**Illinois State**

**University**

Board of

**Trustees**

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| **Resolution No. 2016.10/23** |
| **FY2018 Appropriated** |
| **Budget Request:** |
| **Operating and Capital** |

## Resolution

Whereas, Illinois State University is required to submit its appropriated operating budget request and its capital

appropriation request to the Illinois Board of Higher Education, and

Whereas, the authority for approval of the appropriated operating budget request and the capital appropriation

request resides with the Board of Trustees of Illinois State University:

Therefore, be it resolved that the Board of Trustees approves the FY2018 appropriated operating budget request

totaling $79.5 million and the capital appropriation request totaling $292.6 million.

Board Action on: Postpone:

 Motion by: Amend:

 Second by: Disapprove:

 Vote: Yeas: Nays: Approve:

 ATTEST: Board Action, October 28, 2016

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Board of Trustees

**Illinois State University**

## FY2018 Appropriated Funds Request

Illinois State University’s FY2018 appropriation request supports the University’s strategic plan, *Educating Illinois 2013-2018* and will allow the University to increase its contributions toward addressing critical statewide goals for higher education.

State appropriated dollars provide the critical and irreplaceable core of support for delivery of high quality instructional programs and educational services to students. Maintaining a solid or increasing appropriation lessens the reliance on the university income fund, which is realized primarily from student tuition payments; therefore, helping to maintain affordability of a college degree.

Illinois State University is sensitive to the ongoing fiscal difficulties faced by the state and has been a responsible steward by directing limited resources to only its highest priorities and needs. For example, the University directs resources to financial aid in order to attract and retain students who have little or no resources to pay increasing college costs. In light of limited deferred maintenance funding, resources have also been redirected to address repair and maintenance of campus facilities. The University takes pride in the fact that, at the same time, instructional programs continue to be recognized nationally and internationally for their quality and value.

## FY2018 Operating Budget Request

Increases

Consistent with the goals outlined in *Educating Illinois,* the University is committed to enhancing salaries in order to improve faculty salary competitiveness and attract and retain vibrant faculty and staff. Therefore, $4.8 million is requested for faculty and staff compensation increases. This amount is 3.0 percent of the general revenue personal services base.

Illinois State University’s deferred maintenance needs continue to be significant. The FY2018 Capital Request addresses some of the larger rehabilitation needs, but there are numerous smaller projects for which resources are needed. The FY2018 request includes $2.5 million in deferred maintenance funds, which is approximately 1.0 percent of the general revenue deferred maintenance backlog.

Table 1 below summarizes the University's proposed appropriated operating budget request for FY2018. This budget request is a responsible and reasonable statement of the University’s highest priorities and goals.

**Table 1**

**Illinois State University FY2018 Appropriated Operating Budget Request**

 (in thousands of dollars)

##### Appropriated Funds Base (assumed at FY2015 level; last full-year appropriation) $72,226.7

Increases

#####  Compensation (3.0% of General Revenue Personal Services Base) 4,750.5

#####  Deferred Maintenance 2,500.0

##### FY2017 Appropriated Funds Request $79,477.2

##### Dollar Increase $7,250.5

##### Percent Increase 10.0%

Board of Trustees

**Illinois State University**

**FY2018 Capital Improvements Request**

The capital projects for which funding is requested for FY2018 are instrumental in addressing the goals and priorities articulated in the University’s strategic plan, *Educating Illinois,* as well as the recommendations in *Master Plan 2010-2030: Looking to the Future*. These projects are important to enhancing a healthy, safe and environmentally sustainable campus and to ensuring the University has the physical infrastructure necessary for excellence in instruction, research and service in the 21st century.

Identifying the projects included in the annual request to the state for capital improvement funding involves an ongoing process of assessing academic and support service capital needs, determining facility use strategies, analyzing facilities’ conditions and opportunities, and evaluating available resources. The projects included in the FY2018 request are the same as those included in last year’s request, as no new state funds were appropriated to support University capital projects in FY2017. The priority assigned to each project remains the same as well. Both the projects requested and the priority assigned to them are reviewed and approved by the Capital Planning and Budget Team comprised of individuals from each Division of the University, shared governance constituencies and Intercollegiate Athletics.

The request for state funds for capital improvements in FY2018 totals $292.6 million, including $289.5 million for five major capital improvement projects and $3.1 million for two capital renewal projects.

**FY2018 Capital Request**

The major capital projects are listed in priority order below:

 Milner Library Rehabilitation $ 84,494,000

 Mennonite College of Nursing Building 28,933,000

 College of Education Facilities Rehabilitation and Construction 86,948,000

 DeGarmo Hall Rehabilitation ($34,779,200)

 Thomas Metcalf School Replacement ($52,168,800)

 University High School Replacement 57,861,000

 Williams Hall Renovation 31,309,000

 Total $289,545,000

The major capital projects focus on addressing academic programmatic needs and ensuring the University’s facilities promote excellence in instruction, research and service. They involve renovating and upgrading existing academic facilities; addressing life-safety requirements; replacing outdated mechanical, electrical and plumbing systems; and upgrading utility and technology systems. The projects also involve the construction of new facilities for the Mennonite College of Nursing and the University’s laboratory schools. A considerable amount of the University’s accumulated deferred maintenance needs can be addressed through these projects.

The state’s Capital Renewal Program provides resources for small remodeling, utilities and infrastructure projects. Funds from the program are distributed proportionately among state colleges and universities based upon their nonresidential square footage. The University’s allocation for FY2018 is expected to be $3.1 million. The funds would be used for the following:

 Replace Exterior Doors and Windows in Metcalf,

 Fairchild and Rachel Cooper halls $2,032,000

 Replace Emergency Generators 1,032,000

 Total $3,064,000

Summary descriptions of each of the requested capital projects follow.

# Milner Library Rehabilitation $84,494,000

Milner Library, constructed in 1976, is challenged to keep pace with the increasing availability of new publications and with the ever changing and increasing library technology and information sources. This project involves construction of additional space, renovations to the existing Milner Library, and necessary site improvements and modifications to accommodate library improvement and sustainability. Functional program elements include library book stacks, study areas, library processing and support spaces and high-density storage of library materials. This project should be transformative to convert Milner into an integrated learning center providing reference areas, work areas, electronic retrieval areas, collaborative work areas, conferencing areas, and faculty and student self-service areas. Improvements include enhancements to the building envelope, plumbing, heating, ventilating, air conditioning and electrical services to incorporate the requirements of the Capital Development Board’s Green Building Guidelines for State Construction. This project is recommended in the *Master Plan 2010-2030*, endorsed by the Board of Trustees in February 2011.

# Mennonite College of Nursing Building $28,933,000

Mennonite College of Nursing is located in Edwards Hall, which opened in 1920 with approximately 31,929 square feet. The College became the sixth at the University in 1999 offering undergraduate and graduate programs. The College has been growing steadily, and holds classes in Edwards as well as in several other campus facilities, including the Clinical Simulation Laboratory. This project will provide for the construction of a new home for the Mennonite College of Nursing. The new facility, with approximately 60,000 square feet, will address future needs of the College. This space will include offices, meeting rooms, conference rooms, and a variety of teaching classrooms and laboratories that are special to the needs of the nursing program. The building will be sited to best address the specific goals and requirements of the program, which not only include instruction but also the clinical health care industry relationships. This project is recommended in *Master Plan 2010-2030*.

# College of Education Facilities Rehabilitation and Construction $86,948,000

 **DeGarmo Hall Rehabilitation ($34,779,200)**

 **Thomas Metcalf School Replacement ($52,168,800)**

This project provides for rehabilitation of DeGarmo Hall and construction of a new facility for Thomas Metcalf School. DeGarmo Hall, built in 1972, is a five-story building with a basement. The facility has approximately 101,703 gross square feet. The facility features a unique “center core” design with less than adequate energy efficient building envelopes and obsolete floor plans. The “curtain wall” exterior has deteriorated to a point where it is difficult to maintain and repair. The open plaza at the first level of the building (which is above occupied spaces) is in various stages of deterioration with water infiltration which must be repaired, replaced or modified in order to maintain a functioning building. The current interior spaces need to be reconfigured to better serve current program requirements. All existing mechanical, electrical, and plumbing (MEP) components of the infrastructure are original and have exceeded their standard life expectancy of 30 years. All these systems are in need of total replacement. The quality of the office and program spaces does not adequately support existing and future needs of this academic community. As part of this project, DeGarmo Hall will undergo major remodeling involving upgrades of mechanical, electrical and plumbing systems, enhancements to interior spaces and data/telecommunications network throughout the building. Rehabilitation of DeGarmo Hall is recommended in *Master Plan 2010-2030.*

This project consists of demolishing Thomas Metcalf School and replacing it with a new facility of approximately 180,000 square feet on University owned land designated for this purpose, which is about 50 percent larger than the current facility. The new building would permit consolidation of all programs into a single location. The project addresses program issues related to changes of teaching methods and growth of instructional programs and will provide a more appropriate setting for a school serving K-8th grades. It will meet 21st century requirements and house all necessary instructional classrooms, offices, laboratories, shops, auditoriums, a swimming pool, gymnasiums, safe outdoor activity playgrounds, modern equipment and observation classrooms which are necessary to support the laboratory school. Construction of a new facility for Thomas Metcalf School is recommended in *Master Plan 2010-2030.*

# University High School Replacement $57,861,000

The current University High School building was constructed in 1965 and houses the University’s laboratory school for ninth through twelfth grades. The facility is outdated and aging, and the mechanical, electrical, plumbing, and fire alarm systems are in need of upgrading or replacement. Its geographic location on the campus is problematic with poor vehicular access to the building and less than adequate outdoor space. This project provides for the construction of a larger, modern laboratory school to meet the 21st century requirements on campus. This project involves construction of a new school of approximately 200,000 square feet of space on University-owned land designated for this purpose. The new facility will include modern classrooms and office spaces as well as those support spaces for secondary school education. This project is recommended in *Master Plan 2010-2030*.

# Williams Hall Renovation $31,309,000

This project will renovate the interior of Williams Hall, which was originally built in 1940 as the University Library. The project will replace and/or upgrade the building’s mechanical, electrical and plumbing systems. Approximately 75,000 square feet will be remodeled. The former library stack structure in the center of the building will be dismantled and removed, making better use of the space and permitting natural light to filter into the center of the building through an interior light court. The remodeling will correct code deficiencies, remove asbestos, replace the slate roof, and bring the structure back to its original architectural significance. The former library reading room and central staircase will be restored to its original architectural character, opening the existing vaulted space that presently is covered. The building is on a prominent site on the Quadrangle and represents a classic form of collegiate Georgian style architecture. After renovation, Williams Hall would be utilized as classroom and office space for academic and University programs. This project is recommended in *Master Plan 2010-2030*.

**Replace Exterior Doors and Windows in Metcalf School,**

**Fairchild Hall and Rachel Cooper $2,032,000**

Metcalf School, Fairchild Hall, and Rachel Cooper were constructed in the early 1950’s. Metcalf School is the elementary laboratory school for the University’s College of Education; it provides a living laboratory to aid in the education of future teachers. Fairchild Hall and Rachel Cooper house a variety of functions including Metcalf School, Social Work and Speech and Hearing. These three buildings are physically connected to one another.

The windows in these facilities are original to the building. These are single pane, un-insulated units with no energy efficient components. This project will replace the windows in these buildings as well as exterior doors that are in the worst condition.

**Replace Emergency Generators in Various Buildings $1,032,000**

Many of the facilities on the main campus of Illinois State University have emergency generator support. This has been a conscientious effort over the past several decades to provide the support necessary for those critical functions, mostly life-safety, in the buildings.

This project will evaluate the University’s current inventory of emergency generators and create a project to replace three generators and the necessary associated transfer and distribution equipment. A part of this project an evaluation will include a review of current generator size and capacity and additional components within the facility that need to be on emergency power.