

UNIVERSITY OF ILLINOIS  
URBANA-CHAMPAIGN SENATE

Committee on the Budget  
2002-2003 Annual Report

The Senate Committee on the Budget studies the University and campus budgets, the criteria used to determine allocation of resources at our campus, and the educational policy implications of budgetary decision-making. The Committee makes recommendations on proposed budgetary increases, as well as other matters that fall within its purview.

As the State of Illinois continues to experience the effects of a national down turn in the economy, this has had a serious and substantial impact on the fiscal well-fare of the University of Illinois. We commend the Chancellor and the Provost for keeping the campus community apprised of the University's financial outlook and for being a positive presence in light of the current situation. Because of budgetary cutbacks, the FY03 budget was restructured and extensive internal reallocations and reductions for FY04 will occur. At the writing of this report, neither the final outcome nor the full magnitude and nature of these changes have been determined; however, they will be substantial.

As the negative economic trend is projected to continue, it impacts into planning for FY05. Thus, our Committee has focussed its discussions on how the campus could make best use of its resources, as well as ways in which additional revenue might be generated. The Committee met on a monthly basis during the fall semester and twice each month this spring. Our deliberations included input from several guest participants: Professor Norm Denzin, Chair of the Senate Faculty Benefits Committee; Mr. Stephen Rugg, Vice-President for Administration; Dr. Martha Moore, Interim Director of Admissions and Records; Dr. Douglas Vinzant, Associate Vice-President for Planning and Budgeting; and Provost Herman.

The Committee has examined potential ways of addressing the current funding situation for the campus, particularly means for enhancing revenues and on scenarios that would modify and improve utilization of the resources that the campus has in delivering our educational programs consistent with our obligations to the State. We have addressed non-conventional approaches, more efficient use of campus physical facilities, short-term scenarios that have an immediate impact on current deficits, long-term scenarios that consider how to survive within the potential climate of slow economic recovery, and likely coupled with continued loss of share of State revenues to Higher Education. Although our examination of these is not complete, the Committee feels strongly that the long-term funding fundamentals need careful examination involving all stakeholders.

As reported at the March 17 Senate meeting, our contention is that a solution that has not brought along the full breadth of stakeholders is less likely to be successful than one that does. We applaud the Chancellor and Provost in forming working groups that will incorporate a breadth of stakeholders. We believe it is critical to ensure that both the short- and long-term aspects are fully considered. Further, it appears to our Committee that this must incorporate long-range priorities that are seriously considered and rigorously debated with the stakeholders, particularly the faculty. The current crisis and a theme of shared sacrifice would benefit from faculty buy-in. This would include improved communication and more faculty involvement in deliberative task forces. In this way we could create an optimum system configuration and structure for long-term stability and strength of the campus and the University.

COMMITTEE ON THE BUDGET

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