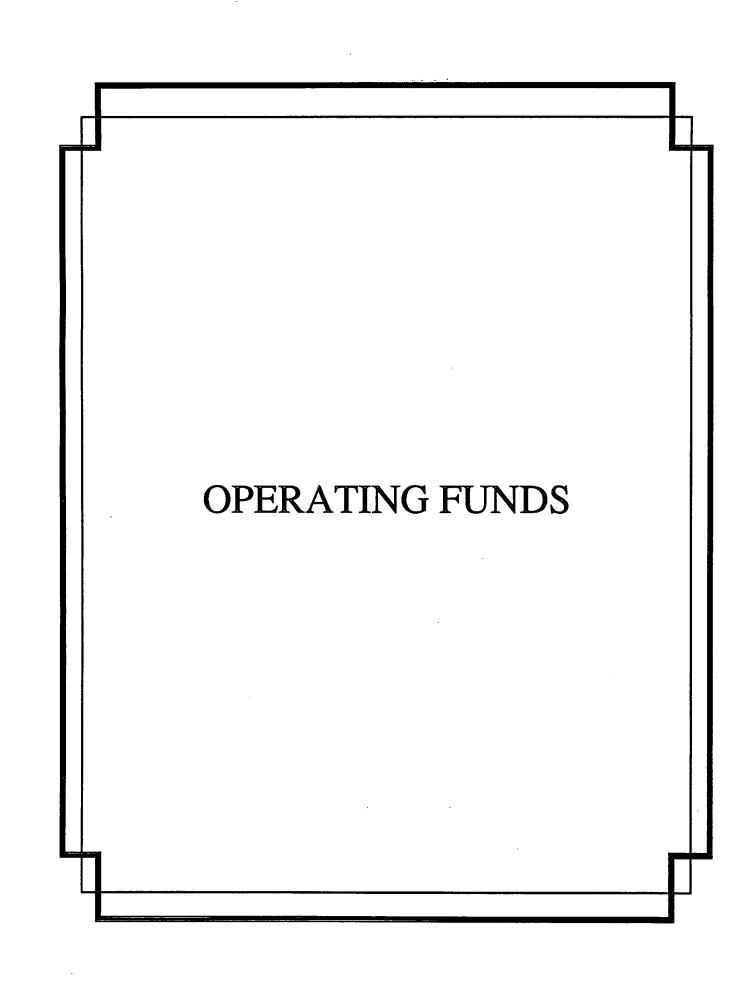
The University's facilities needs must be viewed in a comprehensive manner, requiring attention to both remodeling/renovation and new construction simultaneously.

The linkage between high quality academic programs and adequate space in which to conduct them has never been clearer. Meeting remodeling and renovation needs will determine, to a larger degree, the speed and depth to which academic program improvements can be made. Space limitations, above all else, will affect the degree to which new programs can be advanced in areas in which academic excellence already exists.

For FY 1993 the key objective for the University's capital budget will be to recover some of the momentum gained over the past three years. Pressing needs in remodeling, repair and renovation, and targeted new construction, particularly where matching funds can be achieved, will be the highest priorities for the coming year. The University's facilities needs must be viewed in a multi-year context in which progress is made each year if cumulated deficiencies are to be reduced and adequate facilities achieved.

The third section of this document provides more detail about recent capital actions and what the University's top priority projects for FY 1993. Additional information and background materials can be found in the <u>Background Information</u> document presented in July.

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FISCAL YEAR 1993 BUDGET REQUEST FOR OPERATING FUNDS

PLANNING PARAMETERS FOR FY 1993

The general implications of continuing fiscal uncertainty at the State level are clear for the University's FY 1993 budget planning process. First and foremost, the State's priority for education must be reaffirmed and strengthened, and fiscal stability must be achieved. Over the long-term, the current pattern of sharply fluctuating support carries a risk even greater than its impact in individual programs or budget components. It results in a loss of confidence among students, faculty, staff, and the citizens of Illinois which will be difficult to rebuild in future years.

Specifically, the FY 1993 operating budget must address a range of fiscal needs which confront the University. For FY 1993, the University's most crucial objectives include:

- 1. Sustaining the recovery of competitiveness begun in FY 1990 but now eroded. This objective includes:
 - Improving compensation competitiveness for faculty and staff.
 - Halting inflationary erosion of the academic support base, with special focus on libraries and unavoidable increases in payroll-related areas.
 - Continuing to open and operate new academic facilities.
 - Securing dedicated funding for facilities renovation.
- 2. Returning academic program support to basic instructional improvements in areas such as:
 - Strengthening undergraduate education with emphasis on both basic skills and broadened general education.
 - Responding to enrollment pressures at all levels.
 - Promoting instructional excellence through improvement in the training of elementary and secondary teachers.
 - Updating instructional equipment.
- 3. Increasing minority access to higher education, with emphasis on:
 - Expanding recruitment and retention activities.
 - Expanding efforts to employ minority faculty.
 - Increasing services to students with special needs.

- 4. Addressing key academic support deficiencies, especially in the areas of:
 - Library support.
 - Health and safety of the campus environment.
- 5. Enhancing science/technology programs which bolster both instructional programs and research initiatives with high promise for economic development for the State. Special attention should be focused on the areas of:
 - Biological and Life Sciences.
 - Health Professions.

FY 1993 OPERATING BUDGET REQUEST

Table 1 summarizes the major components of the University's FY 1993 Operating Budget Request, which is divided between three main categories: continuing components, programmatic requests, and special services/funding requests. The following sections discuss the individual components of the request. Within this document, the discussion is brief and summarized from the discussions in the <u>Background Information for Preparation of the FY 1993 Budget Request</u> document.

Continuing components include salary and benefit increases, other payroll costs, price increases, and operation and maintenance needs. Programmatic requests include expanded/improved academic programs, library improvements, and academic and institutional support services. Special services/funding represents some of the unique University services provided throughout the State including the Cooperative Extension Service-County Board Matching Program, the Fire Services Institute, the Division of Specialized Care for Children (DSCC) and the Office for Real Estate Research. With the exception of DSCC, each of these services receives funding from a dedicated tax source governed by the State.

In addition, for FY 1993 a "base adjustments/other" category has been included to reflect a one-time adjustment in tuition revenue at the Chicago campus as a result of the conversion to a semester system. Also included in that category is a proposal for a special increase in tuition charges to be dedicated to improving instructional equipment needs.

Finally, a special addendum has again been included this year to address the needs of the Cooperative Extension Service. This is the second year for this program, which attempts to deal with the funding problems the Service has experienced over the past decade.

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TABLE 1 FY 1993 OPERATING BUDGET REQUEST (Dollars in Thousands)

I.	CO	NTINUING COMPONENTS			
	A,	Compensation Improvement			\$53,707.7
		1. Salary Increase	7.0%	\$35,414.9	
		2. Benefit Improvement (SURS "Pick-Up")	4.0%	18,292.8	
	В.	Other Payroll Costs			2,261.8
		1. Sick Leave Termination Payout		\$1,456.2	•
		2. Social Security		700.0	
		3. Workers' Compensation Costs	5.0%	105.6	
	C.	Price Increases			9,302.9
		1. General Price Increase	5.0%	\$4,822.0	
		2. Utilities Price Increase	6.7%	2,580.0	
		3. Library Price Increase	20.0%	1,901.0	
	D.	O & M Requirements			3,666.9
		1. New Areas		\$1,666.9	•
		2. R & R Program		2,000.0	
	10000000	Subtotal, Continuing Components			\$68,939.3
		% of FY 1992 Base			10.00%
	3000000				
П.	PR				
	A.	Chicago		\$3,000.0	
	В.	Urbana-Champaign		3,000.0	
	C.	Central Administration	-	500.0	
		Subtotal, Programmatic Components % of FY 1992 Base			\$6,500.0 0.94%
Ш.	SP	ECIAL SERVICES/FUNDING			
	A.	County Board Matching		\$750.0	
	В.	Fire Services Institute		150.0	
	C.	Division of Specialized Care for Children		250.0	
	D .	Office for Real Estate Research	-	35.0	
		Subtotal, Special Services/Funding			\$1,185.0
IV.	TO	TAL, SECTIONS I – III			\$76,624.3
		% of FY 1992 Base			11.12%
V.	ВА	SE ADJUSTMENTS/OTHER		•	
	A.	One Time Summer Tuition Revenue		(\$1,455.3)	
	В.	Student Computer/Equipment-(Dedicated Tuition	i)	3,000.0	·
		Subtotal, Base Adjustments			\$1,544.7
VI.	GR	AND TOTAL, SECTIONS I - III, V			\$78,169.0
		% of FY 1992 Base			11.34%
	e in	COLL ADDENDING			
VII.		ECIAL ADDENDUM - OPERATIVE EXTENSION SERVICE			\$8,500.0

CONTINUING COMPONENTS

Compensation Improvement

The total compensation program provided to University employees consists of numerous components, each which contributes to the institutions ability to attract and retain qualified staff. These components include both direct compensation (cash salary) and indirect compensation (fringe benefits) which in total provide the basis on which employees assess the adequacy of their pay. Erosion in the competitiveness of salaries or of fringe benefits increases the number of talented employees who accept more attractive offers at other institutions or in the private sector; it reduces the ability of the University to attract the best qualified candidates to new or vacant positions; and it undermines the productivity and morale of current staff. It is critical to the successful operation of the University to keep all components of its compensation program at competitive levels. Faculty and staff compensation continues to be the highest priority in the University's budget request.

Salary Increase (\$35,414,900):

For a number of years, the University has established a goal of attaining third place among its peers in the Big Ten for faculty compensation. However, in FY 1992, the ability of the University to compete among the Big Ten will be jeopardized. Two consecutive years of budgetary constraints has reversed progress made in FY 1990. The gap to third place which narrowed to 1.6 percent in that year grew to 4.9 percent in FY 1991 and is projected to reach 5.5 percent in FY 1992. As shown in Figure G, the University did not improve its fifth place position in the Big Ten in cash salary competitiveness and fell further behind the third place institution.

This decline in salary competitiveness is serious. Although State funding for salaries has been supplemented through internal reallocation as discussed earlier, these efforts cannot overcome continued weakness in State support. Whereas, in past years, the University's last place ranking in total compensation (salary plus benefits) has been offset by a greater degree of competitiveness in cash salary, the University is no longer competitive on either measure as shown in Figure H. Under projections for the current year, the University will decline in cash salary competitiveness among the Big Ten institutions and continue to rank last by a growing margin in total compensation.

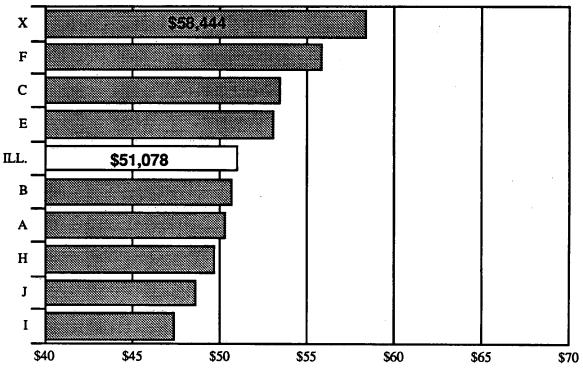
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FIGURE G

TENTATIVE WEIGHTED AVERAGE SALARY AMONG BIG TEN UNIVERSITIES

(Dollars In Thousands)





FY 1992 PROJECTED

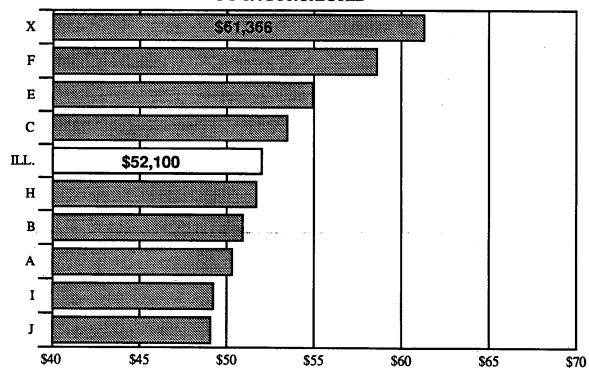
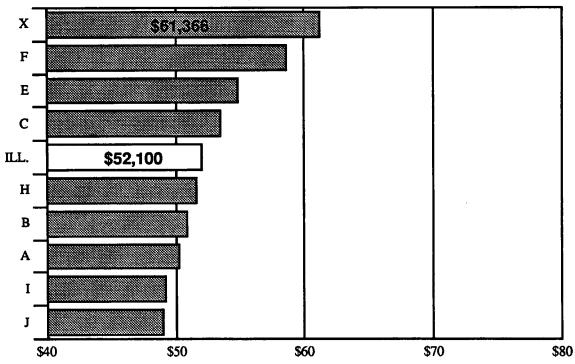


FIGURE H

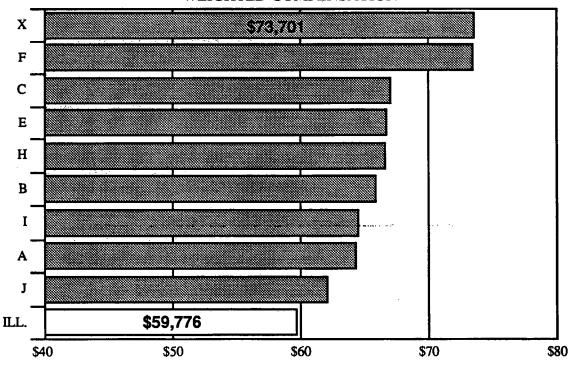
FY 1992 AVERAGE SALARY & COMPENSATION AMONG BIG TEN UNIVERSITIES

(Dollars In Thousands)

WEIGHTED SALARY



WEIGHTED COMPENSATION



For staff, annual salary comparisons are made with employers outside the University. In general, market salary ranges increased at a greater rate in FY 1991 than the salary ranges established for comparable jobs within the University. Market salary ranges increased approximately four percent, while in comparison the University granted salary increases of 2.35 percent to staff. In FY 1992, market rates are expected to increase five percent, further exacerbating the problem. Comparisons to State of Illinois Code Departments show that, for many positions, the University lags State Code ranges. Recent market comparisons, as shown in Table 2, also reflect a substantial lag between the University and the market in which it competes.

TABLE 2
MARKET RANGE AND ACTUAL SALARY CHANGES
COMPARED TO UNIVERSITY OF ILLINOIS SALARY INCREASES

	1991 Actual	1992 Projected	
SALARY RANGE CHANGES/PROJECTIONS:			
Office Occupations:			
Pay Data Service	3.97%	3.75%	
American Camp Assoc (Central)	3.60	3.90	
University of Illinois	2.35	0.00	
Professional and Mid-Management:			
Pay Data Service	4.04%	4.00%	
American Camp Assoc (Central)	3.80	4.10	
University of Illinois	2.35	0.00	
ACTUAL SALARY CHANGES/PROJECTIONS:			
Office Occupations:			
Pay Data Service	5.24%	5.05%	
American Camp Assoc (Central)	4.90	5.00	
University of Illinois	2.35	0.00	
Professional and Mid-Management			
Pay Data Service	5.14%	5.15%	
American Camp Assoc (Central)	5.20	5.30	
University of Illinois	2.35	0.00	

It is clear that faculty and staff salaries are critically deficient in comparison to those with whom we compete for top quality individuals. However, requesting sufficient funds to eliminate them in one year would be difficult and excessive. Therefore, the University proposes a multi-year plan to address these needs and requests a seven percent increase in salaries for FY 1993 which would require \$35,414,900.

Benefit Improvement (\$18,292,800):

The gap in total compensation levels between Code Department employees and employees at the University of Illinois will widen in FY 1992. The State will "pick-up" the four percent employee contribution to the State Employee Retirement System—a benefit not available to the University's employees. Currently those employees who are enrolled in the State Universities Retirement System (SURS) contribute eight percent of their salary to the system. It is essential that University employees be treated equitably in this benefit opportunity and be afforded the same advantage approved for other State employees.

A four percent "pick-up" for University employees would bring the University's retirement plan to a more competitive level with its peers. The University of Illinois currently ranks last in the percentage of annual salary contributed to retirement. The average Big Ten contribution to retirement, including Social Security, is 19.1 percent of average salary, compared to 9.1 percent at the University of Illinois. The Big Ten average, excluding Social Security, is 12.3 percent of salary.

A request for sufficient funds for the University to pay four percent of the employee's contribution to SURS is also sought requiring \$18,292,800. Meeting such a request will provide University employees equitable treatment vis-a-vis other State employees and will also help bring employee contributions for the University more in line with other Big Ten institutions.

Other Payroll Costs (\$2,261,800)

In recent years, the University has faced increasing expenditures related to payroll. In 1984, the State mandated that employees, upon termination, are entitled to a payment of one-half of a specified number of accumulated sick days. Further, in 1986 the federal government mandated that all new government employees participate in the Medicare program and, more recently, legislation enacted this past year by the federal government has required employees who are not enrolled in SURS to participate in the Social Security

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program. These requirements along with Workers' Compensation claims continue to require increased University resources each year.

Table 3 details the current FY 1992 funding level for each of these categories along with projections for FY 1993 and the requested increments. Additional expenditure detail and history of these costs can also be found in the <u>Background Information</u> document on pages 34 through 36.

TABLE 3
OTHER PAYROLL COST PROJECTIONS

	FY 1992 Expenditures	FY 1993 Projection	Requested Increase	
Sick Leave Termination Payments	\$3,456,800	\$3,913,200	\$1,456,200	
Social Security	2,743,700	3,443,700	700,000	
Workers' Compensation	2,087,900	2,193,500	105,600	
TOTAL	\$8,288,400	\$9,550,400	\$2,261,800	

Price Increases

Overall increases in funding to meet the inflationary increases in the goods and services required for the basic operation of on-going academic programs and support facilities are requested annually. Without incremental funding to meet these cost increases, the University's financial base is eroded, and with it the ability to support high-quality programs and services. Price increases are sought for different components of the University's budget due to the unique characteristics of each. Each of these categories is summarized below with specific requests for FY 1993 increments to the current budget base. Additional trend information on the various indices used to measure the impact of inflation on these components of the University's budget can be found in the <u>Background Information</u> document on pages 25 through 33.

General Price Increase (\$4,822,000):

Incremental appropriations for general price increases have fluctuated considerably over the last decade. Although inflation has been moderate in recent years, incremental

support has not kept pace. Since FY 1988, no funding to meet the general increase in the costs of goods and services has been provided with the exception of FY 1990. Projections for FY 1993 place inflation at five percent and a resulting increment of \$4,822,000 is requested.

<u>Utilities Price Increase (\$2,580,000)</u>:

Although fossil fuel markets have moderated in recent years, electricity cost increases continue to drive the University's utilities budget upward.

Electricity expenditures at Chicago and Urbana-Champaign are by far the largest single component of the utilities budget; and consequently, even small increases in pricing have a significant impact on budget requirements. Based upon a recent Illinois Supreme Court ruling, the Commonwealth Edison Company which supplies purchased electric power to the Chicago campus, will increase its rates by four percent in March 1992 and another four percent in March 1993. For Urbana-Champaign, Illinois Power Company is expected to increase its electrical rates by 12 to 14 percent over current levels in January 1992. Based upon this information, overall electrical rates are expected to increase by six percent in FY 1993 for the University.

These projected commodities and utility rate increases as described above and in the <u>Background Information</u> document yield a composite increase of approximately six to seven percent for FY 1993, a \$2,580,000 increment above the FY 1992 direct utilities base.

Library Price Increase (\$1,901,000):

The University Libraries house one of the largest collections in the world. Severe price increases, far exceeding the rate of general inflation, have placed extreme pressure on the Libraries' acquisition budgets. While receiving special attention from both campuses in reallocation plans and receiving a five percent price increase in FY 1992, the overall purchasing power of the Libraries has declined approximately 17 percent over the past four years. Recognition of this need is critical if the University is to maintain the current quality of its collections. A 20 percent increase, \$1,901,000, is therefore requested to return the Libraries' acquisition base to a competitive level.

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Operation and Maintenance Requirements

New Areas Funding (\$1,666,900):

The major operation and maintenance function is to determine and meet the physical support requirements of existing, new, or significantly remodeled facilities. When new or remodeled facilities are brought into use, it is important to secure adequate maintenance funds so that new space does not begin its useful life with a built-in maintenance deficiency. Given the major new construction programs underway at both campuses, maintenance costs for new space have been, and will continue to be, a major budget requirement. Table 4 details the University's request for new areas funding for FY 1993 which totals \$1,666,900.

TABLE 4
OPERATION AND MAINTENANCE
REQUIREMENTS TO SUPPORT NEW AREAS

	GSF	Total Annual Costs	Total Unit Cost \$/GSF	Date of Occupancy	No. of Months Funding	FY 1993 Request
CHICAGO						
South Campus Land		\$285,000		Jul, 92	12	\$285,000
Circle Court	107,700	892,400	8.28	Nov, 92	3	223,100
SUBTOTAL			٠			\$508,100
URBANA-CHAMPAIGN	_					
Government & Public Affairs Building	11,500	\$80,400	\$6.99	Jul, 92	12	\$80,400
Harker Hall Renovation	35,000	162,000	4.63	Jul, 92	12	162,000
Superconductivity Center	34,300	221,500	6.46	Aug, 92	11	203,000
Computer & Systems Research Laboratory	120,200	1,175,000	9.78	Dec, 92	7	685,400
Special Materials Storage Facility	14,000	84,000	6.00	Mar, 93	4	28,000
SUBTOTAL						\$1,158,800
TOTAL UNIVERSITY						\$1,666,900

The following provides descriptions and detail of the various projects at each campus which require incremental funding to meet operation and maintenance needs as listed above.

Chicago Campus

South Campus Land:

Working with the City of Chicago, the University intends to acquire approximately 36 acres in an area contained by Morgan and Halsted Streets on the east and west, and by Roosevelt Road and the B & O Railroad at 16th Street on the north and south. Acquisition of this land will enable the University to meet the campus' 40-year program projections outlined in its recently completed campus master plan. Proposed for this area is the future expansion of recreational facilities as well as campus support facilities such as the UIC police station. Future developments in the sciences and engineering will also require the additional property.

Included in the operation and maintenance needs for the newly acquired property is the University's responsibility for maintenance and repair of streets, as the land acquisition involves a transfer of jurisdiction of those streets from the City of Chicago to the University. Twelve months of operation and maintenance support will be needed at a cost of \$285,000.

Circle Court:

The University is in the process of purchasing a five acre property on the corner of Racine Avenue and Harrison Street in Chicago. Located on this property is a 209,600 GSF facility which was originally constructed as an office/shopping center complex. The purchase is subject to current leases which will leave approximately one-half of the existing facility available for immediate use.

The University expects to occupy this portion beginning in November 1992. This would require eight months of funding for operation and maintenance for FY 1993. Having received five months of funding in FY 1992, this request of \$223,100 is for the three month balance required in FY 1993.

Urbana-Champaign

■ Institute for Government and Public Affairs (IGPA):

Due to the steady growth and development, the Institute's space needs have exceeded the capacity at its current location, 1201 W. Nevada Street in Urbana. A new IGPA building of 11,500 GSF is being constructed and will consolidate all of the Institute's activities into one location. IGPA is a research and service institute on matters of public concern, public policy, and government. The Institute was established in 1947 in response to a joint resolution by the Illinois General Assembly. Some of its main research efforts are in the areas of law and public policy, government institutions and health care, fiscal and regional development, and science and technology. Provision of operation and maintenance services for this building will commence in July 1992. Twelve months of operation and maintenance support is required in FY 1993 at a cost of \$80,400

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■ Harker Hall Renovation:

The restoration of Harker Hall will provide a new home for the University of Illinois Foundation and enhance its ability to fulfill its mission of securing private gifts for the University. Since 1974, the Foundation has grown rapidly. There were 14 employees in 1974, 45 in 1984 and at the present time, there are 90. Renovation will include complete demolition of the interior; installation of new structural steel, concrete floors, and partitions; and replacement of the existing roof. The building will provide 22,530 NASF (35,000 GSF) of office space for the Foundation. The FY 1993 requirement for operation and maintenance support will be needed for 12 months at a cost of \$161,950.

Superconductivity Center:

The interpass between the Materials Science Research Laboratory and the Coordinated Science Laboratory will provide office space for the Science and Technology Center for High Temperature Superconductivity. The Center will help coordinate existing research of four world class institutions taking part in the program: The University of Illinois, University of Chicago, Northwestern University, and Argonne National Laboratory. Large commitments have been made by the four institutions to the proposed Center in recognition of the critical importance of the high superconductivity research. Beyond the four core institutions is a broad spectrum of other universities and colleges, businesses, industries, and research laboratories each interested in the Center and prepared to take advantage of its research and outreach programs. The Superconductivity Center is scheduled for occupancy in August 1992. For FY 1993, eleven months of operation and maintenance support is required at a cost of \$203,040.

Computer and Systems Research Laboratory (CSRL):

This project is the third of four building programs to join the endeavors of computer scientists on the Beckman quad, making it possible to locate various units in close proximity to one another. The CSRL will bring together two units from different colleges that operate in an autonomous mode—the Center for Supercomputing Research and Development and a research group from the Coordinated Science Laboratory. The relocation of these two programs will also provide additional space in the Coordinated Science and Talbot Laboratories for other College of Engineering units. The CSRL, currently under construction, will be a 120,200 GSF building containing four stories above ground and a basement. Scheduled for completion in December 1992, the FY 1993 operation and maintenance requirement is for seven months at a cost of \$685,440.

Special Materials Storage Facility:

The Special Materials Storage Facility will create new facilities for the campus Chemical Waste program administered by the Division of Environmental Health and Safety, and the Volatile Stores program administered by Central Receiving and Stores. Facilities currently available for chemical waste storage are inadequate in terms of size and safety consideration.

This facility will allow the campus to obtain a Part B Permit from the Illinois Environmental Protection Agency for the storage of waste chemicals until a private contractor can pick up and properly dispose of those chemicals. This permit is required to allow storage of waste chemicals for more than 90 days, which is necessary due to the large volume of waste produced at the Urbana campus and time needed to identify and contract with appropriate disposal sites for the various waste chemicals. Scheduled for completion in March 1993, the FY 1993 Operation and Maintenance requirement for this 14,000 GSF facility is \$28,000 for four months of operation.

Repair & Renovation Program (\$2,000,000):

Beyond the immediate need to support the operation of new facilities, the University faces a continuing problem of recovering from a substantial backlog of deferred maintenance projects and of responding to large scale repair and maintenance requirements on a regular and well defined timetable. While the University has established a modest resource through reallocation to begin to address these needs, it is clear that additional support is required.

To provide adequate recurring support for maintenance of university facilities, utility systems, and to control the ever-increasing problem of deferred maintenance, an increment of \$2 million is requested for both campuses to arrest the growth of deferred maintenance and provide relief before many problems worsen.

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PROGRAMMATIC REQUESTS FOR EXPANDED/IMPROVED PROGRAMS

For much of the early 1980s, significant physical and programmatic growth took place on each of the University's campuses. Supported by new State funds, enriched by federal and private sources of funding, and augmented by the realignment of existing resources, these successes created a base from which further efforts to enhance instructional, research, and public service programs could be accomplished. However, State funding over the last four budget years has presented a difficult challenge to the University in its efforts to initiate and support new programmatic emphases. Requests for funding in this area for FY 1993 are grouped into five categories: Promoting Instructional Excellence, Scientific and Technological Advances, Minority Access, Library Improvements and Support Services. Table 5 below details the University's request for incremental funding in each of these program areas. The descriptions which follow provide a brief summary of each of these categories as described in the Background Information document on pages 45 through 69.

TABLE 5
FY 1993 PROGRAM BUDGET REQUEST BY CATEGORY

	Chicago	Urbana- Champaign	Central Administration	Total University
Promoting Instructional Excellence	\$1,100,000	\$2,030,000		\$3,130,000
Scientific & Technological Advances	250,000	320,000	\$500,000	1,070,000
Minority Access	425,000	315,000	•	740,000
Library Improvements	300,000	335,000		635,000
Academic & Institutional Support Services	925,000			925,000
TOTAL	\$3,000,000	\$3,000,000	\$500,000	\$6,500,000

Promoting Instructional Excellence (\$3,130,000)

Throughout the past decade numerous calls have been made for reform and upgrading of the quality of education being offered in the United States. The focus of the reform movement has ranged from preschool, primary, elementary, and secondary education to the

general quality of the undergraduate educational experience. Regardless of the level of focus, the educational enterprise has been subject to criticism for its lack of rigor. In particular, the concept of higher education as simply a technical training ground prior to the beginning of a career has proven to be far too narrow a mission within a society where new knowledge is created at an ever increasing pace.

The initiatives proposed by both the Chicago and Urbana-Champaign campuses to promote instructional excellence will meet a variety of instructional needs, ranging from improvement in the training of elementary and secondary school teachers to strengthening the quality of education throughout the University. They will enhance basic skills of undergraduates; meet existing student demand for undergraduate, graduate, and professional programs; enrich curricular offerings through the augmentation of instructional support; and, at UIUC, implement the early stages of the revised undergraduate general education requirements.

These efforts to promote instructional excellence are integral to the continuing economic development of the State. With changes in society taking place at an increasingly rapid pace, it is important that the citizenry of the State be prepared not only to carry out the working demands of the current economy, but also to adapt to the continuously changing world and economy around them.

Promoting instructional excellence at the University of Illinois is a significant means by which this end may be realized. The vast majority of the University's 60,000 students are Illinois residents. Upon graduating, a significant proportion of these students will remain in Illinois to begin their careers. Providing these students with quality undergraduate, graduate, professional, and continuing education programs that prepare them in technical competencies, as well as in broader, more transcendent skills, will help to ensure the State's ability to meet the developing challenges of the future.

For FY 1993, an increment of \$3,130,000 is requested to address the promotion of instructional excellence at both University campuses.

Scientific & Technological Advances (\$1,070,000)

Revolutionary changes are taking place in science and technology that affect not only the practice of science, commerce, and industry today, but when looked back upon a quarter century from now, will be seen as pivotal events in the history of scientific, commercial, and industrial development. For more than 100 years, American universities have pioneered

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scientific and technological advances that have directly affected the way in which society functions with the University among the Nation's most productive. This pioneering activity continues today.

Recent advances in biotechnology, artificial intelligence, cognitive science, robotics, magnetic resonance imaging, supercomputing, chemistry, biochemistry, and chemical engineering not only continue the University's tradition of cutting edge research, but also impact the economic development of the State and the Nation. This "critical mass" of research and researchers is leading to vital advances in these fields by advancing knowledge and contributing solutions to many of society's environmental, medical, and scientific concerns; curricular enhancements for the next generation of scholars; and the development of new and enhanced economic markets.

Advances being made in science and technology at the University will impact not only the State's and the Nation's economy in the long-term, but are already producing tangible benefits. The initiatives proposed in this category are in some cases enhancements or expansions of ongoing projects that have already paid rich dividends on the State's initial investment, while others are new efforts that promise to open further doors of intellectual and instructional advancement and, ultimately, economic development.

For FY 1993, an increment of \$1,070,000 is requested to enhance, improve and expand programs in science and technology.

Minority Access (\$740,000)

Population demographics indicate that a decline in the number of high school graduates will continue until the late 1990s. However, because the drop in birth rates after the "baby boom" was not the same for all racial and ethnic groups, an increasingly larger proportion of each year's pool of college applicants will be minorities, particularly Blacks and Hispanics.

Higher education is already faced with a "pipeline" problem: too few of this growing population of minorities are pursuing higher education, and even fewer are reaching and completing degree programs in graduate and professional education. Large numbers of minority students are under-prepared for the demands of post-secondary education, though they may have completed the prerequisite twelve grades of formal education. Far too many minority students never reach this stage of completion, and all too many of those who do lack the essential skill and content competencies required to compete with traditional college

students who are more typically the products of private, parochial, and suburban public school systems. Unless steps are taken now to assist this expanding number of persons in preparing for college, the problem will be exacerbated by increasingly larger numbers of unprepared college age students.

The University has developed several programs to help address these problems. Special programs designed to smooth the transition between high school and higher education have been functioning for a number of years. Outreach activities to minority students in high schools, junior high, and elementary schools to help in skill development and content mastery have met with success. Retention efforts designed to provide support to minority students throughout their collegiate careers are also in place.

Cultural diversity is being reinforced through new student orientation programs as well as specialized programs. The External Advocacy for Diversity Program at UIC is targeted toward fostering cooperative relationships between the campus and minority communities, and the maintenance of a supportive environment on campus for minority students. The African American Cultural Center is working to expand its community outreach and cultural support activities. This facility provides cultural activities and programming in conjunction with community-based institutions and exposes Black students and the members of the larger campus community to the cultural contributions of Blacks.

In addition to programmatic efforts targeted toward meeting the needs of the University's diverse racial and ethnic populations, a growing awareness of the specialized needs of other minority groups is being fostered. The Office of Women's Affairs at UIC will identify and serve the needs of female faculty, students, and staff. Expansion of Rehabilitation Education Services at UIUC will allow continued fulfillment of the University's commitment to serve students with disabilities, a commitment that has attracted international attention.

Each of these efforts is important for nurturing an adequately prepared minority applicant pool and for ensuring that adequate assistance is provided to minority students in pursuit of a degree. These efforts will ensure a more stable and productive workforce and revenue base for the State in the long-term, by preparing minorities for entrance into higher education and ensuring they have reasonable opportunities to succeed once they have matriculated. For FY 1993, \$740,000 is requested to address these efforts.

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Library Improvements (\$635,000)

No other academic unit is as central to the instructional, research, and public service missions of the University as the Libraries. Virtually all campus activities require some form of library support. New programs place additional burdens on the materials budget, contributing to an accumulated deficiency in the Libraries' collections which has reached an unacceptable level for a facility of its renowned stature.

In support of the University's multidimensional missions, the Libraries acquire materials in all formats and languages of the world by collecting comprehensively from a vast number of areas of knowledge. The results of that collecting must be made available to library users in an efficient and timely manner. To support campus needs, the Libraries maintain high-use public facilities which serve a diverse clientele ranging from undergraduate students to research and clinical faculty. Through cooperative relationships with other libraries throughout the State, the libraries serve as a primary resource for both onsite and remote users of the State's vast interlibrary loan system. The Library's ability to acquire, process, and store materials in a wide variety of formats is crucial to its ability to provide these services.

The University Library at Chicago is a complex organization with nine locations in four cities. Its collections consist of more than 1.6 million items, including 17,600 serials. In FY 1988 the UIC Library was admitted to the Association of Research Libraries (ARL) and ranked 53rd among 107 university libraries. Membership in ARL is a signal of quality and achievement for both the member library and the university which houses it. The Library of the Health Sciences administers one of the largest regional libraries of Medicine in the United States, covering 10 states with over 700 member libraries and more than 2,200 libraries on the registry.

The University Library at Urbana-Champaign, with 39 departmental branches, is the third largest academic research library in the country, and serves a campus which grants the third largest number of doctoral degrees in the Nation. Only three Western European libraries are larger, and it is internationally recognized for the size, scope, and quality of its collections which consist of more than 12 million items, including 7.7 million volumes. In this country only Harvard and Yale have larger academic collections.

The Libraries serve as the State's primary resource for sharing scholarly knowledge through ILLINET, the State's computerized interlibrary loan system. The UIC and UIUC

Libraries were ranked the second and third largest lenders among all academic research libraries in 1990, lending 138,718 and 128,382 volumes respectively.

Over the past decade State funding has been inadequate to maintain the competitive funding base required to preserve the Libraries' quality and leadership. Rising costs for acquisitions, which began to escalate dramatically in the early 1970s, made it impossible for the Libraries to maintain their earlier pattern of growth. Incremental funding failed to match the rate of inflation for several years (zero percent increases in FY 1988, and FY 1991); and a significant differential accumulated between the cost of acquisitions and funds made available for library materials. During the past six years, costs of library materials have increased dramatically. Discriminatory pricing of foreign journals for North American libraries was initiated during this same time period. In combination, these factors seriously damaged the stability of serials collections in this and other research libraries Nation-wide. A spokesperson for the ARL recently stated, "The most critical issue, in terms of scholarship and research in North America, is that libraries are purchasing fewer materials. The high price of serials means less money to purchase materials in all areas. leading to a deterioration of our research capability in the humanities as well as technology and the sciences." This is certainly true at the University which has seen its ability to meet campus and statewide needs decline steadily.

The Libraries have streamlined their acquisitions and collection development procedures to ensure that the acquisitions budget is both effective and focused and that materials expenditures are well utilized. Recent staff cuts have reduced the Libraries' processing capabilities, and significant increases in the materials budget must be accompanied by increases in staff as well. In order for the Libraries to continue to serve a major research University and provide substantial Statewide library support, improved funding is necessary for FY 1993 to maintain, enhance, and restore collections and employ staff to acquire, process, and catalog additional materials. An increment of \$635,000 is requested to address these critical needs.

Academic & Institutional Support Services (\$925,000)

Over the past decade, the expansion of University programs and its physical plant has forced support service units (those units that exist primarily to provide required and specialized services to the University's academic community) to increase dramatically their range and level of services. At the same time, budget constraints affecting the entire

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University have been felt most severely in these support and service areas. Steadily increasing monitoring and reporting requirements imposed at the state and federal levels have consumed larger amounts of time and energy from current staff.

For FY 1993, incremental funding of \$925,000 is requested to address some of the most pressing support needs of the UIC campus. These range from expansion of student and faculty support services to augmentation of services which ensure a safe and secure environment for the University's students, faculty, and staff.

SPECIAL SERVICES FUNDING

The University of Illinois provides a variety of special services to the citizens of the State of Illinois. Four of those service areas require incremental funding in FY 1993. Table 6 details these services, their current FY 1992 funding level, and the increments requested for FY 1993. Following the table are brief descriptions of the services provided. Additional information can be found on pages 70 through 73 of the <u>Background Information</u> document.

TABLE 6
SPECIAL SERVICES/FUNDING REQUEST

	FY 1992 Appropriation Level	FY 1993 Incremental Request
County Board Matching	\$ 4,918,600	\$750,000
Fire Services Institute	1,455,500	150,000
Division of Specialized Care for Children	10,017,600	250,000
Office of Real Estate Research	255,000	35,000

County Board Matching (\$750,000)

Under the Cooperative Extension Law of 1962 as amended, the State of Illinois, through the University, is required to provide appropriations from the Agricultural Premium Fund to match on a one-to-one basis allocations from county sources in support of County Extension work. Present projections indicate that the counties will generate an additional \$750,000 over their FY 1992 levels and matching levels will need to be increased by that amount.

Fire Services Institute (\$150,000)

Since the passage of the Illinois Fire Service Institute Act in 1980, the University has received a direct appropriation from the Fire Prevention Fund for the operation of the

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Institute. The monies received from the Fire Prevention Fund are currently used for four major purposes:

- To conduct programs of training and education for paid and volunteer fire fighters and officers on campus, and at regional and local sites throughout Illinois.
- To provide adequate teaching and training facilities for the Institute.
- To permit program growth and improvement.
- To make debt service payments for bonds issued to build the facility completed in July 1988.

Based upon a statutory formula providing a one-eighth share of the revenue to the Fire Prevention Fund to the Institute, it is estimated that an increment of \$150,000 is required for FY 1993.

Division of Specialized Care for Children (\$250,000)

The Division of Specialized Care for Children provides and supports medical services for children with special health care needs who meet certain medical eligibility criteria. These criteria are categorical; that is, they recognize certain medical and surgical conditions as eligible for services while others are exempted. For FY 1993, an increment of \$250,000 is requested to maintain the current level of activity in the core program and to review and expand the medical eligibility criteria to remove potential inequity from the program.

Office of Real Estate Research (\$35,000)

The Office of Real Estate Research on the Urbana-Champaign campus has been funded through the Real Estate Research and Education Fund according to the Real Estate License Act as amended in 1983. Funding for the program was initiated at \$170,000 in FY 1982 and has not been incremented since FY 1985. Funding for FY 1993 is requested to increase by \$35,000 in order to:

- Administer and fund the Illinois Minority Real Estate Scholarship Program as mandated by the General Assembly; and
- Expand and enhance current activities.

BASE ADJUSTMENTS/OTHER

Base Adjustment for Summer Tuition Revenue (-\$1,455,300)

In fall 1991, the Chicago campus has converted from a quarter system to a semester system. This technical adjustment of UIC's academic calendar means that both the Summer 1991 quarter and the Summer 1992 semester will be accounted for in FY 1992. An associated positive base adjustment of \$1,455,300 was approved by the Illinois Board of Higher Education, funded solely by the additional tuition revenue generated by this unique occurrence. In FY 1993, there will again only be one summer session in each fiscal year and, as a result, the one-time positive base adjustment from FY 1992 must be reversed with a negative adjustment in FY 1993. It should be noted that the campus did not benefit from the positive adjustment in FY 1992, nor will they be disadvantaged because of the negative adjustment in FY 1993.

Instructional Equipment Program (\$3,000,000)

With the rapid advancements in technology that have occurred over the past several years, it has become increasingly important to advance and improve the equipment and facilities in which we teach our students. One of the most notable area of advancements is in the computer capabilities provided by desktop micro-computers. It is essential that accessibility be increased and expanded in order to insure University students have adequate equipment to match the quality and expertise of those training them. As a result, the University is proposing to implement a \$3 million program for Instructional Equipment funded by an increase in tuition. Preliminary estimates suggest that \$3 million could be generated by a tuition increase of 2.5 percent to support the programs being proposed which are described below.

UIC Student Computing Initiative:

For undergraduate and graduate students across all disciplines at universities all over the world, the computer has become a central part of the educational process:

- Students routinely prepare term papers with word processing software; from their dormitories they send electronic mail, search library card catalogs, and drop off assignments.
- Engineering, architecture, and design students use the computer to design all types of structures.

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- Students in the social sciences manipulate large databases of information.
- Students in the physical sciences use the computer to simulate large scale problems.
- Diagnosticians are now trained on computer videodisc systems.

A simplified statement of the benefits of student computer access might be summed up in three programmatic objectives:

- 1. Provide students with computer familiarity in order to:
 - Encourage new study and work techniques; and
 - Increase their competitiveness in the job market.
- 2. Expand the use of computers as a learning tool to:
 - Enrich the instructional environment through simulation;
 - Improve student writing skills; and
 - Expand computational abilities for problem-solving.
- 3. Enrich communication linkages to:
 - Improve instructor/student and student/student communication; and
 - Simplify information searches and retrieval.

Because the computer is so useful as an instructional tool, the question of access to computing has become nearly synonymous with access to education. At UIC, however, existing facilities do not provide for the most effective way to utilize the technologies described above; the facilities are either too small or simply do not exist. As of June 1991, the campus had only 260 computer workstations in public sites for all 24,000 students to use.

In January 1989, the UIC Faculty Senate unanimously approved a report prepared by the Subcommittee on Academic Computing, recommending that funds be made available in the Office of the Vice Chancellor for Academic Affairs to support computing initiatives. Subsequently, a group appointed by the Vice Chancellor for Academic Affairs examined alternative funding mechanisms. It concluded that new program funds from the State will be severely limited for the foreseeable future. Reallocation will continue, but will likely be dedicated to augmenting salary competitiveness and critical program initiatives such as deferred maintenance, the Library, and minority outreach and retention.

In FY 1990, thanks to the passage of the income tax surcharge, and despite other pressing needs, the campus invested \$650,000 on a one-time basis to establish 120 new computer workstations at public access sites. The campus has also assumed responsibility for the computing facility donated by AT&T and has made it available to all students. This added a total of 220 new workstations to those that already existed.

Unfortunately, UIC is still far behind its peers in providing students access to computing, as Table 7 demonstrates.

TABLE 7
COMPARISON OF ACADEMIC COMPUTER FACILITIES

Comparative Group	PCs in Public	Students per Public PC	Academic Computer Facility Budget	Computer Center Budget per Student
IBHE Peer Group	611	43	\$7,877,387	\$298
UIC Standard Reference Group	844	42	\$7,826,548	\$220
Big Ten	1,057	38	\$9,660,323	\$243
Urban 13	410	57	\$5,948,821	\$254
UIC	260	92	\$3,692,029	\$151

Source: Directory of Computing Facilities in Higher Education, 1991 edition.

The average university provides roughly 730 public workstations. As Table 7 shows, UIC is dramatically below the average of 730 public available computer workstations. The Urbana-Champaign campus provides 2,000; the University of Michigan 1,200. The Chicago campus' actual needs are even greater than this considering the majority of its students are a commuter rather than a residential population. Because these students are on campus for only a limited time, the peak demand for computer access is even higher than at most other institutions. The budget to support these machines is also inadequate, as can be seen from the comparison of computer center budgets above.

If UIC is to compete with these institutions, it must enhance the tools that affect instructional quality. UIC must find a way to expand students' access to computing. The most viable source of funding to ensure that additional resources can be made available is a dedicated tuition increase. This avenue is becoming increasingly common; six of the Big Ten universities have some kind of computer access charge, and of the 1,286 institutions surveyed in the 1991 <u>Directory of Computing Facilities in Higher Education</u>, 34 percent have assessed a computer access charge.

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The campus proposes an annual increase in tuition of approximately \$56 (2.5 percent), to be exclusively dedicated to expanding students' access to computing. Such a charge is reasonable when compared to those assessed by the institutions surveyed in the 1991 <u>Directory of Computing Facilities in Higher Education</u>. At the 53 Research I universities surveyed, computer access charges averaged \$100 per year.

The increase would be levied on all students, at all UIC locations. The program would operate under guidelines similar to the Urbana program which has been in place since FY 1987 and currently assesses an identical charge on all registered students. An Advisory Committee appointed by the Chancellor has been proposed, to be comprised of seven students, seven faculty, and one chairperson. This committee would review proposals from departments, colleges, and support units and make funding recommendations to the Chancellor. The Committee would give priority to project proposals that:

- Would enhance student access to computing:
- Would improve the quality of instruction through use of computers; and
- Would be partially supported by the college or department.

In general, these funds would not be dedicated to recurring costs, such as expendable supplies like paper or laser printing cartridges, nor to salaries for technical or administrative support staff.

This program would aim initially at improving general student access to computing across the campus. Once that has been satisfied, more specialized college-based instruction projects could be funded (e.g., a Computer Aided Design lab for Art, Architecture, and Urban Planning and Engineering students).

This program would start in the Fall of 1992. Without such a program, UIC students will continue to fall behind in acquiring computer literacy. With the program in place, UIC has a chance to reach its computer access goal before the end of the decade, and regain its position as a leader in applying information technology to education.

UIUC Instructional Equipment Program:

The need for instructional equipment has been documented annually in the programmatic portion of the campus operating budget request. Over the past several years, incremental allocations of programmatic funds have been provided and through additional internal reallocation, the campus has been able to establish a pool of resources of approximately \$2.5 million. This fund is allocated on a non-recurring basis in response to prioritized requests from the faculty, department heads, deans and directors. Such requests are then reviewed by the Vice Chancellors for Academic Affairs, Research, Administrative Affairs and Student Affairs, as well as two members of the Senate Budget Committee. Over the past several years, requests for funding from this limited pool of resources have increased dramatically as shown below in Table 8.

TABLE 8
CAMPUS REQUESTS FOR INSTRUCTIONAL EQUIPMENT

FY 1989	\$9,746,500
FY 1990	6,819,300
FY 1991	19,900,100

In the past, the campus procedures have been to request proposals for these non-recurring funds each spring for allocation after the start of the fiscal year in the late summer or early fall. In anticipation of the budget difficulties for FY 1992, that process was suspended. As a result of budget reductions, those funds have temporarily been diverted to other campus priorities and unavoidable costs.

While initial reactions for such support would lead to concerns in engineering and the sciences, there is a tremendous demand for equipment in areas such as art, architecture, music, landscape architecture, business, agriculture, the humanities, and others. These units require drafting tables, high technology electronics, video equipment, and so forth. The Office of Instructional Resources cannot meet the current demand from faculty for overhead, slide or film projectors or video equipment. On the whole, instructional classrooms on campus are out-of-date and poorly equipped. Incremental funding to meet these needs will have a positive and widespread effect on instruction across the campus.

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It is clear that dedicated funding must be established to maintain a level of resources adequate to support instructional equipment needs. A program similar to the Computer Fund established in FY 1987 can begin to address these needs. Specifically, UIUC proposes to establish an Instructional Equipment Fund to be managed like the Computer Fund. Those funds are allocated each year by the Computer Fund Advisory Committee chaired by an Associate Chancellor with student and faculty members.

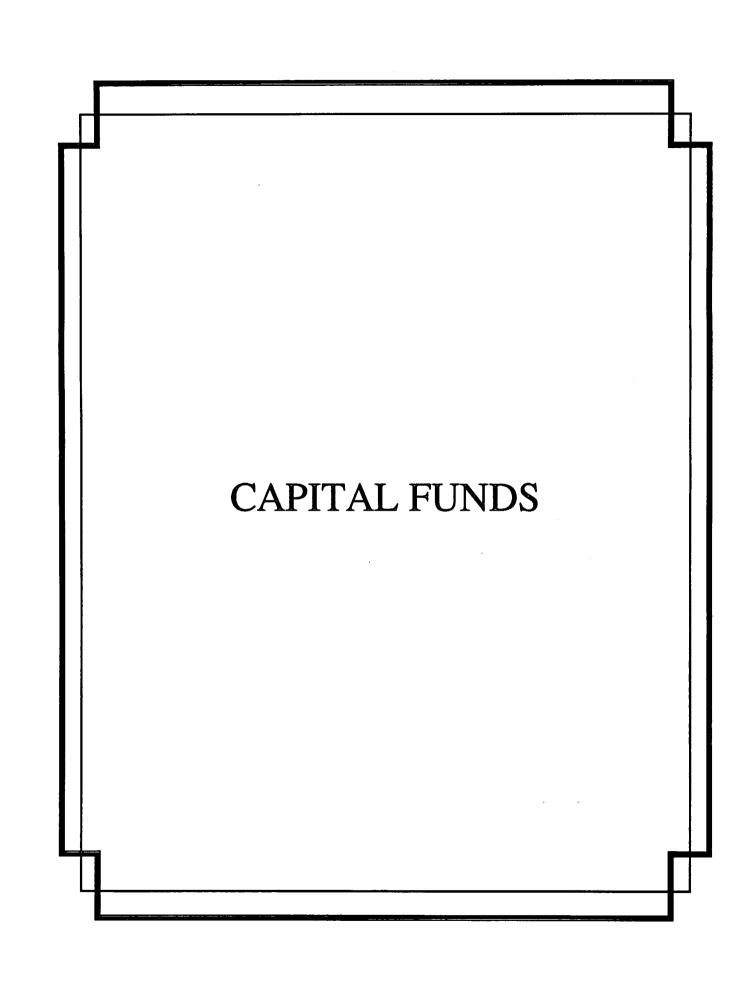
SPECIAL ADDENDUM

Funding needs of the Cooperative Extension Service (CES) continue to require and receive special attention. Throughout the 1980s, CES experienced little or no growth in federal funding, resulting in a sharp decline in terms of buying power. State and local funding has kept pace with inflation, but provided only limited program improvement opportunities.

To keep CES activities at current levels for the next decade will require an infusion of \$10 million. While the largest portion of this increase must come from the State, a minimum of \$2 million must come from local contributions. Since launching CES Revitalization in 1990, \$1 million in additional local contributions has been pledged, with the remaining expected by FY 1994. An increment of \$10 million will enable CES to stabilize its fiscal support, to continue its Statewide presence, and to utilize available federal funding for new or expanded program activities.

In FY 1992, the General Assembly increased the County Board Matching appropriation by \$750,000, accounting for a total of \$1.5 million in incremental resources under this program. As a result, to meet the needs of CES as described above and in the Background Information document on pages 75 through 80, an additional \$8.5 million is requested for FY 1993.

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FISCAL YEAR 1993 BUDGET REQUEST FOR CAPITAL FUNDS

PLANNING PARAMETERS FOR FY 1993

The planning parameters affecting capital budget issues are somewhat better defined than are those for the operating budget, although, fiscal resources for capital projects are as constrained as they are for operating programs. A project "freeze" has been put in place by the Governor, which has produced some delays in project timetables. A number of critical new building projects for the University have been affected. All indications at this point are that while projects may be delayed, there is no intention to eliminate any project. Thus, while timing delays are serious, they appear to be temporary and should not impede the University's longer term ability to address serious capital requirements at both campuses.

Along with the current project freeze, the new state administration has concentrated its own capital priorities heavily on the preservation and protection of existing facilities. Renovation and repair, infrastructure maintenance and facility upkeep are thus targeted as top priorities, rather than new construction. For the most part, these priorities match similar areas of major need for the University, assuming the new projects for which funds have been appropriated, but which are currently "frozen" are released on a reasonably timely basis.

STATUS OF ONGOING PROJECTS

To understand the direction and emphases of FY 1993 projects, it is important to view them in context of past capital appropriations, especially those which are expected for FY 1992. Table 9 provides a history of actions on capital budget requests from FY 1988 through the tentative FY 1992 appropriation. The projects which were approved for FY 1992 capital appropriations are shown in Table 10 along with their proposed funding levels.

TABLE 9
HISTORY OF RECENT CAPITAL BUDGET ACTIONS
(Dollars in Thousands)

[FY 1988	FY 1989	FY 1990	FY 1991	FY 1992
CAMPUS REQUESTS:					
Chicago	\$24,177.0	\$48,293.2	\$38,085.5	\$83,872.3	\$48,635.6
Urbana-Champaign	33,643.8	30,198.5	44,439.0	96,980.3	46,597.4
TOTAL	\$57,820.8	\$78,491.7	\$82,524.5	\$180,852.6	\$95,233.0
IBHE RECOMMENDATIONS:	:				
Chicago	\$18,393.0	\$23,874.5	\$31,010.3	\$51,996.8	\$28,116.8
Urbana-Champaign	18,589.0	17,005.0	36,672.7	81,346.3	21,448.9
TOTAL	\$36,982.0	\$40,879.5	\$67,683.0	\$133,343.1	\$49,565.7
REGULAR CAPITAL APPROPRIATION(1):					
Chicago		\$12,577.9	\$4,597.0		\$7,100.0
Urbana-Champaign	\$7,779.0	3,070.0	6,000.0	\$8,412	4,824.4
TOTAL	\$7,779.0	\$15,647.9	\$10,597.0	\$8,412.0	\$11,924.4
APPROPRIATIONS FOR SPECIAL PROJECTS:					
Energy Conservation Build Illinois	\$547.1	\$489.6	\$ 564.2	\$1,077.4	
Major Projects(2)	7,834.0		7,834.0	107,407.3	
Repair & Renovation	2,000.0		31,734.0	15,668.0	
Multi-University Center			3,000.0		
Asbestos Abatement				3,400.0	
TOTAL	\$10,381.1	\$489.6	\$43,132.2	\$127,552.7	\$0.0
TOTAL APPROPRIATION	\$18,160.1	\$16,137.5	\$53,729.2	\$135,964.7	\$11,924.4

⁽¹⁾ Excludes appropriations for special projects.

⁽²⁾ Build Illinois - Major Projects becomes Science and Technology in FY 1990.

TABLE 10 FY 1992 CAPITAL APPROPRIATIONS

Chicago Core Campus Upgrade Phase I	\$ 7,100,000
Urbana-Champaign	
Special Material Storage Facility	\$ 3,174,400
Equipment - Animal Sciences Laboratory	900,000
Equipment - Soybean Research Laboratory	<u>750,000</u>
TOTAL	\$11,924,400

In contrast with recent years, the proposed FY 1992 capital appropriation bills do not include any University of Illinois projects from the Build Illinois Bond Fund or from other special programs. Generally, the proposed level of funding represents a significant downturn in capital funding for the University of Illinois, making it doubly important the University achieve its most important capital priorities for FY 1993.

FY 1993 CAPITAL BUDGET REQUEST PROPOSAL

The University's FY 1993 Capital Budget Request is comprised of 31 projects at a total cost of \$116.7 million. Tables 11 and 12 present a summary of the proposed projects for FY 1993 in priority order for each campus.

TABLE 11
FY 1993 CAPITAL BUDGET REQUEST PROPOSAL
CHICAGO CAMPUS
(Dollars in Thousands)

Priority	Project Title	Category	Request	Cumulative Cost
1	NPI Remodeling/Neurosurgery	REMD	\$5,500.0	\$5,500.0
2	Revitalization of Campus Core Phase II	REMD	3,500.0	9,000.0
3	Repair and Renovation*	REMD	4,500.0	13,500.0
4	Associated Health Professions Building	REMD	9,485.8	22,985.8
5	Pharmacy Building	REMD	1,720.0	24,705.8
6	Instructional Space Addition - AAB	PLAN	917.9	25,623.7
7	Chemistry Building	PLAN	1,831.8	27,455.5
8	College of Business Administration	PLAN	1,339.4	28,794.9
9	Science & Engineering Library	PLAN	1,384.6	30,179.5
10	College of Medicine West Building	REMD	9,864.3	40,043.8

^{*} Repair and Renovation projects include 18 projects at Chicago.

TABLE 12 FY 1993 CAPITAL BUDGET REQUEST PROPOSAL URBANA-CHAMPAIGN CAMPUS

(Dollars in Thousands)

Priority	Project Title	Category	Request	Cumulative Cost
<u></u>	Repair and Renovation*	REMD	\$6,147.0	\$6,147.0
-	•		8,300.0	14,447.0
-2	North Campus Development	REMD/UTIL	=	•
~3	Commerce Instructional Facility**	BLDG	6,950.0	21,397.0
4	English Building Remodeling Phase IV	REMD	4,250.0	25,647.0
5	Mechanical Engineering Lab. Remd.	REMD	4,900.0	30,547.0
6	Agriculture Replacement Land	LAND	1,400.0	31,947.0
7	Library Seventh Stack Addition	BLDG	19,300.0	51,247.0
8	Equipment - CSRL	EQUIP	500.0	51,747.0
9	Freer Hall Remodeling	REMD	5,200.0	56,947.0
10	Abbott Power Plant Improvements	UTIL	2,340.0	59,287.0
11	N.E. Campus Energy Center Planning	PLAN	850.0	60,137.0
12	Electrical Engineering Building	PLAN	1,950.0	62,087.0
13	FY 1993 Minor Remodeling	REMD	3,853.0	65,940.0
14	Old Ag. Engineering Bldg. Remd.	PLAN	220.0	66,160.0
15	Arcade Building Remodeling	PLAN	250.0	66,410.0
16	Central Campus Chiller Plant	UTIL	5,700.0	72,110.0
17	Geology Laboratory	PLAN	925.0	73,035.0
18	Campus Site Improvements	SITE	1,040.0	74,075.0
19	Engineering Hall Remodeling	PLAN	250.0	74,325.0
20	Armory Renovation	PLAN	260.0	74,585.0
21	Core Campus Land	LAND	2,073.0	76,658.0

^{*} Repair and Renovation projects include 19 projects at Urbana-Champaign.

The first priority at the Chicago campus is remodeling of the Neuropsychiatric Institute (NPI) Building. Originally designed in 1938, this building is the first to be constructed solely for use by the neurosciences. The building, though architecturally outstanding, has fallen into disrepair over the years. The University of Illinois and the College of Medicine propose the NPI Building once again be the centerpiece of the neuroscience effort at the University. Renovation of the NPI Building is essential in order to support top faculty, and state-of-the-art neuroscience research and instruction.

A top priority at both campuses is the Repair and Renovation request which is comprised of 18 projects at the Chicago campus and 19 projects at the Urbana-Champaign campus. As in previous years, these projects address smaller scale renovation needs, not

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^{**}This project includes gift funds of \$6.95 million for a total project cost of \$13.9 million.

large enough to compete with major remodeling requests, but which in aggregate represent a critical priority for capital funding. When the Build Illinois program was in place, the University provided a separate program detailing the smaller repair and renovation projects funded by this source. Since the Build Illinois program has concluded, all repair and renovation projects are now integrated into the regular capital request.

The Repair and Renovation project request for FY 1993 is vital for the continued renewal of existing University facilities. Institutions with facilities of the size, scope, complexity, and age of both University of Illinois campuses must place a high priority on renovation and renewal efforts each year. Appropriations under the Build Illinois Program has brought the University \$47 million since its implementation in FY 1986, providing a regular, recurring source of support to improve instructional and research facilities, and to repair and upgrade support systems serving the entire University. With the conclusion of the Build Illinois program, an alternative source of funds must be found for these types of smaller renovation projects.

The second priority at Urbana-Champaign is an \$8.3 million request to continue development of the North Campus area consistent with the campus master plan. The North Campus Development Library project will address utility upgrades, program relocations, site development and other project components. At Chicago, the second priority is \$3.5 million for Phase II of the Core Campus Upgrade which will greatly enhance the major crossroads area for the east side of the campus.

The third priority at the Urbana-Champaign campus is a \$6.95 million request to match gift funds of approximately \$7 million provided to construct the Commerce Instructional Facility. This facility will enable the College of Commerce and Business Administration to accommodate an expanding student population and a more comprehensive program. It will provide new facilities for state-of-the-art classrooms, the MBA Program, and Executive Development Center, as well as individual faculty offices.

Upgrading facilities through major remodeling assumes an exceptionally prominent position in this year's capital budget request. The top six priorities at the Chicago campus, and four of the top six priority requests at Urbana-Champaign, involve remodeling. Overall, \$62.1 million or over 53 percent of the proposed need for FY 1993 is devoted to remodeling projects.

Since FY 1982, the University has requested funding from the U. S. Department of Energy's Institutional Building Grant program for energy conservation capital

improvements. These grants have been matched on a one-for-one basis. For FY 1993, a grant totaling \$266,135 has been approved for the Chicago campus. The matching amounts to be requested will be specified by project in the final version of the University request.

It is clear that the new state administration has set significant capital budget priorities on renovation initiatives which help maintain the existing facilities infrastructure. The scope and priorities of the University's FY 1993 capital request follow that direction closely. With only a few exceptions, the heaviest emphasis in the University's request is on remodeling and renewal efforts.

In addition to the project lists in Tables 11 and 12, Table 13 provides a breakdown of projects by budget category and by campus, and Table 14 details the cost per square foot that is anticipated for new buildings and major remodeling projects requested for FY 1993. Following Table 14 are project descriptions for each campus' top five priorities for FY 1993. Project descriptions for the balance of each campus remaining priorities can be found in the Background Information document (pages 16 through 56) presented to the Board of Trustees in July 1991.

TABLE 13
FY 1993 REGULAR CAPITAL BUDGET REQUEST SUMMARY BY CAMPUS AND CATEGORY

(Dollars in Thousands)

Category	Chicago	Urbana- Champaign	Total
Buildings, Additions, and/or Structures		\$26,250.0	\$26,250.0
Land Aquisition		3,473.0	3,473.0
Moveable Equipment		2,700.0	2,700.0
Utilities		10,150.0	10,150.0
Remodeling	\$34,570.1	27,550.0	62,120.1
Site Improvements		1,830.0	1,830.0
Planning	5,473.7	4,705.0	10,178.7
TOTAL	\$40,043.8	\$76,658.0	\$116,701.8

TABLE 14 FY 1993 CAPITAL BUDGET REQUEST COST PER SQUARE FOOT OF NEW BUILDING AND MAJOR REMODELING PROJECTS BY CAMPUS

					,	
	Project	Gross Square	Net Assignable	Efficiency	İ	
	Cost	Feet	Square Feet	NASF/GSF	\$/GSF	\$/NASF
CHICAGO:						
Major Remodeling						
NPI Remodeling/Neurosurgery	\$5,500,000		64,825			84.8
Assoc. Health Prof. Bldg.	9,485,800		107,500			88.2
Pharmacy Building	1,720,000		17,313			99.3
College of Medicine - W. Tower	9,864,300		121,800			81.0
URBANA-CHAMPAIGN:						
New Buildings						
Commerce-MBA Building	\$13,900,000	* 63,500	39,500	62.2%	218.9	351.9
Library 7th Stack Addition	19,300,000	110,000	80,000	72.7%	175.5	241.3
Major Remodeling			•			
Mechanical Engineering Lab.	\$4,900,000		48,000		•	102.1
English Building	4,250,000		48,000			88.5

^{*} Total Project Cost which includes gift funds of \$6.95 million.

FY 1993 Regular Capital Projects — Top Five Priorities at the Chicago Campus

Neuropsychiatric Institute (NPI) Remodeling/Neurosurgery - Remodeling (\$5,500,000)

The NPI, designed in 1938 by George Burnham, originally housed many of the training facilities of the Department of Psychiatry including research, in-patient services, and clinics. It is the first building in the United States to be designed and constructed solely for use by the neurosciences.

The College of Medicine proposes the NPI building once again be the centerpiece of the neuroscience effort at the Chicago campus. The building, though architecturally outstanding, has fallen into disrepair over the years. A plan for the renovation of the north tower will be completed in 1991 by the architectural firm of Nagel, Hartray and Associates Ltd. Minor remodeling and repairs to the existing building system are also proposed as part of this project.

The FY 1993 request for funding is a continuation of work completed in FY 1992, and is an extension of the building plan developed by Nagel, Hartray, et al. The building plan focuses on exterior and building systems improvements, code corrections, and on internal areas in the north tower. The scope of work includes roof and window replacement, tuck-pointing, building systems replacement, circulation and grounds improvements, restoration of the lobby, renovation of offices, computer labs and support areas, and remodeling of existing and proposed labs.

Revitalization of Campus Core/Phase II - Remodeling (\$3,500,000)

The University of Illinois at Chicago Circle, now the east side of the University of Illinois at Chicago, held its first classes in February, 1965. The focal point of the campus was designed and constructed as a great court situated above a lecture center and located between the Chicago Circle Center and the Library. Phase I, appropriated in FY 1992, addresses repair and renovation of the Court including exedras, walkways, lecture center, and ground plan immediately surrounding the lecture center. Phase II will focus on the area north of the lecture center, south of Harrison Street, west of Halsted, and east of the Behavioral Sciences Building (BSB).

The scope of work will include creating an academic way beginning at the Student Residence and Commons and extending west to Vernon Park Place (just south of BSB). Existing asphalt walks and the brick walls will be removed and replaced with new landscaped

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design. Parking lot #2, the brick wall, and the drive will be removed; drainage will be corrected, lighting improved and the entire area landscaped.

Handicapped parking and service access will be relocated north of University Hall (UH). The overhead walk between UH and BSB will be removed, and the ground plan will be designed as the focal point of entry for the University.

Planning and construction of this project will be coordinated with plans for the Student Residence and Commons addition, Art and Architecture expansion, Phase I Campus Core Revitalization, Morgan Street Closure, and relocation of the Copy Center. The University will work with the City of Chicago in obtaining access from Harrison Street to UH.

Repair and Renovation (\$4,500,000)

The Repair and Renovation request is comprised of the following 18 minor remodeling projects.

TABLE 15
CHICAGO CAMPUS
REPAIR & RENOVATION PROJECTS

Project	Budget
Art & Architecture Bldg. (AAB) - Upgrade Classrooms	\$159,000
AAB - Upgrade Space for Communications Design	159,000
AAB - New Windows	106,000
AHPB - P.T. Kinesiology Laboratory	106,000
AHPB - Electrical Upgrade	147,406
BGRC - Upgrade Bioinstrumentation Space	159,000
SEL - Electronic Visualization Laboratory	212,000
SEL - Laboratory Remodeling	212,000
PEB - Biomechanics Laboratory	371,000
CMW - Molecular Physiology Laboratory	201,400
Peoria - Auxiliary Chiller	116,494
Rockford Standby Electric Power/Supplemental Cooling	339,200
Pharmacy Building - Student Research Laboratory	503,500
Pharmacy Building - Faculty, Labs and Offices	440,000
Pharmacy Building - Electrical Upgrade	250,000
Dimmer Ballasts & Aisle Lights - Various Bldgs.	212,000
East Side - Exit & Directional Signs	159,000
Peoria COM - Masonry Repair	647,000
TOTAL	\$4,500,000

Associated Health Professions Building (AHPB) Remodeling (\$9,485,800)

The College of Associated Health Professions (CAHP) is currently located in several buildings which span across a three block area. Communication barriers among faculty, students, and administrators exist on both inter- and intra-departmental levels. Relocating these departments to one building would facilitate greater interdisciplinary collaboration in research and in service. In addition, consolidation would create more efficient use of space when scheduling classes and conferences, more efficient use of research and teaching equipment, and a substantial reduction in faculty and staff travel time between locations.

The AHPB (formerly the 1919 West Taylor Street Building) experienced a decline in use for patient care programs during the late 1970s, and therefore provides a feasible site for the CAHP's expansion and consolidation.

The AHPB is an "H" shaped eight story building, constructed as a tuberculosis hospital in the early 1950s. The building has approximately 183,000 GSF and 107,500 NASF of space. Since the building was first acquired in June 1975, the need for a major upgrade has been evident. Some academic projects proposed for this facility have been postponed due to inadequate electrical power, while others have been conducted only through the aid of innovative logistical maneuverings. The current phase of the building upgrade represents a continuing effort to correct facility deficiencies and provide useable facilities for the CAHP.

The AHPB houses a variety of campus programs dependent on remodeling. These programs include the CAHP, the Family Practice Department and Clinic, the Child Care Center, the Early Outreach Program, the Obstetrics Clinic, and the Division of Services for Crippled Children. Many of the building occupants require upgraded electric power, airconditioning, window replacement, and general building improvements such as code corrections and elevator renovation. The AHPB also requires space renovation to accommodate the relocation of two additional departments and development of its most promising research endeavors: metabolism, computerized anatomical imaging, collaborative research in physical therapy and nutrition, and kinesiology.

Initial upgrading and modernization of electrical services in the building began with the allocation of funds in FY 1979 and FY 1980. Completion of this modernization has provided adequate electrical service for future needs to most floors. However, current and future building occupants will be unable to fully utilize the newly provided electrical services

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or to service new program requirements without the installation of electrical control panels and supplemental wiring. A project approved in FY 1987 distributed electrical power on floors two, three, and four to the Biocommunications Arts, Occupational Therapy, and Physical Therapy departments. A second project has remodeled part of the sixth floor for the Department of Nutrition and Medical Dietetics.

The overall project proposed for FY 1993 is the first of two phases required to restore and upgrade the building for permanent use. This phase addresses three distinct components:

- 1. Electrical power distribution;
- 2. Installation and distribution of a central air-conditioning systems; and
- 3. Window replacement and tuck-pointing.

The second phase of work will address elevator renovation, code corrections, and the balance of the electrical distribution and window replacement work.

Pharmacy Building Remodeling - Phase II (\$1,720,000)

Since the Pharmacy Building was constructed, there have been major changes in the programs of the College of Pharmacy. A new pharmacy curriculum, the Doctor of Pharmacy degree program, was approved for implementation in FY 1984. The new PharmD curriculum is a six-year program composed of two years of pre-pharmacy and four years of professional education. Previously, the faculty of the College taught several basic science courses (e.g., physics, organic chemistry, history, anatomy); whereas, in the new curriculum. these courses are a component of the pre-pharmacy requirements available at the undergraduate level. The undergraduate curriculum has undergone significant changes with much less emphasis on wet laboratory instruction and greater emphasis on the social, behavioral, administrative, and biological sciences; and the professional practice of pharmacy. As a result of this major curricular change and the corresponding reduction in class size, there is no longer a need for the large laboratories designed in the early 1950s. Some of these laboratories should be modernized into smaller laboratories for computer applications, faculty offices, and research laboratories. With the increased emphasis on high technology research among its faculty, the conversion of unneeded undergraduate laboratory space into areas where high technology research can be conducted by students and faculty is a high priority goal of the College.

Another high priority goal is to increase research funding from external sources including pharmaceutical corporations and international organizations such as the World Health Organization. Completion of this capital improvement project will make the College more competitive in attracting research projects sponsored by the National Institutes of Health, the National Cancer Institute, and the National Science Foundation.

The College of Pharmacy faculty and administration have recently prepared a space plan for all College of Pharmacy space. This space plan is incorporated in a four phase redevelopment and renovation program for the Pharmacy building.

- Phase I is comprised of the renovation of the building HVAC systems, the Pharmacy Practice Simulation Laboratory, and the Computer Applications and Robotics Laboratory, all funded in FY 1986.
- Phase II, requested for FY 1993 and described herein, addresses the highest priority office and research laboratory needs.
- Phase III, scheduled for FY 1994, will address the need for new flexible student laboratories and classroom space.
- Phase IV, scheduled for FY 1995, will address lecture room and office renovations in the basement and on the first floor.

The projects described below are a direct result of the space study and have the highest priority. A total of approximately 14,000 NASF is involved in this remodeling phase.

- Rooms 547 and 547A-G (5170 NASF) and 440 (5755 NASF) are large undergraduate teaching and research laboratories which will be remodeled into offices and modern labs capable of conducting safe, chemically-based research. Room 440 will be remodeled for the Department of Pharmaceutics; room 542 will be remodeled for the Department of Medicinal Chemistry and Pharmacognosy. Relocation of occupants and rescheduling of class labs will be coordinated by the College of Pharmacy.
- Room 237 (4057 NASF) will be remodeled as a flexible use undergraduate laboratory to be used by several departments. Relocation of occupants will not be required; rescheduling of class labs will be coordinated by the College of Pharmacy.
- Rooms 244-247 (2331 NASF), initially used by photography as an undergraduate teaching facility, will be remodeled for wet-lab research for the Department of Pharmaceutics. The space is currently occupied by Pharmacy Practice administration and faculty. Relocation of the existing occupants will be completed by the College of Pharmacy before remodeling can begin.

The College of Pharmacy Space Management Plan Report shows the College has a deficiency of approximately 9,000 square feet of office and research space, but a corresponding excess of 20,000 square feet of teaching laboratory space. This office and

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research space deficiency is expected to grow considerably as new research initiatives are implemented. The conversion of teaching areas to office and research space will alleviate current deficiencies and will position the College of Pharmacy for leadership in related biotechnology research.

FY 1993 Regular Capital Projects — Top Five Priorities at the Urbana-Champaign Campus

Repair and Renovation (\$6,147,000)

The Repair and Renovation request is comprised of the following 19 minor remodeling projects which, in aggregate, represent the first priority at Urbana-Champaign.

TABLE 16 URBANA-CHAMPAIGN CAMPUS REPAIR & RENOVATION PROJECTS

Project	Budget
Gregory Hall - Room 336 Remodeling	\$ 135,000
Education Bldg. Basement Remd. Ph.II	300,000
Horticulture Field Lab. Remd. for Archives	650,000
Asbestos Abatement/Project Planning	244,000
Rehabilitation Center Basement Remd.	385,000
Chemistry Annex - Room 101 Remd.	860,000
Materials Res. & Everitt Lab. Cooling Tower Repl.	300,000
Materials Research & Loomis Lab. Masonry Repair	200,000
Small Animal Clinic & Turner Hall HVAC Renov.	405,000
Mechanical Engineering Bldg. Roof Replacement	185,000
Electrical Load Center #8 Renovation	500,000
Gregory Hall HVAC System Renovation	345,000
Noves Laboratory Masonry Repair	150,000
Correct Air Re-Entry Problems, Phase II	307,000
Fire Alarm Upgrade, Phase I	285,000
Critical Accessibility Improvements	250,000
Davenport Hall Elevator	250,000
Freer Hall Asbestos Abatement	179,000
Architecture Bldg Room 120 Renovation	217,000
TOTAL	\$6,147,000

North Campus Development (\$8,300,000)

The Urbana-Champaign campus is seeking private gifts for a new Engineering Library to be located on the north side of campus. Construction of the new library will relieve a critical library space shortage and will release space in Engineering Hall for instructional and research functions. In addition, the library and the surrounding block will serve as a focal point for the Engineering campus something which has been sorely lacking in the oldest, most congested and industrial looking area of the Urbana-Champaign campus.

The project will create an attractive setting for the College of Engineering reflecting the high quality of its academic programs.

The North Campus master plan adopted in 1986 includes a variety of program relocation and site development activities such as demolition of existing facilities, creation of new open spaces, and utilities relocations which will be necessary in and around the prospective site for a new engineering library. Given the critical importance of the engineering library, and given the active campaign to secure private funds for its construction, the overall site preparation work in the North Campus area takes on added importance for FY 1993.

Commerce Instructional Facility (\$6,950,000)

The Commerce Instructional Facility will be funded through state appropriations and a matching amount to be provided through College fund raising activities (private donor funds) for a total project cost of \$13.9 million. This new building will provide significant relief to the critical space needs of the College of Commerce and Business Administration.

Space will be provided for the undergraduate and graduate programs of the College and will also benefit students across the campus who enroll in Commerce courses. The building will provide new facilities for 19 additional state-of-the-art classrooms (including one seminar room), the Commerce Placement Office, which provides student job placement services, and the MBA Program. In addition, space will be provided for the Executive Development Center (EDC) and faculty offices.

The building, when completed, will total 63,500 GSF (39,500 NASF). Space vacated in Commerce West and David Kinley Hall by the MBA and EDC programs and the Commerce Placement Office will be used primarily in support of Commerce undergraduate programs.

Ten of the nineteen classrooms will be dedicated entirely to undergraduate student education, with a total capacity of 590 students. The Commerce Placement Office space will house a resource center to provide students with information on prospective employers. The center will include student interview rooms and work area, administrative offices, a lounge for recruiters, and storage. The MBA Program space will provide six classrooms (including one conference/seminar room), a student lounge, administrative offices, vending area, and storage. The EDC program will have its own 80-student classroom and lounge for

professional short-course use. Graduate and executive student classrooms will support undergraduate student programs when they are not otherwise scheduled.

This project will provide the College of Commerce and Business Administration with

space contiguous with their other buildings, necessitated by the College's constantly expanding student population and the desire to provide a better, more comprehensive program to those students.

Room Type and USOE Code NAS Classroom (100) 18,05 Office (310,315,350) 17,42 Lounge (650,660) 3,21 Storage (750) 82	
Office (310,315,350) 17,42 Lounge (650,660) 3,21 Storage (750) <u>82</u>	
Lounge (650,660) 3,21 Storage (750) 82	24.50
Storage (750) <u>82</u>	
TOTAL 39,50	U

English Building Remodeling, Phase IV (\$4,250,000)

In 1975 an architect was hired and a master plan was developed to convert the English Building to its new and permanent use. A plan was developed for remodeling of the English Building in five phases at a total cost of \$11.3 million. When the job is completed, the Department of English will have all new facilities within the original exterior walls at a cost of 40 to 50 percent less than the cost of a new facility of the same size.

In total, 61,940 NASF (118,140 GSF) will undergo remodeling. The entire program involves the addition of a new heating and air conditioning system for the building, construction of a new fire-rated stair, enclosing two existing stairs, installation of an elevator (done in Phase III), additional rest rooms, new plumbing, new structural flooring in the west half of the building, as well as the typical partitioning, lighting, and ceiling improvements associated with office and classroom remodeling. To date, only the first three phases of the remodeling have been completed. The unremodeled portion of the building is in deplorable condition because of extended delays in funding this important project.

The fourth phase of the work, (21,000 GSF), involves the renovation of all floors on the north section of the building well as the east side of the third floor (7,000 GSF). The remodeling will involve the complete gutting and the construction of new floors in 10,000 GSF of the area to be remodeled. A total of 28,800 GSF of space will be converted into modern office space and classrooms as a result of this project.

There will be an equipment request in FY 1994 to support this remodeling request.

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Mechanical Engineering Laboratory - Remodeling (\$4,900,000)

The Mechanical Engineering Laboratory is a building of approximately 48,000 NASF constructed in 1905 with an addition in 1917. The continued use of the building was in question until the recent North Campus Master Plan prepared by Sasaki & Associates was completed. Sasaki & Associates recommended this building be retained, forming the east edge of the Engineering Quadrangle. In that location it will serve the needs of the Mechanical Engineering Department, as well as other departments, such as Aeronautical and Astronautical Engineering, that offer programs related in scope and educational content.

This building was built originally as a part of the University Physical Plant and served in that capacity until the early 1950s. It requires major remodeling to bring it up to modern standards for laboratory and office space. The renovation would include either complete roof replacement or a major renovation of the existing roof. The basic structure of the building is acceptable but the interior space needs upgrading. Internal remodeling would realign the floor levels of the building, making them more accessible and useful for instructional laboratories, research laboratories, and office space. A new central heating and cooling system for the entire building would also be required.

The programs currently envisioned to occupy the space are in the fields of thermal sciences, thermal dynamics, and air and water flow research as well as other related research fields. It is anticipated that additional laboratories will be developed, set up in approximately 780 to 900 square feet modules with central utility chases serving the rooms. This approach will allow for adaptation of rooms to future uses.

The current plan creates a lower office and wet laboratory level with at least one area being devoted to a high ceiling laboratory (two stories high) for use in fluid flows research. The second level will have 12 office/laboratories of less than 300 square feet each, 4 office/laboratories at 360 square feet, and 2 office/laboratories at 600 square feet. The proposed use would meet the current needs and requirements of the Mechanical Engineering staff with allowances for anticipated future growth.

There will be an equipment request in FY 1994 to support this project. Additionally, the University is awaiting approval for a federal facilities grant which will help fund this project.