

ILLINOIS STATE  
UNIVERSITY

BOARD OF  
TRUSTEES

Resolution No. 2025.05/15  
FY2026 Spending  
Authorization

**Resolution**

Whereas, the Board of Trustees of Illinois State University (*the "Board"*) is obligated to approve the University's annual operating budget for Fiscal Year 2026 (July 1, 2025 through June 30, 2026) which includes appropriations from the State, and

Whereas, State appropriations to Illinois State University for Fiscal Year 2026 are not formally approved by the Governor's Office and General Assembly until May 31, 2025, or shortly thereafter, and

Whereas, the University must honor its financial obligations and have permission to spend budgeted funds beginning July 1, 2025, prior to a final approved State appropriation funding level and approval of the Fiscal Year 2026 University operating budget.

Therefore, be it resolved that the Board of Trustees authorizes the University to obligate and expend funds according to the *FY2026 Spending Authorization*, which is attached hereto and incorporated herein, until the Board takes further action on the final Fiscal Year 2026 Operating Budget, which is expected to occur in July 2025, but is reliant on a legislatively approved final appropriations from the State.

Board Action on: \_\_\_\_\_  
Motion by: \_\_\_\_\_  
Second by: \_\_\_\_\_  
Vote:            Yeas: \_\_\_\_\_ Nays: \_\_\_\_\_

Postpone: \_\_\_\_\_  
Amend: \_\_\_\_\_  
Disapprove: \_\_\_\_\_  
Approve: \_\_\_\_\_

ATTEST:    Board Action,                      May 9, 2025

\_\_\_\_\_  
Secretary / Chairperson

**Board of Trustees  
Illinois State University  
FY2026 Spending Authorization**

FY2026 is a transition year for university budgeting in preparation for implementation of a new budget model effective FY2027. The University is transitioning to a new budget calendar and process, anchoring budgets to projected operating revenues for FY2026. As campus works through these changes, the FY2026 spending authorization is based on revenue projections at the fund level. Each division is provided a budget target that equals, in total, an amount up to the University's projected revenues. A more detailed expense budget will be presented to the Board at the July 2025 meeting. While the expenditure budget is balanced, additional funding will draw down reserves due to prior year strategic commitments and Board-approved multi-year capital projects. Expected expenses from reserve fund balances will be provided when the detailed expense budget is presented.

Table 1 presents FY2026 Spending Authorization by fund based on stable student enrollment (21,723: 19,284 undergraduate, 2,439 graduate), a three percent projected increase in state appropriations, and a five percent increase in room and board rates as approved by the Board at the February 21<sup>st</sup>, 2025, meeting. The total spending authority is based on projected operating revenues for each fund type. The FY2026 detailed operating budget will be finalized once FY2026 state appropriations are enacted.

<b>Table 1</b> <b>Illinois State University</b> <b>Fiscal Year 2026 Spending Authority by Fund</b>		
(in thousands of dollars)		
<b>Source of Funds</b>	<b>Dollars (\$000)</b>	<b>Percent of Total</b>
<b><u>Unrestricted</u></b>		
State Appropriation	\$ 82,200	15%
University Income Fund	\$ 242,330	43%
Subtotal	\$ 324,530	58%
<b><u>Restricted</u></b>		
Bond Revenue Operations	\$ 114,000	20%
Grants and Contracts <sup>1</sup>	\$ 50,000	9%
Other Local Funds	\$ 69,000	12%
State College and University Trust Fund (collegiate license plate revenue)	\$ 30	0%
Subtotal	\$ 233,030	42%
<b>Total</b>	<b>\$ 557,560</b>	<b>100%</b>
<sup>1</sup> Grants and Contracts includes Laboratory School state funds		