

University Senates Conference
Finance, Budget, & Benefits Committee
Minutes

DATE: Friday, June 6, 2025

PLACE: University of Illinois Chicago, College of Pharmacy, Room 112E
833 S Wood St, Chicago, IL

University of Illinois Urbana-Champaign, NCSA, Room 3000
1205 W Clark St, Urbana, IL

PRESENT: Campbell, Danziger, Erricolo, Lyons

ABSENT: Leff

I. Call to Order

The meeting was called to order at 1:35 p.m. by Professor Campbell.

II. Approval of remote participation

None

III. Public Comment

None

IV. Approval of minutes from

a. February 6, 2025

A motion was made by Professor Lyons and seconded by Professor Danziger to approve the minutes from February 6, 2026. No discussion. The minutes were approved by a voice vote.

Yes: Campbell, Danziger, Erricolo, Lyons

No: None

Abstain: None

b. March 6, 2025

A motion was made by Professor Lyons and seconded by Professor Danziger to approve the minutes from March 6, 2025. No discussion. The minutes were approved by a voice vote.

Yes: Campbell, Danziger, Erricolo, Lyons

No: None

Abstain: None

V. Motion to accept the Record of Conversation from April 8, 2025

A motion was made by Professor Lyons and seconded by Professor Erricolo to accept the Record of Conversation from April 8, 2025. No discussion. The Record of Conversation was approved by a voice vote.

Yes: Campbell, Danziger, Erricolo, Lyons

No: None

Abstain: None

VI. Today's Business

- a. Discuss NIH cuts projected to cost the UI System \$67 million annually
FBBC expressed serious concern over recent federal executive orders and actions that have reduced the indirect cost rate to 15%. Committee members discussed the significant financial impact this reduction could have on the University of Illinois System's ability to support its research enterprise, educational mission, and core institutional activities. FBBC voiced strong support for the University administration's efforts to legislatively challenge these federal actions.

FBBC also raised concerns about growing risks related to international student enrollment and related impacts on tuition revenue streams. Specifically, members noted ongoing difficulties for international students—particularly those from China—in securing visa interviews. Given that the Urbana campus hosts the largest number of international students in the System, this issue poses substantial challenges. FBBC strongly supports the University's efforts to address these issues through legislative channels.

- b. Discuss the uncertainty of grant funding for research and education, with potential long-term impacts on the university.
Concerns related to the uncertainty of federal grant funding were incorporated into the discussion above. Committee members acknowledged the potentially long-term implications of these developments on the University's research and educational missions.
- c. Discuss SURS Tier 2 and Social Security Safe Harbor Act
Professor Lyons provided legislative updates from SUAA regarding the SURS Tier 2 pension system fix and the Social Security Safe Harbor Act.
 - i. Senate Bill SB 1937: Aimed at fixing issues with the SURS Tier 2 pension system, this bill stalled on the final day of the Spring legislative session and was re-referred to the Rules Committee.
 - ii. Budget Implementation Bill (HB 1075): Allocates \$75 million to address Tier 2 Safe Harbor deficiencies. Of that, 11.6%—approximately \$8.7 million—will be directed to SURS Tier 2 retirees.
 - iii. State Budget (SB 2510): The General Assembly passed the budget, which includes \$2.069 billion from the General Revenue Fund and an additional \$250 million from the State Pensions Fund to support SURS. The budget reflects full, statutorily required funding.

FBBC will continue monitoring the legislature's progress on resolving issues related to the Tier 2 pension plan when the General Assembly reconvenes.

- d. Compensation Comparisons: An analysis of the current state of faculty, staff, and student compensation across the three campuses (UIUC, UIC, and UIS) and in comparison, to peer institutions.
FBBC members expressed concern over compensation levels for faculty, staff, and

students, especially given inflation and economic uncertainty. The committee will request data from the CFOs of the three campuses (UIUC, UIC, UIS) and the System to better understand:

- i. How budget increases will be allocated to the salary program.
 - ii. Whether there is a plan to ensure pay raises are at least equal to the inflation rate, to prevent real income losses for all University employees
- e. Childcare and Caregiving Challenges: Examination of challenges faced by employees regarding access to and the costs of childcare and caregiving. FBBC agreed to remove this item from future agendas to prioritize more urgent financial concerns, particularly those arising from recent federal executive actions affecting research, the student body, and the teaching mission.

VII. New Business

a. Strategic plan for 2025-2026 FBBC

FBBC members proposed that the 2025–2026 committee adopt a proactive approach to tracking both anticipated and realized financial impacts of federal executive actions on projects and activities critical to the UI System’s core mission. To this end, FBBC recommends:

- i. Regular CFO Engagement: Coordinate with David Perryn to schedule monthly meetings with the campus CFO hosting that month’s USC meeting.
- ii. System-Level Inclusion: System-Level Inclusion: Ensure the System-level CFO is included in the rotation so that USC—and, by extension, all three campuses—remains fully informed of evolving financial issues and budgetary concerns.

VIII. Old Business – Action Items

None

IX. Adjournment

The meeting was adjourned at 2:28 p.m.

Information for the minutes provided by Professor Lyons.

David Perryn
USC Administration