

The discussion held in executive session has not been approved for release to the public and has thus been deleted from these minutes.

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MEETING OF THE BOARD OF TRUSTEES  
OF THE  
UNIVERSITY OF ILLINOIS

May 11, 2006

This meeting of the Board of Trustees of the University of Illinois was held in Chicago Rooms B & C, UIC Student Center West, Chicago campus, Chicago, Illinois, on Thursday, May 11, 2006, beginning at 10:10 a.m.

Chair Lawrence C. Eppley called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. Devon C. Bruce, Dr. Frances G. Carroll, Mr. David V. Dorris, Mr. Lawrence C. Eppley, Dr. Kenneth D. Schmidt, Mr. Niranjana S. Shah, Mrs. Marjorie E. Sodemann, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. Mr. Nicholas W. Klitzing, voting student trustee from the Urbana-Champaign campus, was present. The following nonvoting student trustees were present: Mr. Shumail Alam, Chicago campus; Ms. Carrie M. Bauer, Springfield campus.

INTRODUCTION OF UNIVERSITY OFFICERS AND SENATE OBSERVERS

Mr. Eppley asked President White to introduce the University officers and senate observers. President White introduced the following: Dr. Sylvia Manning, chancellor,

University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; Dr. Richard H. Herman, chancellor, University of Illinois at Urbana-Champaign; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. The president also introduced: Mr. Richard M. Schoell, executive director for governmental relations; and Mr. Thomas P. Hardy, executive director for university relations. In addition, the following persons were also in attendance: Ms. Marna K. Fuesting and Ms. C. Ellen Foran, both assistant secretaries. President White then stated that the following persons were joining the meeting today: Dr. Lon Kaufman, professor of biological sciences, vice provost for undergraduate affairs, and dean of the Honors College, Chicago campus, representing the University Senates Conference; Dr. Karen Patena, clinical assistant professor of health information management, representing the Chicago Senate; James Patrick Hall, assistant professor of management information systems, representing the Springfield Senate; and Dr. Kim Graber, associate professor of kinesiology, representing the Urbana-Champaign Senate. Also in attendance is Dr. Elliot Kaufman, professor of biochemistry and molecular genetics, College of Medicine, and chair of the University Senates Conference; Dr. Gerald Strom, professor of political science, and secretary of the Chicago Senate; and Joseph E. Finnerty, professor of finance, representing the chair of the Urbana Senate Executive Committee.



## OPENING REMARKS FROM CHAIR OF THE BOARD

Mr. Eppley inquired if Trustees Schmidt and Carroll, the chair and vice chair of the Academic Affairs Committee had met with the senate observers to review the meeting and Dr. Schmidt stated that all had met before the meeting.

Mr. Eppley then welcomed everyone present to the meeting and indicated that the board had an agenda of 33 items to consider and three committee meetings. He then said that this meeting is special because it occurs at the time of the University's commencement exercises at the campuses. He noted that the University will award 17,000 degrees this spring, and recognized Student Trustees Alam and Bauer as among this year's graduates, and offered congratulations. He then reviewed the schedule for the day and said that since no one had applied to address the board there would not be a public comment session. He also called attention to a draft policy for hiring University retirees that Trustee Sodemann had worked on and asked to be distributed to the board with a request for comments. Next, Mr. Eppley noted that there would be a joint meeting of the Buildings and Grounds Committee and the University Hospital Committee for a discussion of expansion and remodeling plans for the hospital, and called attention to an agenda item related to that. He also referred to the session to be devoted to a presentation and discussion of items on the agenda and mentioned some important administrative appointments, including the appointments of Dr. Ilesanmi Adesida as dean of the College of Engineering, Urbana, and Dr. Mary Kalantzis as dean of the College of Education, Urbana. In addition, he commented on the recommendation to issue Certificates of

Participation to address deferred maintenance needs on the campuses and to proceed with the construction of the Instructional Facility for the College of Business at Urbana.

Further, he referred to several items in the agenda related to capital projects and said they would be discussed later.

Next, he reviewed the rest of the day's schedule that included committee meetings and reports from the trustees.

At that point Mr. Eppley invited the student trustees to come forward and Dr. Schmidt and Mr. Dorris to join them. Dr. Schmidt then thanked each of the student trustees for their outstanding service to the board this past year and Mr. Dorris presented each a certificate from the board expressing appreciation for their service.

Mr. Eppley then asked Chancellor Manning, on whose campus the meeting was held, for comments.

#### WELCOME FROM CHANCELLOR MANNING

Chancellor Manning welcomed the board to the Chicago campus and indicated that she wished to introduce Dr. Warren K. Chapman, whose appointment as vice chancellor for external affairs the board approved at its last meeting, April 11, 2006. The board recognized and welcomed Dr. Chapman. The chancellor then reported that the 13 commencement ceremonies the campus conducted this spring were very well attended by graduates and guests. She also noted an article in the *Chicago Tribune* of this date that complimented the campus for the new James Turrell sculpture, Skyscape, that has been installed on the east side of the campus and will be dedicated in a few weeks. Further,

she said that the new student recreation center on campus had attracted 35,000 visitors since it opened one month ago. Also, she reported that two graduate students in the College of Business Administration were winners in several venture business plan competitions. Next, she shared some impressive statistical facts concerning the west side of the campus, stating that in the last year, the hospital reported treating 117,000 in-patients and received 425,000 out-patient visits; also that 425 medical students, 900 medical residents, 225 pharmacy students, and 145 nursing students had received part of their professional education at the hospital. She also told the board that Professor Bellur S. Prabhakar, head, Department of Microbiology and Immunology, was working with the Center for Disease Control on research related to a possible pandemic flu. In closing, the chancellor reported that faculty at the campus had recently received a grant of \$10.0 million from the State of Illinois for stem cell research.

With relation to the fact that Professor Prabhakar was working on a possible pandemic flu, President White noted that the University is making plans to address this possibility and that Vice President Rugg was coordinating these plans.

**BOARD MEETING RECESSED FOR JOINT MEETING OF THE BUILDINGS AND  
GROUNDS COMMITTEE AND THE UNIVERSITY HOSPITAL COMMITTEE**

Mr. Vickrey, chair of the University Hospital Committee, convened the meeting and said that there would be a two-part presentation. First, he called on Mr. John J. DeNardo, CEO, HealthCare System, Chicago, to speak to the hospital's needs. Mr. DeNardo reported statistics for the hospital's discharges, patient days, and other data describing the

demands placed on the hospital and summarized the financial performance of the hospital through March 31, 2006 (materials on file with the secretary).

Next, Mr. Vickrey asked Dr. Joseph A. Flaherty, dean, College of Medicine, to report on the College of Medicine Medical Practice Plan. Dean Flaherty stated that clinical practice is crucial to the success of the college and the medical center, and said that more of the reserves of the physicians' practice plan now go toward paying for medical liability insurance and less into salaries of the physicians. He added that the practice plan is in good financial condition. Dr. Schmidt asked if the insurance provided by the Illinois State Medical Society might be an option and Dean Flaherty said that had been explored and would be reviewed again. Next, Dean Flaherty reviewed the history of the medical center and highlighted the areas of expertise in the college, including: patient treatment and research in cancer treatment and prevention; transplant surgery; islet cell transplants; sickle cell anemia; stroke; dementia; childhood brain disease; medical imaging; heart disease; women's and children's illnesses; sports medicine; and the various fields of treatment and research at the Eye and Ear Infirmary.

Mr. DeNardo then presented information on plans for remodeling and expanding the clinical care areas at the medical center, which centered on remodeling the hospital and constructing a tower for research and patient care (materials on file with the secretary). He stated that the total cost of remodeling the facilities and constructing the new tower was estimated to be \$427.0 million, from three sources of funds: debt, State appropriations, and gifts. He also gave the board information on the timing of the expenditures from Fiscal Year 2007 through Fiscal Year 2011 (materials on file with the

secretary). Further, he told the board it was necessary to submit a request for a Certificate of Need to the Illinois Health Facilities Planning Board as a first step and that schematic designs and a cost estimate were needed for that application. He added that this plan was aligned with the strategic plan and now it was time to move forward and formalize this physical plan.

### Discussion of the Plan Presented

Dr. Schmidt said he wanted to put this in the context of the Illinois Bill of Health, a program on which he has invested much time in the past two years. He stated that the medical center is the producer of health care workers and the provider of health care services for the State, and noted that most of the physicians and many of the nurses in the State are educated at the University of Illinois medical center and that 600,000 patient encounters occur at the medical center each year. He stressed the importance of the medical center as a public health care provider and noted that people obtain care from the medical center because they are not able to get it anywhere else. He asked if the poor ought to be entitled to the same excellent care as received by those that can afford to pay for it, and he observed that the current situation presents an overwhelming moral question. In closing, he urged both philosophical and financial support for the plan presented.

Mr. Shah stated he supported the project for remodeling and expanding the hospital and said there was no question about the need for it, but that he had questions about the changes in scope and cost over the past two and one-half years. He questioned



some architectural changes that had occurred in the plans over this period of time and the financial plan for the project, since the University does not have the funds to commence the project.

Mr. DeNardo explained that approval of the project was not sought today, but rather approval to hire the architect/engineer to prepare a design as required for submitting a request for a Certificate of Need.

Mr. Bruce indicated that he would prefer to discuss possible phases for the project and asked for a plan to present various options to develop parts of the total project sequentially.

Mr. Eppley asked that the item be revised with the assistance of the chairs of the Buildings and Grounds Committee and the University Hospital Committee and brought back to the board at a later meeting. Mr. Sperling added that he was concerned with the changes to the project in the last two and one-half years, and about the fact that these were not discussed with the board earlier. Mr. Eppley announced that the item in the agenda, would be withdrawn and added that Messrs. Vickrey and Shah should meet with Mr. DeNardo and Dean Flaherty to discuss the project prior to another agenda item on this subject being presented to the board.

There being no further business, the committee meeting was adjourned.

## MOTION FOR EXECUTIVE SESSION

Chair Eppley stated: “A motion is now in order to hold an executive session to consider the following subjects: University employee matters, and pending, probable, or imminent litigation against, affecting, or on behalf of the University.”

The motion was made by Mr. Sperling and approved by the following vote:

Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

Attendance at this executive session included the trustees;

President B. Joseph White; Mr. Lester H. McKeever, Jr., treasurer;

Chancellor Richard H. Herman, Urbana-Champaign campus; Chancellor Sylvia

Manning, Chicago campus; Chancellor Richard D. Ringeisen, Springfield campus;

Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, secretary.

## EXECUTIVE SESSION RECESSED FOR LUNCHEON

Since guests of the board were waiting at the board luncheon, the board recessed for lunch.<sup>1</sup>

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<sup>1</sup>Luncheon guests were the members of the Executive Committee of the Chicago Senate.

EXECUTIVE SESSION RESUMED

When the board meeting resumed in executive session at 1:50 p.m., the same members of the board noted as present at the beginning of the meeting were still present.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned.

BOARD MEETING RECESSED FOR A MEETING OF THE  
BUILDINGS AND GROUNDS COMMITTEE

Mr. Shah, chair of this committee, convened the meeting. There was a presentation by the architects of the design for remodeling Memorial Stadium, Urbana (materials on file with the secretary). This design preserved the historical elements and added new types of seating in suites and club seats as well as seating in compliance with the Americans with Disabilities Act. The architect, from HNTB, Kansas City, Missouri, also described newly designed areas for concessions and restrooms. Mr. Dorris asked if the field would be lowered, as was indicated earlier, and the architect said this was no longer under consideration.

On motion of Mr. Eppley, this design was approved.

BOARD MEETING RESUMED

When the board meeting resumed in regular session, members of the board noted as present earlier were still in attendance.

Mr. Eppley asked the board to consider the following item:

Approve Project and Employ Architect/Engineer and Construction Manager for Phase I  
of the Memorial Stadium Phased Development Plan,  
Division of Intercollegiate Athletics, Urbana

(1) In April 2005, HNTB was employed to provide professional services for the study and evaluation of a phased development plan for Memorial Stadium at the Urbana campus. In July 2005, HNTB presented preliminary information that included: (1) the investigation of potential architectural and/or mechanical upgrades, remodeling, additions, and improvements to the facility, ultimately to be executed via a series of future phased, incremental efforts; and (2) preliminary financial and marketing analysis to support the stadium facility plan. The objective of the study was to develop an implementation strategy that prioritized Stadium improvements in phases to maximize revenue to the Division of Intercollegiate Athletics (DIA), minimize indebtedness, and respond to the seasonal operational needs of the University of Illinois.

This comprehensive report that reviews these issues has been received and reflects recommendations supporting the viability of a first phase of a multi-phase plan. In September 2005, the Board authorized a fixed fee of \$1,480,000 plus reimbursable expenses to begin the professional services required of HNTB for schematic design and design development of the west stadium component plus schematic design services for the north stadium component. In January 2006, HNTB was employed for the additional professional services required through the design development phase for all components of the first phase for a fixed cost of \$422,375 plus reimbursable expenses.

In order to proceed fully with this project, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends:

1. Phase I of the Memorial Stadium Phased Development Plan, Division of Intercollegiate Athletics project be approved with a project budget of \$116,000,000.
2. HNTB, Kansas City, Missouri, be employed for the additional professional services required for construction documents through warranty for all first-phase components for a fixed cost of \$3,972,950 plus reimbursable expenses estimated at \$397,295.
3. Hunt Construction Group, Inc., Indianapolis, Indiana, be employed for the construction management services required for the project for a fixed fee of \$2,098,100, a staff cost on an hourly basis, the total not to exceed \$2,125,372, plus reimbursable expenses estimated at \$434,915.<sup>2</sup>

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Funds for this project are available from gift funds and proceeds from the future sale of Auxiliary Facilities Services Revenue Bonds.

The President of the University concurs.

A schedule of Hunt Construction Group, Inc.'s hourly rates has been filed with the Secretary of the Board for record.

On motion of Mr. Sperling, this recommendation was approved by the following vote: this recommendation was approved by the following vote: Aye,

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<sup>2</sup>Competitive bidding procedures in accordance with the Illinois Procurement Code were followed.

Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

#### PRESENTATION AND DISCUSSION OF ITEMS ON THE AGENDA

Mr. Eppley announced that the next order of business would be presentation of the agenda items for discussion.

Agenda item no. 17, “Amend *Bylaws* of the Board of Trustees”--

Mr. Eppley noted that the board has received information regarding this recommendation in accordance with the rules of the *Bylaws* and that this new committee was recommended as part of best business practices of the board. He said he had asked Mr. Dorris to chair this committee and Mrs. Sodemann to serve as vice chair.

Agenda item no. 18, “University of Illinois Certificates of Participation (Academic Facilities Projects), Series 2006A”--Mr. Rugg stated that this recommendation is the final step in the board’s issuance of approximately \$80.0 million in certificates of participation to address the University’s deferred maintenance needs and for construction of the Instructional Facility of the College of Business at Urbana. He said Ms. Lois Scott of Scott Balice and Mr. Douglas E. Beckmann, senior associate vice president for business and finance, would discuss this recommendation, and he introduced Ms. Scott. She told the board that 64 percent of the funds raised by the certificates of participation would be for used to address deferred maintenance projects and 36 percent for the Instructional Facility for the College of Business at Urbana. She

indicated that the financing for these projects would be fixed rate bonds that would be dated June 6, 2006, with a 20-year debt and would be outstanding in 12 years, with 20-year financing at approximately 4.6 percent, compared to the current U.S. Treasury rate of 5.1 percent, and with a AAA rated bond insurance policy. She said the average yearly debt service will be approximately \$6.4 million. Mr. Beckmann noted that the board approved the financial team for this issuance of certificates of participation at its January 19, 2006, meeting and he introduced representatives of the financial adviser, the underwriter, bond counsel, and issuers counsel. Mr. Eppley said these were two good projects that the board has dealt with extensively.

Agenda item no. 19, "Establish Banking Services with Mellon Bank (Payroll, Accounts Payable, Student Refund Accounts, and Banking Resolution)"-- Mr. Beckmann presented this recommendation and Dr. Schmidt asked if no bank in Illinois was able to provide these services. Mr. Beckmann responded that no Illinois bank could match the price offered and added that Mellon Bank has a presence in Illinois.

Agenda item no. 9, "Executive Director, Center for State Policy and Leadership, Springfield"--Chancellor Ringeisen stated that the individual recommended was chosen as the result of a national search and reminded the board members he had written them about this search and the recommendation. He added that the center is the largest research entity at the Springfield campus and that the person recommended is highly qualified to lead it. Mrs. Sodemann commended the chancellor for this recommended appointment. Mr. Vickrey stated that this is a recommendation to hire a University retiree in an administrative position and he thought the board was trying to

avoid that. Chancellor Ringeisen stated that the individual recommended would not continue to receive a pension from the State Universities Retirement System while in this position. Mr. Eppley added that he understood this person would be treated as a new employee and there would not be a problem with the person receiving a pension as the board had found in other cases.

Agenda item no. 15, “Redesignate College of Business and Management Building as WUIS Building, Springfield”--Chancellor Ringeisen said that this would reflect the fact that the campus radio station was now the occupant of the building.

Agenda item no. 7, “Dean, College of Education, Urbana--  
Chancellor Herman said that this appointment is the result of a rigorous search and stated that the individual was highly recommended by the search committee and that the appointment would begin August 1, 2006.

Agenda item no. 8, “Dean, College of Engineering, Urbana--  
Chancellor Herman introduced Dr. Ilesanmi Adesida and said that a rigorous search had been conducted from which Dr. Adesida emerged with a groundswell of support from the college. He added that Dr. Adesida represents the University well and has a great vision for the college. The chancellor said that Dr. Adesida had recently been nominated to the National Academy of Engineering. Mr. Klitzing congratulated Dr. Adesida on his nomination to the National Academy of Engineering.

Mr. Eppley asked that the board take a vote on the agenda item immediately.



## Dean, College of Engineering, Urbana

(2) The Chancellor at Urbana has recommended the appointment of Ilesanmi Adesida, presently Interim Dean, College of Engineering, Professor of Electrical and Computer Engineering; Donald Biggar Willett Professor of Engineering, Professor of Materials Science and Engineering, Research Professor, Coordinated Science Laboratory, Research Professor, Micro and Nanotechnology Laboratory, and Director, Center for Nanoscale Science and Technology, College of Engineering; Institute Affiliate, Institute for Genomic Biology; and Institute Affiliate, Beckman Institute for Advanced Science and Technology, University of Illinois at Urbana-Champaign, as Dean of the College of Engineering, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$230,000 (equivalent to an annual nine-month base salary of \$188,182 plus two-ninths annualization of \$41,818), and an administrative increment of \$60,000, for a salary for service as Dean of \$290,000, beginning June 16, 2006. In addition, Dr. Adesida will continue as Donald Biggar Willett Professor of Engineering, non-tenured, on an academic year service basis, on zero percent time, with an increment of \$5,000, resulting in a total annual salary of \$295,000.

Dr. Adesida will continue to hold the rank of Professor of Electrical and Computer Engineering, on indefinite tenure, on an academic year service basis, on zero percent time, and non-salaried. In addition, he will retain the following positions, each non-tenured, on an academic year service basis, on zero percent time, non-salaried: Professor of Materials Science and Engineering; Research Professor, Coordinated

Science Laboratory; Research Professor, Micro and Nanotechnology Laboratory; Director, Center for Nanoscale Science and Technology, College of Engineering; Institute Affiliate, Institute for Genomic Biology; and Institute Affiliate, Beckman Institute for Advanced Science and Technology.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

This recommendation is made with the support of the Provost and Vice Chancellor for Academic Affairs and with the advice of a search committee.<sup>3</sup>

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<sup>3</sup>Pierre Wiltzius, Professor of Physics and Professor of Materials Science and Engineering, College of Engineering, and Director, Beckman Institute for Advanced Science and Technology, *Chair*; Richard C. Alkire, Professor of Chemical and Biomolecular Engineering and Charles and Dorothy Prizer Chair in Chemical and Biomolecular Engineering, College of Engineering; Sharon K. Bryan, Assistant Dean for Administration, College of Engineering; Taekjip Ha, Associate Professor of Physics, College of Engineering; Michael T. Heath, Professor of Computer Science and Fulton Watson Copp Chair in Computer Science, and Professor and Director, Computational Science and Engineering Program, College of Engineering; Philip T. Krein, Professor of Electrical and Computer Engineering, College of Engineering; Jennifer A. Lewis, Professor of Materials Science and Engineering, Hans Thurnauer Professor of Materials Science and Engineering, and Interim Director, Materials Research Laboratory, College of Engineering; David Osorio, Undergraduate Student in Civil and Environmental Engineering; Deborah L. Thurston, Professor and Interim Head, Department of Industrial and Enterprise Systems Engineering, College of Engineering; Carolyn Tomchik, Graduate Student in Nuclear, Plasma and Radiological Engineering, College of Engineering; Charles L. Tucker, Professor of Mechanical Engineering, Alexander Rankin Professor, and Associate Head, Department of Mechanical Engineering, College of Engineering; Scott R. White, Professor of Aerospace Engineering and Donald Biggar Willett Professor of Aerospace Engineering, College of Engineering.

The Vice President for Academic Affairs concurs with this recommendation.

The President of the University recommends approval.

On motion of Dr. Carroll, this appointment was approved.

Agenda item no. 10, "Amend Multiyear Contracts with Head Men's Basketball Coach, Urbana"--Chancellor Herman described the contract to recognize the contributions of Coach Weber and stated that all funds for it would come from non-State sources. He said the salary recommended for Mr. Weber was \$800,000 with a contribution of \$200,000 to deferred compensation. Mr. Sperling spoke to this and reinforced the fact that the funds were not State funds and commended Mr. Weber for his competency and loyalty.

Agenda item no. 12, "Merge Departments of Theoretical and Applied Mechanics and Mechanical Engineering in the College of Engineering and Redesignate the Department as Mechanical Science and Engineering, Urbana"--Chancellor Herman explained that he had met with various groups to discuss this on 12 separate occasions and had concluded that this was the correct, intelligent decision for the college and the University and that it followed trends in other colleges of engineering. Mr. Klitzing said he had to oppose it because the students opposed this change and had stated among other things that they came to this college for this department and they value the degree and its theoretical aspects. Mr. Klitzing said that though he understood the rationale for the

change he was the student's representative to the board and thus, found it necessary to oppose this.

Agenda item no. 13, "Redesignate College of Applied Life Studies as College of Applied Health Sciences, Urbana"--Chancellor Herman said this designation more accurately describes the current status of areas of study in the college that emphasize health, wellness, and quality of life. By changing the name of the college he said would be able to better communicate its mission to students, faculty, and its various publics. He said all constituents of the college support the change in name.

Agenda item no. 14, "Redesignate B.A. Degree Program in Russian and East European Studies as Russian, East European and Eurasian Studies, College of Liberal Arts and Sciences, Urbana"--Chancellor Herman stated that this designation matched the current status of these studies since the breakup of the Soviet Union.

Agenda item no. 25, "Award Contract for Everitt Laboratory Fourth Floor Remodeling, Urbana"--Chancellor Herman said this project is necessary to further faculty research. Mr. Shah, chair of the Buildings and Grounds Committee, said he had reviewed it and had no questions.

Agenda item no. 26, "Award Contract for Irwin Academic Services Center Addition, Urbana"--Mr. Shah said he had reviewed this project and had no further questions. Chancellor Herman said all funds for this project were from gifts.

Agenda item no. 29, "Employ Architect/Engineer for Poultry Research Facilities, College of Agricultural, Consumer and Environmental Sciences, Urbana"--Chancellor Herman said this project to replace an older research facility was

recommended at this time in order to free the space for expansion of the Atkins Tennis Center and construction of Eichelberger Field for softball. Mr. Shah concurred in the recommendation. He said funding was to come from institutional and gift funds.

Agenda item no. 20, “Approve Amendment of Construction Management Contract for Campus Recreation Expansion and Renovation Project, Chicago”--

Mr. Eppley said he had seen this proposal earlier and supported it.

Agenda item no. 22, “Approve Projects for Deferred Maintenance Program, Chicago and Urbana”--Mr. Wachtel said this recommendation includes the first set of deferred maintenance projects to be forwarded to the board for approval to attack the looming problem of deferred maintenance, and that the campuses had made the suggestions and reviewed the list of projects recommended.

Agenda item no. 24, “Award Contracts for South Campus Mixed Use Development, Chicago”--With regard to this, Mr. Shah stated that if the project exceeds the budget he wants the board to be aware of that fact for further consideration.

Mr. Wachtel indicated that there would be one more area of work to be bid to complete projects in this development program.

Agenda item no. 30, “Authorize Option to Extend Professional Services Agreement, University-Wide Facility Condition Audit Update”--Board members asked that this item be clarified to indicate that the option is to be authorized for one year.

Agenda item no. 23, “Approve Project for Townhouses Phase III, Springfield”--This project was described as a continuation of the program for development of townhouses at Springfield for student residences.

Agenda item no. 28, "Project Budget Increase and Award Contract for Student Recreation Center, Springfield"--Chancellor Ringeisen said that this budget increase of \$2.2 million, for a total project cost of \$16.3 million, would not result in an increase to the student fee for the recreation center but would be funded by the future sale of bonds and gift funds. He said the change in budget was related to expected increases in costs.

Agenda item no. 27, "Project Budget for an Addition to the College of Medicine, Rockford, for the National Center for Rural Health Professions, Chicago"--President White stated that there is a potential spire of excellence in this program at the College of Medicine at Rockford. He noted that 20 percent of Americans live in rural areas but just 9 percent of health care providers practice in rural areas. He noted that this project has been considered by the board since 2003, and that in November 2003 the board approved a project description to be funded by the federal government, State appropriation, and private gifts. Since that time the cost of the project has risen to \$31.3 million and federal funds have been received in the amount of \$1,175,000 with the expectation that additional funding would be secured. State funds have not been forthcoming to date. The president stated that in order to move the project along and to encourage other parties to step up to the funding requirement, he recommended the board approve the project budget of \$31.3 million and that \$14.25 million in institutional funds, which is half of the remaining unfunded amount, be committed to the project in Fiscal Year 2007. He recognized Trustees Bruce and Vickrey for their initiative on this matter and for their help in developing a wise approach for moving this project forward.

Mr. Vickrey thanked President White for his interest in this project. In addition, he said he wanted to make the board aware of another program at the College of Medicine at Rockford, the Urban Medicine Program, which educates physicians for the urban areas of the State and nation. He said that students would benefit from the space to be made available to the National Center for Rural Health Professions.

Agenda item no. 4, “Appoint Faculty Fellows to the Institute for the Humanities, Chicago”--Chancellor Manning explained that these appointments are recommended on the basis of a competitive peer review process for a period of one year.

Agenda item no. 5, “Appoint Members to the Advisory Board of the Division of Specialized Care for Children (DSCC) in Springfield, Chicago”--Chancellor Manning told the board that these members are appointed by the Board of Trustees to three-year terms and that three new members are recommended for terms to begin July 1, 2006. She stated that the University had administered DSCC since 1957.

Agenda item no. 11, “Establish Doctor of Nursing Practice, College of Nursing, Chicago”--Chancellor Manning stated that this program is recommended to provide a more responsive education for current needs in the nursing profession. She said that the program will increase the supply of clinical faculty for nursing programs.

Agenda item no. 16, “Eliminate Ph.D. in Geotechnical Engineering and Geosciences, College of Engineering, Chicago”--Chancellor Manning stated that this recommendation is made in recognition of the fact that this program is now redundant since there is now a Ph.D. offered in earth and environmental sciences in the Geology

Department. She said the field has shifted towards the environmental sciences and away from the engineering aspects.

Agenda item no. 7, “Additional Sabbatical Leaves of Absence”--Vice President Gardner said that these recommendations are in addition to the list recommended to the board at its April 11, 2006, meeting.

Agenda item no. 21, “Approve Contract Awards for Job Order Contracting (JOC) System, Chicago”--Mr. Wachtel listed five contractors proposed for one-year contracts, stating that there were seven respondents to the competitive bidding process. Dr. Carroll asked if there were any African American contractors in this group and Mr. Wachtel responded that there were none. Dr. Carroll stated that she was troubled by this fact because there are African American contractors that could do this work, and she was at a loss for understanding why the University administration cannot find such contractors. Mr. Wachtel stated that some of the contractors recommended were minority group members but not African American. Dr. Carroll continued, stating that she was concerned that past efforts to identify African American contractors had failed.

Mr. Eppley asked Mr. Shah to comment. Mr. Shah stated that the matter was complicated but new efforts to be proactive were necessary. He suggested that one approach to be helpful would be to assist potential contractors with the required paperwork. Mr. Shah also suggested that the University offer a seminar for contractors on how to bid for such contracts and Chancellor Manning stated that the Chicago campus does offer such instruction at present. She offered that it is difficult to do business with the University, due to State regulations and procedures.



Mr. Wachtel suggested the board consider offering contracts to the two lowest bidders and that the administration re-bid the other contracts after redoubling efforts to identify minority contractors and encouraging them to bid on the remaining contracts. There was no objection to this.

Agenda item no. 31, "Purchases and Change Orders"-- Mr. Michael Bass, executive assistant vice president for business and finance, presented the recommendations for 18 purchases and three change orders, and stated that Trustees Shah and Vickrey had reviewed these prior to the meeting. There were no questions.

Agenda item no. 32, "Disclose Certain Minutes of Executive Sessions Pursuant to Open Meetings Act"--Mr. Bearrows stated that these minutes of executive sessions, sequestered to protect the privacy of individuals or the public interest, are reviewed semiannually by the university counsel and the secretary and discussed in an executive session with the board. Hew then stated that the minutes before the board presently are recommended for release at this time. He stated that those for which continued confidentiality is recommended include: pending litigation, employee matters, and pending real estate matters.

## AGENDA

The board considered the following reports and recommendations from the president of the University.

### Approve Minutes of Board of Trustees Meeting

(3) The Secretary presents for approval the minutes of the Board of Trustees meeting of July 13-14, 2005.

On motion of Dr. Schmidt, these minutes were approved.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 4 through 17 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

### Appoint Faculty Fellows to the Institute for the Humanities, Chicago

(4) The Chancellor at Chicago with the recommendation of the Director of the Institute of the Humanities and with the concurrence of the Dean of the College of Liberal Arts and Sciences, has recommended the following appointment of fellows to the Institute for the Humanities for the academic year 2006-07, and for the program of research or study as indicated in each case.<sup>4</sup> Fellows<sup>5</sup> are released from teaching and administrative duties, normally for one year, so they can devote full effort to their research.

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<sup>4</sup>Faculty Fellows are chosen competitively by the Institute's Executive Committee through evaluation of research proposals.

<sup>5</sup>Alternates: (1) Paul J. Griffiths, Professor, Department of Classics and Mediterranean Studies and Religious Studies, "The Vice of Curiosity: An Essay on the Nature of Intellectual Appetite"; (2) Giedrius Subacius, Associate Professor, Department of Slavic and Baltic Languages and Literatures, "The Development of European Standard Languages"

**Thomas Howard Bestul**, Professor, Department of English, "Ramona Bressie, Historical Scholarship, and the Chaucer Life Records"

**Elsbeth J. Carruthers**, Assistant Professor, Department of History, "Transforming the Medieval Baltic Frontier"

**Stephen G. Engelmann**, Associate Professor, Department of Political Science, "Skeptical Engineers: Biopolitics and the Pursuit of Social Science"

**Samuel Fleishchacker**, Professor, Department of Philosophy, "Divine Teaching and the Way of the World"

**Rachel Havrelock**, Assistant Professor, Department of English and Program in Jewish Studies, "Let the Jordan be Your Border: The Mythic History of a Dividing Line"

**Brian Hosmer**, Associate Professor, Department of History and Institute for the Humanities, "Working and Belonging, On Wind River"

**Robert D. Johnston**, Associate Professor, Department of History, "Crusaders Against Vaccination: An American History of Medical Populism"

**Laura Lee Junker**, Associate Professor, Department of Anthropology, "The Impact of Captured Women on Cultural Transmission in Contact Period Philippine Slave-Raiding Chiefdoms"

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President for Academic Affairs concurs.

The President of the University recommends approval.

On motion of Dr. Schmidt, these appointments were approved.

Appoint Members to the Advisory Board of the Division of Specialized Care for Children (DSCC) in Springfield, Chicago

(5) In 1957, the Illinois General Assembly created an advisory board for the Division of Specialized Care for Children (DSCC) to advise the administrators of the University of Illinois DSCC. The Board of Trustees is charged with appointing members to this advisory board.

The Chancellor at Chicago recommends the following appointments to the DSCC Advisory Board for the term July 1, 2006--June 30, 2009:

**William H. Chamberlin Jr., M.D., FACP**, Chief Medical Officer and Staff Physician, University of Illinois Health Systems; Associate Dean for Clinical Affairs and Associate Professor of Medicine and Anesthesia, College of Medicine, University of Illinois at Chicago; Member, American Board of Internal Medicine; Member, American College of Physicians; Member American Medical Association; Member, Illinois State Medical Society; Member Health Care Compliance Association

**Mary Lou England, BSN, M.S.**, Executive Director, Kane County Health Department; Member, President Northern Illinois Public Health Consortium 2002; Member, Advisory Council to Illinois Department on Aging Community Care Committee; Member, Illinois Association of Public Health Administration Legislative Committee; Member, Illinois Department of Public Health Financial Advisory Committee and Preventive Health Task Force; Member, Healthy Families Governor's Task Force and Work Group; Member, Women's Health Issues Governor's Task Force

**Colleen Elizabeth Harper**, Manager of Developmental and Rehabilitative Services; La Rabida Children's Hospital and Research Center; Chief of Physical Therapy, La Rabida Children's Hospital and Research Center; Member, Chartered Society of Physiotherapists; Member, Chicagoland PT Directors Forum; Member, Physical Therapy Association

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The*

*General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The President of the University concurs.

On motion of Dr. Schmidt, these appointments were approved.

Appointments to the Faculty, Administrative/Professional Staff, and Intercollegiate Athletic Staff

### **Appointments to the Faculty**

(6) According to State statute, the student trustee will not vote on those items marked with an asterisk.

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees and are now presented for your confirmation.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Chicago

**Shelley Brickson**, Associate Professor of Managerial Studies, Q probationary faculty, on an academic year service basis, on 100 percent time, at an annual salary of \$110,000, for four years beginning August 16, 2006.

**Tie Chen**, Assistant Professor of Microbiology and Immunology, Department of Biomedical Sciences, College of Medicine at Rockford, probationary faculty on tenure track year four, on an academic year service basis, on 100 percent time, at an annual salary of \$60,000, beginning August 16, 2005.

\* **David Lee Crowe**, Professor, Center for Molecular Biology of Oral Diseases, College of Dentistry, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$120,000, effective May 16, 2006. Funding equivalent to 25

percent time as Research Professor is provided by Cancer Center, College of Medicine at Chicago

**Vadim Gaponenko**, Assistant Professor of Biochemistry and Molecular Genetics, College of Medicine at Chicago, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$66,000, beginning March 1, 2006.

**Jerrold Levine**, Associate Professor of Medicine, College of Medicine at Chicago, Q probationary faculty, on a twelve-month service basis, on 51 percent time, at an annual salary of \$56,737, for three years beginning May 15, 2006; and Physician Surgeon in Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$54,513, beginning May 15, 2006, for a total salary of \$111,250.

\* **Pauline Lipman**, Professor, College of Education, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$86,376, beginning August 16, 2006.

*Emeriti Appointments*

**Jane N. Hagstrom**, Professor Emerita of Information and Decision Sciences, May 16, 2005

**Cynthia J. Jameson**, Professor Emerita of Chemistry, January 1, 2006

**William G. Jones**, Associate Professor Emeritus of Library Administration, University Library, March 1, 2006

**Richard J. Kassner**, Professor Emeritus of Chemistry, January 1, 2006

**Victor Margolin**, Professor Emeritus of Art History, May 16, 2006

Urbana-Champaign

\* **Emilio W. Colon**, Associate Professor, School of Music, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$85,000, beginning August 16, 2006.

\* **Anne Haas Dyson**, Professor of Curriculum and Instruction, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$130,500, beginning August 16, 2006.

**Larry Alan Fahnestock**, Assistant Professor of Civil and Environmental Engineering, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$75,000, beginning April 1, 2006.

**Cédric Langbort**, Assistant Professor of Aerospace Engineering, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$75,000, beginning March 16, 2006.

**Yunchuan Liu**, Assistant Professor of Business Administration, summer appointment, on 100 percent time, at a monthly rate of \$12,556, June 16-August 15, 2006, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$113,000, effective August 16, 2006.

**Ling Jian Meng**, Assistant Professor of Nuclear, Plasma and Radiological Engineering, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$80,000, beginning March 2, 2006.

**Dana Robinson**, Assistant Professor, School of Music, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$51,436, beginning August 16, 2006.

**Vinayak V. Shanbhag**, Assistant Professor of Industrial Engineering in the Department of Mechanical Engineering, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$75,000, beginning February 16, 2006.

\* **Ning Wang**, Professor of Mechanical Engineering, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$118,000, beginning March 1, 2006.

#### *Emeriti Appointments*

**Donald E. Crummey**, Professor Emeritus of History, May 16, 2006

**John G. Harris**, Professor Emeritus of Theoretical and Applied Mechanics, August 21, 2000

**Ronald W. Hedlund**, Professor Emeritus, School of Music, May 16, 2006

#### **Administrative/Professional Staff**

**Tanya R. Anderson**, Director, Comprehensive and Response Training Systems, Department of Psychiatry, College of Medicine at Chicago, non-tenured, on a twelve-

month service basis, with an administrative increment of \$8,000, beginning May 15, 2006. Dr. Anderson was appointed to serve as Visiting Director, Comprehensive and Response Training Systems under the same conditions and salary arrangement beginning February 16, 2006. She will continue to hold the rank of Assistant Professor of Psychiatry, College of Medicine at Chicago, probationary faculty on tenure track year five, on a twelve-month service basis, on 100 percent time, at an annual salary of \$132,000, effective May 15, 2006, for a total salary of \$140,000.

**Michael J. Andrechak**, Associate Provost, Office of the Provost and Vice Chancellor for Academic Affairs, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$152,000, beginning May 15, 2006.

Mr. Andrechak was appointed to serve as Interim Associate Provost, non-tenured, on a twelve-month service basis, with an administrative increment of \$10,000, October 16, 2005-April 15, 2006; then as Interim Associate Provost, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$152,000, April 16-May 14, 2006.

**Michael LeRoy Biehl**, Director of the Veterinary Teaching Hospital, College of Veterinary Medicine, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$10,000, beginning May 15, 2006. Dr. Biehl was appointed to serve as Interim Director under the same conditions and salary arrangement beginning May 1, 2006. In addition, Dr. Biehl was appointed to serve as Clinical Professor of Veterinary Medicine, College of Veterinary Medicine, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$145,000, beginning May 1, 2006, for a total salary of \$155,000.

\* **Luisa A. DiPietro**, Director of the Center for Wound Repair and Regeneration, Department of Periodontics, College of Dentistry, non-tenured, on an academic year service basis, with an administrative increment of \$20,000, beginning May 15, 2006. Dr. DiPietro was appointed to serve as Visiting Director of the Center for Wound Repair and Regeneration under the same conditions and salary arrangement beginning April 1, 2006. She will be appointed to the rank of Professor of Periodontics, College of Dentistry, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$145,000, beginning May 15, 2006, for a total salary of \$165,000. Dr. DiPietro was appointed to serve as Visiting Professor under the same conditions and salary arrangement beginning April 1, 2006.

\* **Jan K. Erkert**, Head of the Department of Dance, College of Fine and Applied Arts, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$4,909, beginning June 16, 2006. In addition, Ms. Erkert will receive an amount equal to two-ninths of her total academic year salary for two months' service during each summer of her appointment as Head (\$18,869 for Summer 2006). She will be appointed to the rank of Professor of Dance, on indefinite tenure, on



an academic year service basis, on 100 percent time, at an annual salary of \$80,000, beginning August 16, 2006, for a total 2006-07 salary of \$103,778.

\* **Marian Fitzgibbon**, Director, Section of Health Promotion and Research, Department of Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$32,000, beginning May 15, 2006. Dr. Fitzgibbon was appointed to serve as Visiting Director, Section of Health Promotion and Research under the same conditions and salary arrangement beginning December 16, 2004. She will be appointed to the rank of Professor of Psychology in the Department of Medicine, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 31 percent time (with tenure at 41 percent), at an annual salary of \$73,384, effective October 16, 2005; Professor, Division of Health Policy and Administration, School of Public Health, on indefinite tenure, on a twelve-month service basis, on 10 percent time, at an annual salary of \$13,000, effective May 15, 2006; and Research Professor, Institute for Health Research and Policy, School of Public Health, non-tenured, on a twelve-month service basis, on 10 percent time, at an annual salary of \$8,154, effective May 15, 2006. Dr. Fitzgibbon will continue to hold the rank of Clinical Assistant Professor of Psychiatry, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective May 15, 2006, for a total salary of \$126,538.

**John Allen Humlicek**, Associate Director of Housing for Facilities, University Housing, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$95,000, beginning May 15, 2006. Mr. Humlicek was appointed to serve as Interim Associate Director of Housing for Facilities under the same conditions and salary arrangement beginning March 16, 2006.

**William Martin Janda**, Director, Clinical Microbiology Laboratory, Department of Pathology, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 4 percent time, at an annual salary of \$1,825, beginning May 15, 2006; and Director, Clinical Microbiology Laboratory, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 46 percent time, at an annual salary of \$47,887, beginning May 15, 2006. Dr. Janda will continue to hold the rank of Associate Professor of Pathology, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 50 percent time, at an annual salary of \$48,572, effective May 15, 2006; and Clinical Associate Professor, School of Biomedical and Health Information Sciences, College of Applied Health Sciences, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective May 15, 2006, for a total salary of \$98,284.

**Michael William Lyon**, Assistant Vice President of Computer Operations, University Office of Administrative Information Technology Services, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of

\$134,000, beginning May 16, 2006. Mr. Lyon was appointed to serve as Interim Assistant Vice President of Computer Operations, non-tenured, on a twelve-month service basis, with an administrative increment of \$30,173, August 22, 2005-April 15, 2006; then as Interim Vice President of Computer Operations, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$134,000, April 16-May 15, 2006.

**Susan Nelson McLain**, Director of Administration and Financial Management, University Office of Administrative Information Technology Services, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$98,350, beginning May 16, 2006. Ms. McLain was appointed to serve as Interim Director of Administration and Financial Management, non-tenured, on a twelve-month service basis, with an administrative increment of \$6,000, August 22, 2005-April 15, 2006; then as Interim Director of Administration and Financial Management, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$98,350, April 16-May 15, 2006.

**Lesley Millar**, Director, Office of Technology Management, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$200,000, beginning May 15, 2006. Ms. Millar was appointed to serve as Interim Director, non-tenured, on a twelve-month service basis, with an administrative increment of \$50,000, May 17, 2005-March 2, 2006; then as Interim Director, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$200,000, March 3-May 14, 2006.

**Ali Asghar Mirarefi**, Director of International Research Partnerships, Office of the Vice Chancellor for Research, Urbana-Champaign, summer appointment, on 100 percent time, at a monthly rate of \$13,167, June 16-August 15, 2006, and continuing as non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$118,500, effective August 16, 2006. Dr. Mirarefi will receive an amount equal to two-ninths of his total academic year salary for two months' service during each summer of his appointment as Director, for a total 2006-07 salary of \$144,833.

**Normand Paquin**, Assistant Dean, External Affairs, College of Engineering, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$130,000, beginning May 15, 2006. Dr. Paquin was appointed to serve as Interim Assistant Dean, External Affairs, under the same conditions and salary arrangement beginning February 16, 2006.

**Gail S. Prins**, Director, Prostate Working Group, Cancer Center, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$24,000, beginning May 16, 2006. Dr. Prins was appointed to serve as Interim Director, Prostate Working Group under the same conditions and salary arrangement

beginning January 1, 2006. She will continue to hold the rank of Professor of Physiology in the Department of Urology, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 71 percent time, at an annual salary of \$78,331, effective January 1, 2006; Professor of Human Nutrition, College of Applied Health Sciences, non-tenured, on a twelve-month service basis, on 10 percent time, at an annual salary of \$10,914, effective August 16, 2005; and Director, Andrology Laboratory, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 19 percent time, at an annual salary of \$17,500, effective January 1, 2006, for a total salary of \$130,745.

**Margaret O'Donoghue Rawles**, Associate Chancellor, Office of the Chancellor, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$145,000, beginning June 1, 2006.

**Arthur Nicholas Straub**, Director, Clinical Practice and Business Development, Department of Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$165,000, beginning May 15, 2006. Mr. Straub was appointed to serve as Interim Executive Director under the same conditions and salary arrangement beginning March 7, 2006.

**Molly B. Tracy**, Associate Director of the Information Trust Institute, Coordinated Science Laboratory, College of Engineering, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$125,000, beginning May 15, 2006. Ms. Tracy was appointed to serve as Interim Associate Director of the Information Trust Institute, under the same conditions and salary arrangement beginning February 1, 2006.

**Luis R. Vargas**, Executive Director, Office of Research Services, Office of the Vice Chancellor for Research, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$112,000, beginning May 15, 2006. Mr. Vargas was appointed to serve as Interim Executive Director, non-tenured, on a twelve-month service basis, on zero percent time, with an administrative increment of \$7,500, September 16, 2004-January 15, 2006, and then with an administrative increment of \$9,918, beginning January 16, 2006.

**William Edward Walden**, Director of Diversity Graduate Programs, Office of the Dean, College of Medicine at Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$20,000, beginning May 15, 2006. Dr. Walden was appointed to serve as Interim Director of Diversity Graduate Programs under the same conditions and salary arrangement beginning February 1, 2006. He will continue to hold the rank of Professor of Microbiology and Immunology, College of Medicine at Chicago, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$89,775, effective May 15, 2006, for a total salary of \$109,775.

On motion of Dr. Schmidt, these appointments were confirmed.

Sabbatical Leaves of Absence, 2006-07

(7) On motion of Dr. Schmidt, ten leaves of absence recommended by the chancellors at Chicago and Urbana were granted. These leaves will be included in the annual compilation of 2006-07 sabbatical leaves of absence to be made a part of the board *Proceedings*.

Dean, College of Education, Urbana

(8) The Chancellor at Urbana has recommended the appointment of Mary Kalantzis, presently Chair of Education, Research and Innovation Portfolio, Research Professor, Globalism Institute, and Research Director, Centre for Workplace Communication and Culture, RMIT University (formerly Royal Melbourne Institute of Technology), Melbourne, Australia, as Dean of the College of Education, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$195,000 (equivalent to an annual nine-month base salary of \$159,545 plus two-ninths annualization of \$35,455), and an administrative increment of \$40,000, for a total salary of \$235,000, beginning August 1, 2006.

In addition, Dr. Kalantzis will be considered for the rank of Professor of Curriculum and Instruction, on indefinite tenure, on an academic year service basis, on

zero percent time. Pending successful completion of a campus-level review, a recommendation for indefinite tenure will be forwarded to the Board for approval.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

This recommendation is made with the support of the Provost and Vice Chancellor for Academic Affairs and with the advice of a search committee<sup>6</sup>.

The Vice President for Academic Affairs concurs with this recommendation.

The President of the University recommends approval.

On motion of Dr. Schmidt, this appointment was approved.

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<sup>6</sup>Richard P. Wheeler, Professor of English, College of Liberal Arts and Sciences, and Dean of the Graduate College, *Chair*; Debra D. Bragg, Professor of Educational Organization and Leadership, College of Education; Nicholas C. Burbules, Professor and Acting Head, Department of Educational Policy Studies, and Grayce Wicall Gauthier Professor, College of Education; Michele D. Crockett, Assistant Professor of Curriculum and Instruction, College of Education; Dorothy L. Espelage, Associate Professor of Educational Psychology, College of Education; Susan A. Gregson, Graduate Student in Curriculum and Instruction, College of Education; James W. Halle, Professor of Special Education and Goldstick Family Scholar, College of Education; Eve E. Harwood, Associate Professor, School of Music, and Associate Dean for Undergraduate Academic Affairs, College of Fine and Applied Arts, and Associate Professor of Curriculum and Instruction, College of Education; Scott D. Johnson, Professor and Head, Department of Human Resource Education, College of Education; Luis Miron, Professor of Educational Policy Studies, College of Education; Chris Roegge, Executive Director, Council on Teacher Education, College of Education; Thomas A. Schwandt, Professor of Educational Psychology, College of Education.

## Executive Director, Center for State Policy and Leadership, Springfield

(9) The Chancellor at Springfield has recommended the appointment of Anthony P. Halter, currently Associate Professor Emeritus, School of Social Work, University of Illinois at Urbana-Champaign, as Executive Director of the Center for State Policy and Leadership, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$97,778 (equivalent to an annual nine-month base salary of \$80,000 plus two-ninths annualization of \$17,778) and an administrative increment of \$37,222, for a total annual salary of \$135,000, beginning August 16, 2006.

Dr. Halter will hold the rank of Associate Professor, Social Work Program, on indefinite tenure on an academic year service basis on zero percent time. He succeeds Barbara E. Ferrara, who served as Interim Executive Director from April 1, 2004, through August 15, 2006. Dr. Halter is retired from the University of Illinois at Urbana-Champaign.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

This recommendation is made with the advice of a search committee.<sup>7</sup>

The Vice President for Academic Affairs concurs with this recommendation.

The President of the University recommends approval.

On motion of Dr. Schmidt, this appointment was approved. (Mr. Bruce and Mr. Vickrey asked to be recorded as not voting on this item.)

#### Amend Multiyear Contracts with Head Men's Basketball Coach, Urbana

(10) In May 2003, the Board of Trustees approved the appointment of Bruce Weber to serve as Head Men's Basketball Coach from April 30, 2003, through April 29, 2008. The employment contract provided compensation for base salary, radio and television appearances, and summer camp services. The Board also approved a professional services agreement with Coach Bruce Weber Basketball Enterprises for educational,

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<sup>7</sup>Beverly Bunch, Associate Professor of Public Administration, College of Public Affairs and Administration and Institute for Legal and Policy Studies, Center for State Policy and Leadership, *Chair*; Cecilia S. Cornell, Associate Professor, History Program, College of Liberal Arts and Sciences; Rebecca Lynn Gillespie, Administrative Clerk, Office of Electronic Media, Center for State Policy and Leadership; James Patrick Hall, Assistant Professor, Management Information Systems, College of Business and Management and Office of the Vice Chancellor for Academic Affairs; Deborah Russell Koua, Coordinator of Grants and Contracts, Office of the Vice Chancellor for Academic Affairs; Daniel Matthews, Associate Professor, Educational Leadership Program, College of Education and Human Services; Sandra J. Mills, Associate Professor, Social Work Program, College of Education and Human Services; Kent D. Redfield, Professor of Political Studies, College of Public Affairs and Administration and Institute of Government and Public Affairs and Interim Director, Institute for Legislative Studies, Center for State Policy and Leadership; Lara Roemer, Graduate Assistant of Political Studies, College of Public Affairs and Administration; Richard G. Schuldt, Director, Survey Research Office, Center for State Policy and Leadership; Charles N. Wheeler, Associate Professor, Public Affairs Reporting, College of Liberal Arts and Sciences.

public relations, consulting, and promotional activities to be provided by Coach Weber. Coach Weber's base salary is funded by operating revenue in the Division of Intercollegiate Athletics; his radio and television broadcasting services are funded by broadcast revenue; his summer camp services are funded by camp revenue; and his educational, public relations, consulting, and promotional activities are supported by corporate contracts.

In June 2004, the Board of Trustees approved a first amendment to the employment contract to extend the terms of the contract through April 30, 2009, and increase Coach Weber's compensation. The Board also approved extending the agreement with Coach Bruce Weber Basketball Enterprises through April 30, 2009.

In July 2005, the Board of Trustees, in recognition of Coach Weber's outstanding performance, approved a second amendment to the employment contract to extend the terms of the contract through April 30, 2011, and increase Coach Weber's compensation by \$150,000. The Board approved extending the professional services agreement with Coach Bruce Weber Basketball Enterprises through April 30, 2011. The Board also approved the establishment of a deferred compensation account with an initial contribution of \$100,000, and \$200,000 annual contributions thereafter.

The Chancellor at Urbana now recommends amending Coach Weber's employment contract and professional services agreement to:

- extend the terms of both agreements by one additional year, through April 30, 2012;



- increase Coach Weber's compensation for radio, television and other promotional events from \$500,000 to \$600,000.

The proposed increase would mean that Coach Weber's total annual compensation would increase from \$700,000 in 2005-06 to \$800,000 for 2006-07, plus the \$200,000 annual contribution to the deferred compensation account. His base salary would remain unchanged at \$200,000.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Funds for this contract will be included in the operating budget authorization request submitted to the Board of Trustees for Fiscal Year 2007. This contract is subject to the Board of Trustees approval of the budget.

The President of the University concurs.

On motion of Dr. Schmidt, this recommendation was approved.

Establish Doctor of Nursing Practice, College Of Nursing, Chicago

(11) The Chancellor at Chicago with the advice of the Chicago Senate and the Graduate College recommends the establishment of a new degree program, the Doctor of Nursing Practice (DNP).

Illinois has one of the largest health care markets in the country. With this large market comes an increasing demand for highly specialized nurses who are able to

excel in complex interdisciplinary environments and systems, and provide cost-effective evidence-based services. The Bureau of Labor Statistics (2005) lists nursing as one of ten occupations with the largest projected job growth rate between 2003 and 2014. At the same time, vacancy rates for faculty in nursing are increasing, as faculty prepare to retire. Data from the 2000 Illinois nurse workforce study show the mean age of faculty in Illinois to be 50.1 years; that 67.2 percent of faculty are over 45 years of age, and that 42.9 percent of Illinois nurse faculty plan to retire within ten years of the study date.

The mission of the DNP is to develop advanced practitioners of nursing into evidence-based, intradisciplinary providers who meet the needs of a rapidly expanding healthcare field. In keeping with the most recent position statements of the American Association of Colleges of Nursing, the Chicago campus nursing practice doctorate will prepare individuals to be nurse leaders at the highest level of practice. It will become the terminal practice degree in nursing (AACN, 2005). These expert practitioners will also be in demand as clinical faculty members.

Students entering the program must complete a minimum of 90 semester hours of credit beyond the baccalaureate degree. A maximum of 45 semester hours of credit may be awarded for a master's degree completed either at the Chicago campus or another accredited institution. Any credit awarded will be determined on an individual basis by the DNP Admissions Committee. All students, however, are required to earn a minimum of 45 semester hours of credit in formal course work in the DNP program.

Students in the DNP program will pay a tuition differential (\$2,311 per semester and \$1,156 per summer session.) This will provide support for the additional

faculty time required to provide new courses and supplemental sections of existing courses. The tuition differential revenue will grow incrementally as the number of students increases and it should be sufficient to cover program expenses by Year 3. Internal reallocation of funds will be necessary to cover costs as estimated for the first two years. This may be minimal if new sections are not needed for existing courses as projected.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President for Academic Affairs concurs with this recommendation. The University Senates Conference has indicated that no further Senate jurisdiction is involved.

The President of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved.

Merge Departments of Theoretical and Applied Mechanics and Mechanical Engineering in the College of Engineering and Redesignate the Department as Mechanical Science and Engineering, Urbana

(12) The Chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the College of Engineering and the Graduate College to merge the Departments of Theoretical and Applied Mechanics and Mechanical

Engineering in the College of Engineering and Redesignate the Department as Mechanical Science and Engineering.

Joining the Theoretical and Applied Mechanics (TAM) and Mechanical Engineering programs will allow the organization to: increase the size of the historically small existing TAM Department, enhance the strong intellectual focus of mechanics in the Mechanical Engineering Department, build on the natural convergence of TAM and Mechanical Engineering research interests, and provide greater resources for maintaining and increasing the current standards of excellence in the existing degree programs.

All existing Mechanical Engineering degrees will continue unchanged and all existing Theoretical and Applied Mechanics degrees will be moved to the new merged unit. Students currently pursuing a Theoretical and Applied Mechanics degree or wishing to do so, will be unaffected by the merger. They will simply pursue the same degree under the auspices of the newly merged department with the support of a larger more robust faculty.

This merger proposal was supported by the College Executive Committee and the College Administrative Committee and was supported by a majority vote of the College faculty.

The board action recommended in this item complies in all material respects with applicable State and Federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President for Academic Affairs concurs in this recommendation. The University Senates Conference has indicated that no further Senate jurisdiction is involved.

The President of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved.

(Mr. Klitzing and Mr. Vickrey asked to be recorded as voting “no” on this item.)

Redesignate College of Applied Life Studies as  
College of Applied Health Sciences, Urbana

(13) The Chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the College of Applied Life Studies to redesignate the College of Applied Life Studies as the College of Applied Health Sciences.

Over the past 30 years, the academic units within the College of Applied Life Studies (Kinesiology and Community Health, Recreation, Sport and Tourism, Speech and Hearing Science, and the Division of Disability Resources and Educational Services) have evolved toward a greater emphasis on health, wellness, and enhancement of the quality of life. Concurrently, external funding for the College is concentrated in the areas of aging, disability, and building healthy communities. The new name better reflects the research, education, and public outreach of the modern college.

The board action recommended in this item complies in all material respects with applicable State and Federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President for Academic Affairs concurs in this recommendation. The University Senates Conference has indicated that no further Senate jurisdiction is involved.

The President of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved.

Redesignate B.A. Degree Program in Russian and East European Studies as Russian, East European and Eurasian Studies, College of Liberal Arts and Sciences, Urbana

(14) The Chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the College of Liberal Arts and Sciences to redesignate the B.A. Degree program in Russian and East European Studies as Russian, East European and Eurasian Studies.

In 2004, the Russian and East European Center was redesignated the Russian, East European, and Eurasian Center, reflecting the fact that since the collapse of the Soviet Union the term Russia can no longer reasonably stand for all the former Soviet States. As a result, it has become common to use the term Eurasia to refer to the newly independent states of the former Soviet Union. The redesignation made clear our

continued inclusion in the major of these non-Russian Eurasian areas. It is logical for the major to be redesignated accordingly.

The board action recommended in this item complies in all material respects with applicable State and Federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President for Academic Affairs concurs in this recommendation. The University Senates Conference has indicated that no further Senate jurisdiction is involved.

The President of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved.

Redesignate College of Business and Management Building as WUIS Building,  
Springfield

(15) The Chancellor at Springfield recommends that the College of Business and Management Building be redesignated as the WUIS Building. The College of Business and Management moved to University Hall and the building is now primarily occupied by the WUIS Public Radio station. This change will accurately reflect the program housed in the building.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*,

*The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The President of the University concurs.

On motion of Dr. Schmidt, this recommendation was approved.

Eliminate Ph.D. in Geotechnical Engineering and Geosciences, College of Engineering,  
Chicago

(16) The Chancellor at Chicago with the advice of the Chicago Senate and the Graduate College recommends the elimination of the Ph.D. in Geotechnical Engineering and Geosciences, College of Engineering, Chicago.

The predecessors to the Department of Civil and Materials Engineering and the Department of Earth and Environmental Sciences established this degree at a time when the Chicago campus had no doctoral level program in geology and geosciences. Its establishment provided an appropriate program for education and research training at the highest level in geology and geosciences. Although the program is open to engineering students, it was intended primarily to serve geology students and was the Chicago campus' only Ph.D. program in this field. With the establishment of the Ph.D. program in Earth and Environmental Sciences, Geology students are adequately served in their own department, and there is no longer a need to maintain the joint program.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The*



*General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President for Academic Affairs concurs with this recommendation. The University Senates Conference has indicated that no further Senate jurisdiction is involved.

The President of the University recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Dr. Schmidt, this recommendation was approved.

*Amend Bylaws of the Board of Trustees*

(17) An amendment is proposed to Article IV, Section 6 of the *Bylaws* to add a Governance Committee to the Standing Committees of the Board. The duties of the new Committee are set forth in the text of the amendment (accompanying). As required by Article VIII, Section 2, the proposed amendment was submitted in writing to each member of the Board at least 30 days prior to this meeting. The Chair of the Board of Trustees recommends the adoption of the proposed amendment.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Proposed Amendment to the University of Illinois  
*Bylaws* of the Board of Trustees  
 (Additions to the text are underlined and deletions are ~~lined out~~.)

## **ARTICLE IV. STANDING COMMITTEES OF THE BOARD**

*Section 6.* The chairs of committees are responsible for keeping the board informed of their committees' activities by way of reports, as needed.

It is expected that ordinarily the position of committee chair will rotate among board members every two years.

(After paragraph headed "Finance and Investment Committee" add:)

### **Governance Committee**

This committee helps provide orientation assistance for new trustees, including a mentoring program for which the Board chair, in consultation with the committee chair, appoints mentors for new trustees. The committee also periodically reviews Bylaws of the Board of Trustees, requests nominations for recipients of the Trustees' Distinguished Service Medallion, drafts agendas for sessions during which the Board addresses its own processes and procedures, drafts plans for Board training when appropriate, and assumes responsibility for other matters affecting board governance and for special projects at the discretion of the board chair.

On motion of Dr. Schmidt, this recommendation was approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 18 through 32 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

University of Illinois Certificates of Participation  
(Academic Facilities Projects), Series 2006a

(18) The Board, at its meeting on January 19, 2006, authorized a number of actions leading toward the issuance of certificates of participation in the approximate amount of \$88.0 million to finance a portion of the University-Wide Facilities Renewal Program and a portion of the College of Business Instructional Facility Project at Urbana. The certificates have subsequently been renamed Certificates of Participation (Academic Facilities Projects), Series 2006A (the "Series 2006A Certificates"). The Series 2006A Certificates evidence proportionate interests in installment payments to be made by the Board under an installment purchase contract. Those actions approved by the Board at its meeting on January 19, 2006, have been completed and now it is requested that the Board authorize the issuance of the Series 2006A Certificates in an amount not to exceed \$88.0 million (not including original issue discount or premium) with a final maturity of not more than 20 years to fund the Academic Facilities Projects, including capitalized interest plus necessary issuance costs.

The average annual payments to the certificate holders are estimated to approximate \$6.5 million over the 20-year life of the Series 2006A Certificates. The Series 2006A Certificates are subject to redemption at such times and at such redemption prices as the Comptroller determines are necessary or helpful in marketing the Series 2006A Certificates, but such prices shall not exceed 115 percent of the par amount of the certificates.

The Series 2006A Certificates will be sold via a negotiated sale. They will be fully registered and the obligation to make the installment payments will constitute a current operating expense of the Board. Neither the Installment Purchase Contract nor the Series 2006A Certificates will constitute indebtedness for the Board or the State of Illinois. The Board will pledge to the payment of the installment payments such moneys as may be lawfully appropriated by the General Assembly for such purposes and legally available non-appropriated funds on an annual basis, e.g., tuition and indirect cost recoveries.

All legal matters incidental to the authorization and issuance of the Series 2006A Certificates, the form of the Preliminary Official Statement, the Indenture of Trust (the “ Indenture”), the Certificate Purchase Agreement, the Installment Purchase Contract, the Acquisition Agreement and the Continuing Disclosure Agreement will be approved by Schiff Hardin LLP, Bond Counsel, Chicago, Illinois; and Ungaretti & Harris LLP, Special Counsel to the University, Chicago, Illinois; and certain legal matters will be passed upon for the underwriters by Pugh, Jones, Johnson & Quandt, P.C., Underwriter’s Counsel.

The Vice President for Administration recommends:

1. Approval of the Preliminary Official Statement and approval of the final Official Statement with the addition of the final terms of the Series 2006A Certificates.<sup>8</sup>
2. Approval of the form of the Certificate Purchase Agreement<sup>1</sup> with Morgan Stanley & Co., Incorporated and other such underwriters as the Comptroller may select wherein the underwriter agrees to purchase from the Board not less than all of the Series 2006A Certificates in an aggregate original principal amount not exceeding \$88.0 million. The price at which the Series 2006A Certificates will be purchased from the Board by the underwriter, exclusive of original issue discount, will not be less than 98 percent of the par amount thereof and the true interest cost of borrowing for the Series 2006A Certificates will not exceed 5.5 percent.
3. Adoption of an authorizing resolution<sup>1</sup> which authorizes the Certificates, the Installment Purchase Contract, the Acquisition Agreement, the Indenture, the Certificate Purchase Agreement, and the Continuing Disclosure Agreement.
4. Delegation to the Comptroller of the authority to determine the aggregate principal amount, final terms and terms of the sale of the Certificates within the limits expressed in this Board action and authorizing resolution.
5. Approval of the forms of the Acquisition Agreement and the Installment Purchase Contract.<sup>1</sup>
6. Approval of the form of the Indenture.<sup>1</sup>

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<sup>8</sup>A copy is filed with the Secretary of the Board for record and the appropriate officers of the Board are hereby authorized and directed to execute the same in the name of and on behalf of the Board in substantially the form presented to this meeting, or with such changes as may be approved by the officer or officers of the Board executing the same, his/her or their execution thereof to constitute conclusive evidence of the Board's approval of all changes from the form thereof presented to this meeting; provided, however, that if any such changes constitute a substantial change in the form thereof presented to this meeting they shall first be approved by the Executive Committee of the Board to which authority for such approval is delegated by the Board.

7. Approval of the form of the Continuing Disclosure Agreement by the Board with respect to the Series 2006A Certificates.<sup>1</sup>
8. Ratification and confirmation of all actions taken or to be taken by the officers and members of the Board in connection with the sale and delivery of the Series 2006A Certificates to the underwriter.
9. The Comptroller and other authorized officers of the Board be and they are hereby authorized and empowered to do and perform such other acts and things; and to make, execute, and deliver all such other instruments and documents on behalf of the Board as may be by them deemed necessary or appropriate in connection with the provisions of the authorizing resolution, the Official Statement, the Indenture, the Certificate Purchase Agreement, the Installment Purchase Contract, the Acquisition Agreement, the Continuing Disclosure Agreement, and all acts and things whether heretofore or hereafter done or performed by and of the officers of the Board which are in conformity with the intents and purposes of this Board action and the authorizing resolution shall be and the same are hereby in all respects, ratified, confirmed, and approved.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The President of the University concurs.

On motion of Mrs. Sodemann, these recommendations were approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

Establish Banking Services with Mellon Bank  
(Payroll, Accounts Payable, Student Refund Accounts, and Banking Resolution)

(19) The University solicited proposals relating to banking services for the following disbursement activities:

University Payroll account to disburse payroll direct deposit items to University employees at all locations.

University Payables disbursement account for the general disbursement activity of the University.

Student Refunds account to make electronic payments of excess student financial aid refunds.

Funding account to facilitate the daily funding of disbursement activity from the other three accounts referenced above.

The University Disbursements request for proposal was distributed via the IPHE Procurement Bulletin. Responses were received from 12 vendors. University staff reviewed the responses and conducted interviews with four finalists. Mellon Bank submitted the proposal that best met the University's established criteria and offered the most advantageous combination of economic and technological benefits. This provider will meet the University's current needs and will enable increased usage of technology, especially with respect to combating check fraud. The agreement offers cost savings versus the current provider and is renewable for additional fiscal years with a five percent maximum annual price increase. The University requested and received a Best and Final Offer from Mellon Bank that represents a \$2,000 annual savings over the original

proposal price. The total first year cost is estimated to be \$72,000 compared with a current annual cost of approximately \$126,000.

The Vice President for Administration requests that authority be given to open bank accounts for the purpose described above with Mellon Bank, that the attached resolution be adopted, and that the Comptroller be authorized to renew this agreement on an annual basis subject to the availability of funds. The new accounts would become active on July 1, 2006, or as soon as all necessary documentation can be completed and filed. Upon conclusion of business in process with the current processor, the existing accounts will be closed.

Funds are available from the institutional funds operating budget of the University.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The President of the University concurs.

#### Resolution

BE IT RESOLVED, That the Comptroller of the Board of Trustees of the University of Illinois ("University") is authorized, instructed and directed to open and keep bank accounts with Mellon Bank, N.A. ("Bank"), a national banking association located at Pittsburgh, Pennsylvania, in the name and for the use of the University, and to deposit in said Bank to the credit of the University from time to time, any and all moneys and checks, drafts, bills of exchange, interest coupons and other deposit items and until otherwise ordered said Bank be and hereby is authorized to make payment from the funds



of the University on deposit with it upon and according to the check or direction of the University;

BE IT FURTHER RESOLVED, that the Comptroller of the Board of Trustees is authorized from time to time upon such terms and conditions as the Comptroller may deem advisable, to designate in writing to the Bank those officers, employees and other agents of the University authorized to sign any and all checks, drafts, and orders, including orders or directions in informal or letter form, against any funds or accounts at any time standing to the credit of the University with the Bank, and that the Bank is authorized to honor any and all individual order of any such person or persons signing the same, without further inquiry or regard to the authority of said person or persons or the use of the checks, drafts or orders or the proceeds thereof;

BE IT FURTHER RESOLVED, that the Bank as a designated depository of the University be and it (including its correspondent banks) is hereby requested, authorized and directed to honor checks, drafts and other orders for the payment of money drawn in the University's name, including those drawn to the individual order of any person or persons whose name or names appear thereon as signer or signers thereof, when bearing or purporting to bear the facsimile signatures, whether reproduced manually, mechanically or otherwise, of the Chair and the Secretary of the Board of Trustees, jointly, and the Bank shall be entitled to honor, and to charge the account of the University for, such checks, drafts or other orders for the payment of money, regardless of by whom or by what means the actual or purported facsimile signature or signatures thereon may have been affixed thereto, if such signature or signatures resemble the facsimile specimens of such signature(s) certified to or filed with the Bank by or on behalf of the University and if said documents are properly issued by the Board of Trustees of the University of Illinois, and if said documents are properly authenticated by the Bank through commercially reasonable positive pay anti-fraud services;

BE IT FURTHER RESOLVED, that the Comptroller of the Board of Trustees is authorized from time to time to designate in writing to the Bank those officers, employees and other agents of the University authorized to issue written, telephonic, electronic or oral instructions with respect to the transfer of funds of the University on deposit with the Bank (or otherwise transferable by the Bank), by wire or otherwise, without any written order for the payment of money being issued with respect to such transfer, and, for and on behalf of the University, to enter into such agreements with the Bank with respect to any such transfer(s) as such officer(s) in (his/her) (their) sole discretion deem(s) advisable.

BE IT FURTHER RESOLVED, that each of the foregoing resolutions shall also be understood to apply in full to any account, transaction or property at or with any facility or facilities or branch or branches of the Bank;

BE IT FURTHER RESOLVED, that each of the foregoing resolutions shall continue in force until express written notice of its rescission or modification has been received by the Bank.

Certificate of Authority for Corporate Deposit Accounts

Mellon Bank, N.A. of Pittsburgh, Pennsylvania

Account Numbers: 1

2

3

4

I hereby certify to Mellon Bank, N.A., located in Pittsburgh, Pennsylvania, that I am Secretary of The Board of Trustees of the University of Illinois, a public corporation of the State of Illinois, and that the attached is a true copy of a resolution adopted by the Board of Trustees on May 11, 2006, and further that such resolution is in conformity with the charter and by-laws of the University of Illinois and in full force and effect on the date thereof.

In witness whereof, I have hereunto subscribed my name and affixed the seal of the University of Illinois this 11th day of May, 2006.

THE BOARD OF TRUSTEES OF  
THE UNIVERSITY OF ILLINOIS

Affix Corporate Seal

By: \_\_\_\_\_  
Michèle M. Thompson  
Secretary

On motion of Mrs. Sodemann, authority was given as requested and the foregoing resolution was adopted by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

Approve Amendment of Construction Management Contract for Campus Recreation  
Expansion and Renovation Project, Chicago

(20) At the September 12, 2002, meeting, the Board approved the Campus Recreation Expansion and Renovation Project for the Chicago campus with a project budget of \$45,350,200. This action authorized the campus to begin work toward the construction of a new recreation building on the east side of campus and renovation of the recreation facilities on the west side of campus. In January 2003, the Board approved the award of a construction management contract in the amount of \$1,958,300 to Power Construction Company, Schaumburg, for the professional construction management services required.

Due to unforeseen conditions at the New Student Recreation Facility – East Campus that required the treatment of an abandoned City of Chicago underground water tunnel in conformance to the City of Chicago Water Department regulations, the proper disposition of additional contaminated and unsuitable soils, and a required change in the building site, an extended construction schedule and related expenses have occurred. Accordingly, the Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that an amendment to the construction management

contract with Power Construction Company, Schaumburg, in the amount of \$240,090 be approved to address the specific costs due to these unforeseen events.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Funds for this amendment to the contract are available from the proceeds of Auxiliary Facilities System Revenue Bonds.

The President of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

#### Approve Contract Awards for Job Order Contracting (JOC) System, Chicago

(21) The Job Order Contracting (JOC) System enhances the contracting operations for minor building alterations, repairs, new construction, and site work at the Chicago campus. Budgets will be developed on an individual basis in connection with specific work orders for minor building alterations, repairs, new construction, and site work on the Chicago campus. The contracts will be awarded for an initial term of May 18, 2006, through June 30, 2007, estimated at \$3.0 million each and will include five one-year

option periods, at a value estimated at \$3.0 million for each option period. Any option year extension requires approval of the Board based upon an evaluation of the prior year's experience.

The Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends the award of multiple job order contracts for minor building alterations, repairs, new construction, and site work at the Chicago campus to Meccor Industries, Ltd., Skokie (the lowest bidder) and G.F. Structures Corporation, Chicago (the second lowest bidder). Competitive bidding procedures in accordance with the Illinois Procurement Code were followed. Bids were based on price adjustment factors that will be applied to pre-established unit prices to determine the value of each work order. The adjustment factors will be applicable to work performed in non-patient care facilities with and without design and patient care facilities with and without design, during normal business hours, and other than normal business hours. The combined adjustment factor bid by the two recommended contractors are:

1. Meccor Industries, Ltd., Skokie with a combined adjustment factor of 1.1475
2. G. F. Structures Corporation, Chicago with a combined adjustment factor of 1.1532

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Funds will be identified on a project-by-project basis and may include state appropriated, institutional or restricted funds available in the campus operating budget during each fiscal year. A minimum of \$50,000 for work will be guaranteed to each contractor. No individual work order will exceed \$250,000.

A schedule of bids received has been filed with Secretary of the Board for record.

The President of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

#### Approve Projects for Deferred Maintenance Program, Chicago And Urbana

(22) In November 2005, the Board approved a University-wide facilities renewal program and in April 2006 the Board further approved a student fee to be used to address the facility deficiencies on the campuses of the University of Illinois. The initial effort to address the University backlog of these facilities would focus primarily on the facilities envelope of roofs, skins, windows, and doors to stop further deterioration of the facilities and provide a solid basis to begin interior remediation as funds, time, and program scope allow.

Accordingly, the Chancellors at Chicago and Urbana with the concurrence of the appropriate administrative officers recommend the following projects be approved:

1. University of Illinois Hospital Fire Alarm System. This \$2.5 million project will replace the existing fire alarm system and provide installation of voice communications systems in each stairwell and at every fifth floor as well as a selective one-way communication system between fire command panel and elevator lobbies, stairwells, and corridors.
2. Life Safety Various Buildings Phase I. This \$3.3 million project addresses life safety needs for the Disability, Health and Social Policy Building (DHSP) and Clinical Sciences Building (CSB). The major work will be replacement of the fire alarm system and installation of a fire sprinkler system in DHSP and completion of the fire alarm and sprinkler systems in CSB.
3. Science Engineering Laboratories Vertical Transportation. This \$2.9 million project will replace outdated controllers, cables, and other traction elevator components, hydraulic pump units, control valves, signal fixtures, and elevators cabs as well as repairs and upgrades to the hoistway doors and frames at all elevators and related work for all elevators systems including equipment rooms, air conditioning, fire alarm recall, detectors, code corrections, and accessibility upgrades.
4. Altgeld Hall--Repair Doors and Windows. This \$3.25 million project will remove or replace most of the windows, doors, and soffits. The deterioration of the wood-framed windows and doors with single-pane glazing sealants, wood-framed bell tower eave soffits, and select masonry/grout erosion have led to air infiltration and moisture migration complications throughout the building.
5. Krannert Center for Performing Arts Life Safety Corrections. This \$3.0 million project will address outstanding life safety issues in the building identified in

previous studies with work to focus on the fire suppression, fire alarms, emergency lighting, and exit signage in priority areas of the building.

6. Library--Repair Exterior Envelope. This \$6.0 million project will repair or replace much of the building envelope, both sub-structure and super-structure, that has been damaged and is in need of repair or replacement.
7. Noyes Laboratory--Repair Exterior Envelope. This \$4.0 million project is to repair or replace much of the exterior envelope damaged by age, antiquated design details, and long-term exposure to cyclical climate.
8. Psychology Building Life Safety Corrections. This \$4.0 million project will focus on two major deficiencies: an automatic sprinkler system and replacing the fire alarm system for the building.
9. Roger Adams Laboratory--Replace Air Handling Units and Controls. The original Roger Adams Laboratory building was constructed in 1948 with a south addition in 1964. This \$5.5 million project will replace the original equipment that still serves most of the building systems.
10. Natural History Survey--Repair Exterior Envelope. The \$5.5 million project will repair or replace deteriorating roofing systems, storm water control systems, and windows throughout the building.
11. Library--Replace Air Handling Units and Controls. This \$2.0 million project will complete a comprehensive plan for phased equipment replacement.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.



Funds for this project are available from future sale of Certificates of Participation. Any project planning costs incurred prior to the sale of the Certificates will be funded initially from other University institutional funds operating budget with anticipated reimbursement from the subsequent proceeds of the Certificates of Participation sale.

The President of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

#### Approve Project for Townhouses Phase III, Springfield

(23) The multi-phased housing complex was planned to accommodate 480 students and currently accommodates 288 students. Phase III is needed to accommodate the planned increased enrollment and will consist of six buildings, each with four, four-bedroom units for a total of 96 bedrooms. Construction will be of wood frame and brick veneer on a crawl space to match the existing townhouse buildings. The project includes associated parking and a laundry/storage building.

Accordingly, the Chancellor at Springfield with the concurrence of the appropriate administrative officers recommends that the Townhouses Phase III project be approved at \$5.2 million.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Funds for this project are available from proceeds from the future sale of the Auxiliary Facilities Systems Revenue Bonds. Any project planning and construction costs incurred prior to the sale of the revenue bonds will be funded initially from the institutional funds operating budget with anticipated reimbursement from the subsequent proceeds of Auxiliary Facilities Systems Revenue Bonds.

The President of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

#### Award Contracts for South Campus Mixed Use Development, Chicago

(24) In July 2004, the Board approved a mixed use development project on the east side of the Chicago campus that includes a 750-bed residence hall with dining facilities and support services (now known as the James J. Stukel Towers); a convocation center with a 3,000-seat auditorium or a 1,000-seat banquet facility; and 40,000 square feet for a retail and office space component. In November 2004, the Board approved the design of the

facility and in May 2005 the current project budget of \$124.0 million. Previous contracts totaling \$79,437,781 have been approved.

At this time, the Chancellor at Chicago with the concurrence of the appropriate administrative officers now recommends that the following contracts for construction be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the awards are to the lowest responsive and

responsible bidders on the basis of its base bid plus the acceptance of indicated alternates:<sup>9</sup>

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<sup>9</sup>Description of Alternates: Alt. 12-2 replaces all campus Lock CL 5500 series computer-managed locking system with manual locksets; Alt. 12-3 substitutes Corian brand (or equal) solid surface materials in lieu of granite tops where granite is indicated on millwork in Dining Hall 270D, 270E, 270F, 270G, 270H, 270J, 270K, 270L, and 270M; Alt. 12-8 deletes the fabrication, delivery and installation of the millwork (work table B250); Alt. 12-9 reduces the length of the cashier counter by eliminating the three double door storage units and only the cashier counter portion with finish ends will remain; Alt. 12-10 substitutes American Olean Tile Co./Dal-Tile, 2" x 2" ceramic tile in lieu of glass mosaic tile GLMT-1, GLMT-2, GLMT-3, and GLMT-4 in Dining Hall 270; Alt. 12-11 eliminates the oak wood chair rail from all student residence floor corridors including Level 2 Hall A, Level 3 Halls A, B, C, and D, Levels 4, 5, 6 in Halls B, C, and D, Levels 7, 8, 9, and 10 in Halls C and D, and Levels 11 and 12 in Hall C; Alt. 12-12 eliminates the oak wood base in all student residence floor corridors including Level 2 Hall A, Level 3 Halls A, B, C, and D, Levels 4, 5, and 6 in Halls B, C, and D, Levels 7, 8, 9, and 10 in Halls C and D, and Levels 11 and 12 in Hall C; Alt. 12-14 illustrates the window washing system omitting the davit socket bases and includes the fall arrest roof anchors but excludes the furnishing of the out-rigger beams as part of the system; Alt. 17-1 adds 400 linear feet of a chase wall constructed of wall type 2J (2 hour shaft wall) for vertical/horizontal shafts with an outside dimension of 12" x 24"; Alt. 17-3 provides moisture resistant drywall partitions extending from the concrete floor to the underside of the concrete deck above and should exhibit the same moisture resistance qualities as USG's Humitek Sheetrock Product and is necessary only in the interior of the Residential Rooms to provide a weather tight vestibule for the skip hoists mounted on Buildings B, C, and D; Alt. 17-5 provides installation, demolition, and removal of one hour temporary partitions in designated locations for Building Occupancy phasing purposes; and Alt. 17-6 wraps exposed concrete columns in the Residence with framing and drywall as indicated in Addendum #24.

*Division 12--Carpentry w/ Architectural Woodwork/Doors/Frames/Hardware & Expansion Joints Work*

|  |                 |                 |
|--|-----------------|-----------------|
| Mazur Construction Co.,<br>Countryside, IL | <i>Base Bid</i> | \$8,736,359     |
|  | Alt. 12-2       | -363,374        |
|  | Alt. 12-3       | -4,412          |
|  | Alt. 12-8       | -1,775          |
|  | Alt. 12-9       | -6,389          |
|  | Alt. 12-10      | -61,387         |
|  | Alt. 12-11      | -84,749         |
|  | Alt. 12-12      | -91,133         |
|  | Alt. 12-14      | <u>-148,421</u> |
| TOTAL                                      |                 | \$7,974,719     |

*Division 17--Gypsum Board Systems & Acoustical Ceilings Work*

|   |                 |               |
|---|-----------------|---------------|
| Airtite, Inc., dba Airtite Contractors,<br>Elmhurst, IL | <i>Base Bid</i> | \$5,839,500   |
|   | Alt. 17-1       | 28,000        |
|   | Alt. 17-3       | 4,700         |
|   | Alt. 17-5       | 22,600        |
|   | Alt. 17-6       | <u>54,000</u> |
| TOTAL   |                 | \$5,948,800   |

*Division 31--Utility Site Work--Heating*

|   |                 |             |
|---|-----------------|-------------|
| Meccon Industries, Inc.,<br>Lansing, IL | <i>Base Bid</i> | \$1,679,585 |
| TOTAL                                   |                 | \$1,679,585 |

*Division 52--Kitchen Equipment*

|                                      |                 |             |
|--------------------------------------|-----------------|-------------|
| Scheppe & Sons, Inc.,<br>Lombard, IL | <i>Base Bid</i> | \$1,095,188 |
| TOTAL                                |                 | \$1,095,188 |

The project will be funded from the proceeds of future sale of Auxiliary Facilities Systems Revenue Bonds. Any project planning and construction costs incurred prior to the sale of the revenue bonds will be funded initially from other campus auxiliary operating funds with anticipated reimbursement from the subsequent proceeds of a revenue bond sale.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and procedures.

A schedule of the bids received will be filed with the Secretary of the Board for record.

The President of the University concurs.

On motion of Mrs. Sodemann, these contracts were awarded by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

#### Award Contract for Everitt Laboratory Fourth Floor Remodeling, Urbana

(25) A \$1,160,610 project has been approved to remodel the fourth floor of Everitt Laboratory to provide a 600-square-foot anechoic<sup>10</sup> chamber. This project will also provide approximately 900 square feet for a related control room and model shop into the fourth floor of Everitt Laboratory. Remodeling of approximately 1,400 square feet of existing space will be completed along with elevator access to the area utilizing an existing elevator.

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<sup>10</sup>Anechoic means “without echo.”

Bids for the construction of this facility have been solicited and in order for the project to proceed, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the following contract<sup>11</sup> be awarded based on competitive bidding procedures in accordance with the Illinois Procurement Code to the lowest responsible bidder on the basis of its base bid plus the acceptance of indicated alternates<sup>12</sup>:

|                                 |          |                |
|---------------------------------|----------|----------------|
| <i>Division I--General Work</i> |          |                |
| Vanguard Contractors, Inc.,     | Base Bid | \$344,400      |
| Pekin, IL                       | Alt. 1   | 77,700         |
|                                 | Alt. 2   | <u>282,600</u> |
| TOTAL                           |          | \$704,700      |

Funds for this project are available from the institutional funds operating budget of the Urbana campus.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

A schedule of the bids received has been filed with the Secretary of the Board for record.

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<sup>11</sup>Contracts for other divisions were awarded that were within the delegated approval levels: Division III--A & R Mechanical Contractors Inc., Urbana--\$64,150; Division IV--Nogle & Black Mechanical, Inc., Urbana--\$33,890; and Division V--Krut's Electric Inc., Rantoul--\$85,000, making a total award of \$887,740.

<sup>12</sup>Description of Alternates: Alt. 1 is work associated with the new access corridor and elevator equipment room; and Alt. 2 is work associated with the elevator and elevator penthouse extension.

The President of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

#### Award Contract for Irwin Academic Services Center Addition, Urbana

(26) In 2005, the Board approved a \$4.6 million project to expand the existing Irwin Academic Services Center, located at the northeast corner of Fourth Street and Armory Avenue, Champaign. This project provides supplementary spaces for classrooms, computer labs, a multipurpose room, tutoring rooms, and offices; the 12,900 gross square foot addition will be modeled after an in-house conceptual planning. In July 2005, RATIO Architects of Champaign, Illinois, was employed for the professional services required.

Bids for the construction of this facility have been solicited and in order for the project to proceed, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the following contract<sup>13</sup> be awarded based on

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<sup>13</sup>Contracts for other divisions were awarded that were within the delegated approval levels: Division II--Reliable Plumbing and Heating Co., Savoy--\$61,010; Division III--Reliable Plumbing and Heating Co., Savoy--\$489,660; Division IV--Nogle & Black Mechanical, Inc., Urbana--\$154,975; Division V--Krut's Electric Inc., Champaign--\$396,100; and Division VI--F. J. Murphy & Son, Inc., Springfield--\$44,868, making a total award of \$2,950,613.



competitive bidding procedures in accordance with the Illinois Procurement Code to the lowest responsible bidder for each division on the basis of its base bid plus the acceptance of indicated alternates.<sup>14</sup>

*Division I--General Work*

|  |          |               |
|--|----------|---------------|
| Roessler Construction Co. Inc.,<br>Rantoul, IL | Base Bid | \$1,719,000   |
|  | Alt. 1   | 4,000         |
|  | Alt. 2   | <u>81,000</u> |
| <i>TOTAL</i>                                   |          | \$1,804,000   |

Funds for this project are available from gift funds.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

A schedule of the bids received has been filed with the Secretary of the Board for record.

The President of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

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<sup>14</sup>Description of Alternates: Alt. 1 provides new underground chilled water and compressed air piping and new connection to campus chilled water and compressed air piping; and Alt. 2 provides new underground chilled water and compressed air piping and new electrical duct bank to Police Training Institute and Ice Arena.

Project Budget for an Addition to the College of Medicine, Rockford, for the National Center for Rural Health Professions, Chicago

(27) Since 2003, the Board has considered the need for additional space for the National Center for Rural Health Professions at the College of Medicine at Rockford. In November 2003, the Board approved the project description for an addition to the extant College of Medicine building, contingent upon funding from the State, the federal government and private gifts.

Also in November 2003 the Board approved employment of the architect/engineer to design the addition. In September 2004, the Board approved the specific site location and the design for the facility. The design includes remodeling and an addition to the College of Medicine building to provide: a 100-seat auditorium, administrative space for the Colleges of Medicine and Pharmacy and the School of Public Health, space for health systems research, improved space for research, a library, a computer lab, a wet lab, and an area for teaching clinical skills.

The cost of the project is estimated at \$31.3 million. Federal funds in the amount of \$2.175 million have been received to assist in completing the project, with the expectation that other funding sources would also be provided. The University has listed this project among its top ten capital priorities for the last few years and approximately \$600,000 in state repair and renovation funds have been allocated to the project; however, no other State funds for capital projects have been available. A small amount

of private gifts have been secured, and development efforts for additional private support continue.

Accordingly, the President of the University recommends that the Board approve a project budget of \$31.3 million and that \$14.25 million in institutional funds shall be committed to the project in FY2007. Continuing efforts will be made to secure the remaining funding required from private gifts and federal, State, and community sources.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

Project Budget Increase and Award Contract for  
Student Recreation Center, Springfield

(28) In June 2004, the Board approved a project to construct a new recreation facility for the Springfield campus that would provide a venue for fitness, recreation, and athletics to support the growing resident student population on this evolving campus. In July of

2005, with a gift of \$1.0 million, the Board approved a project budget of \$14.1 million for this Student Recreation Center. At the time of the approval, the project budget was established based on a pro forma that utilized the projected construction costs for the summer of 2006 and a revenue stream based on fees from a historical student base.

Consistent with the Board's goal of embracing best practice programs, this project was selected to pilot a new delivery program for the University utilizing a construction manager at risk process. The selection of the recommended construction manager was the result of a two-phase bid process. In the first phase, three companies were selected from a pool of five based on qualifications and prices submitted on services and general conditions for the project. The three selected construction managers each submitted value engineering services and budget estimates based on the review of the architect's design development. The second phase of the bid process resulted in a bid of a guaranteed maximum price based on allowances for the mechanical, electrical, plumbing, ventilation, and fire protection contracts that will be bid at a future date with the assistance of the construction manager based on provisions of the Illinois Procurement Code.

In order for the project to proceed, the Chancellor at Springfield with the concurrence of the appropriate administrative officers recommends that the Board:

1. Increase and approve the project budget for the Student Recreation Center to \$16.3 million. Funds for this increase are available from Auxiliary Facilities Systems funds based on new enrollments authorized by the Board in September 2005 for increases in the general education program.

2. Approve for award<sup>15</sup> the construction manager at risk contract to River City Construction of Peoria, Illinois, for \$13,558,638 that includes alternates G-1, G-2, G-3, G-4, G-5A, G-5B, G-6, G-7, G-8, G-9, G-10, G-11, G-12, G-13, G-14, and G-15<sup>16</sup> and allowances for plumbing, heating/air conditioning, ventilation, electrical, and sprinkler contracts.
3. Approve the assignment of the mechanical, electrical, plumbing, ventilation, and fire protection contracts to River City Construction consistent with the provisions of the Illinois Procurement Code not to exceed funds available within the project budget.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Funds for this project are available from anticipated reimbursements from the proceeds from the future sale of Auxiliary Facilities System Revenue Bonds, auxiliary facilities system funds, and gift funds.

A schedule of the bids received has been filed with the Secretary of the Board for record.

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<sup>15</sup>Competitive bidding procedures in accordance with the Illinois Procurement Code were followed and River City Construction, Peoria, provided the lowest responsive bid.

<sup>16</sup>Description of alternates: G-1 additional 1,600 seats for performance gym, G-2 install upper level track running surface, G-3 lower level fitness fitout, G-4 recreation locker/toilet fitout, G-5A racquetball court fitout, G-5B squash court conversion, G-6 group exercise/storage fitout, G-7 upper level fitness fitout, G-8 athletic offices, toilet, closet fitouts, G-9 provides elevator, G-10 conference room, toilet and hallway fitout, G-11 scoreboard upgrades, G-12 ceramic tile finishes, G-13 fitness rubber flooring upgrades for the fitness area, G-14 premium seating upgrade for performance gym, and G-15 additional power for performance gym.

The President of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

Employ Architect/Engineer for Poultry Research Facilities, College of Agricultural, Consumer and Environmental Sciences, Urbana

(29) The Poultry Research Facilities located immediately adjacent to the Atkins Tennis Center and Eichelberger Field must be relocated to accommodate the expansion of the tennis facility. In March 2006, the Board approved the new Poultry Research Facilities with a project budget of \$2.8 million.

In order for the project to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions

of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).<sup>17</sup>

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that Moorhead-Gruber Architects, Champaign, be employed for the professional services required. The firm's fixed fees will be \$224,209 plus reimbursable expenses estimated at \$35,000.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Funds for this project are available from gift funds and the institutional funds operating budget of the Urbana campus.

The President of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

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<sup>17</sup>A selection committee consisting of Kevin Duff and Steve O'Connor (Facilities & Services) and Ralf Moller and Dan Faulkner (College of Agricultural, Consumer and Environmental Sciences) interviewed the following firms (listed in ranking order): (1) Moorhead-Gruber Architects, Champaign; (2) KM2 Design Group, P.C., Springfield; and (3) A. Epstein and Sons, International, Inc., Chicago. The committee recommends Moorhead-Gruber Architects, Champaign, as best meeting the criteria for the project.

Authorize Option to Extend Professional Services Agreement, University-Wide Facility  
Condition Audit Update

(30) In May 2003, the Board received a report and presentation by the Vice President for Administration on the assessment of the condition of facilities at the University campuses. As part of the facility condition audit services, including software and professional inspections at all three campuses, the firm of Vanderweil Facility Advisors, LLC, Boston, Massachusetts, was employed in August 2004 with an option for renewal of the agreement for four additional one-year periods based on a continuing need, satisfactory performance, and availability funds.<sup>18</sup>

In November 2004, the Board approved the University-Wide Facilities Renewal Program and the necessary project phases not to exceed \$102.0 million to address facility deficiencies on the campuses of the University of Illinois. In addition, the Board approved actions leading to the issuance of Certificates of Participation not to exceed \$55.0 million to finance the first phase of the project with the approval in January 2006 of the necessary financing. This activity supports the need to provide continuing auditing services as the facilities renewal program progresses.

Accordingly, the Vice President for Administration with the concurrence of the appropriate administrative officers recommends that the option for renewal for one year of the professional services agreement with Vanderweil Facility Advisors, LLC, Boston, Massachusetts, be exercised. The firm's fees will be \$298,916.

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<sup>18</sup>Note: This is the second Renewal Program update (the first was May 2005 with VFA for a contract sum of \$290,928).



The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Funds for this project are available from the institutional funds operating budget and future sale of Certificates of Participation.

The President of the University concurs.

On motion of Mrs. Sodemann, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

### Purchases and Change Orders

(31) The president submitted, with his concurrence, a list of purchases and change orders recommended by the directors of purchases and the vice president for administration.

These were presented in one category--purchases and change orders from institutional funds. The term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amounts of these purchases and change orders were:

*From Institutional Funds*

|                     |              |
|---------------------|--------------|
| Purchases .....     | \$61,373,320 |
| Change Orders ..... | 976,846      |

A complete list of the purchases and change orders, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

On motion of Mrs. Sodemann, the purchases and change orders recommended were authorized by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

Disclose Certain Minutes of Executive Sessions Pursuant to Open Meetings Act

(32) Under an amendment to the Open Meetings Act passed by the General Assembly, effective July 1, 1989, public bodies subject to the Act which conduct business under exemptions specified in the Act must, at least every six months, determine whether the need for confidentiality still exists with respect to each item considered under such exemption.

Attached are items from October 1999 through May 2005 that have been heretofore unreleased and are recommended for release at this time. (A copy of the attachment is filed with the secretary.) Those sections of minutes that deal with items considered in executive session for which continuing confidential status is recommended

in order to protect the public interest or the privacy of an individual are indicated. When the need for confidentiality has passed they will be released.

The University Counsel and the Secretary of the Board, having consulted with appropriate University officers, recommend that the indicated items retain confidential status at this time. It is further recommended that the matters considered in executive session for the same period and marked as “release” be made available to the public at this time.

In addition, between January 1, 2004, and December 31, 2004, the Act also required that public bodies subject to the Act periodically review recordings of closed meetings. Verbatim transcripts of the recordings of the October 18, October 28, and November 1, 2004, executive sessions have been provided the board for review. The University Counsel and the Secretary recommend that the transcripts remain confidential at this time to protect the public interest or the privacy of individuals.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The President of the University concurs.

On motion of Mrs. Sodemann, these recommendations were approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

(The student advisory vote was: Aye, Mr. Alam, Ms. Bauer; no, none.)

### President's Report on Actions of the Senates

(33) The president presented the following report:

#### Establishment of a Concentration in Clinical Research in the Master of Science in Public Health Program, Chicago

The Chicago Senate has approved a proposal from the School of Public Health to establish a concentration in clinical research in the Master of Science in Public Health Program. The concentration is designed to train clinicians from any of the clinical professions to understand basic analytical tools used by biostatisticians and epidemiologists and the application to health of the relevant concepts and theories of the social and behavioral sciences. The concentration consists of two basic components: a multidisciplinary set of courses and a mentored research project.

#### Establishment of Two Concentrations within the Post Master's Certificate in Educational Leadership, College of Education and Human Services, Springfield

The Springfield Senate has approved a proposal from the College of Education and Human Services to establish two concentrations within the existing Post Master's Certificate in Educational Leadership. The Post Master's Certificate currently offers courses for individuals seeking a certificate as a school superintendent. Under this proposal, the program would offer two concentrations: (1) the Superintendent's Certificate concentration, and (2) a Chief School Business Official's Certificate

concentration. The latter concentration would be offered in a blended online format that combines on-campus and online sessions.

The Post Master's Certificate would continue to consist of 36 hours. There would be a core curriculum that includes 20 hours of course work and 4 hours of clinical experience. Each of the concentrations would include an additional 12 hours. The Chief School Business Official's Certificate concentration would require the establishment of two new courses: EDL 640 Business Applications (revenues) and EDL 645 Finance Applications (expenditures). The other courses are in existence; however, the courses would now need to be offered in an online or blended format.

The purpose of the Chief School Business Official's Certificate concentration is to provide individuals with knowledge and training in the areas of educational foundations, business management, budgeting, and finance. This will help meet the demand for competent leadership in the fiscal management of schools.

The start-up costs for the Chief School Business Official's Certificate concentration will be paid for with a grant, while the recurring costs will be financed through the tuition revenues that are generated by the program. Therefore, no additional resources will be needed.

Establish a Post-Baccalaureate Certificate in Emergency Preparedness and Homeland Security, Master of Arts in Environmental Studies, College of Public Affairs and Administration, Springfield

The Springfield Senate has approved a proposal from the College of Public Affairs and Administration to establish a Graduate Certificate in Emergency Preparedness and Homeland Security.

The new millennium sees a renewed federal, state, and local focus on building capacity to anticipate, prepare, and respond to emergencies of all types including those related to natural disasters and homeland security. The proposed Certificate in Emergency Preparedness and Homeland Security will provide interdisciplinary professional education to administrators of local, state, and federal government agencies and private entities with responsibilities for emergency preparedness and homeland security.

The Graduate Certificate in Emergency Preparedness and Homeland Security will be a 20-hour interdisciplinary certificate program. The Certificate's three core courses will provide students with a background in risk assessment, management, communication, and program evaluation. The selection of two elective courses will allow the students to concentrate in a particular disciplinary area of interest. The program will be administered by the Department of Environmental Studies in association with its Master of Arts in Environmental Studies program. The courses will be offered by a variety of departments, e.g., Environmental Studies, Criminal Justice, Legal Studies, Political Studies, Public Administration, and Public Health.

The Certificate's core courses and various electives are already in existence. No additional resources will be needed to offer the graduate certificate.

Bachelor of Science in Agricultural and Environmental Communications and Education,  
College of Agricultural, Consumer and Environmental Sciences, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Agricultural, Consumer and Environmental Sciences to discontinue the Environmental Communications and Education Concentration and redesignate the Agricultural Communications Concentration as Agricultural, Consumer and Environmental Sciences Communication in the Bachelor of Science in Agricultural and Environmental Communications and Education.

The Environmental Communications and Education concentration no longer has the enrollment to justify the concentration. In addition, concurrent reductions in faculty numbers have made it unfeasible to regularly offer courses required solely for this concentration. The subject matter will be integrated into the redesignated Agricultural, Consumer and Environmental Sciences Communication concentration. This name will more accurately describe the fuller range of subject matter relevant to all students in the College of Agricultural, Consumer and Environmental Sciences who are interested in communication.

Establish an Interdisciplinary Minor in the Study of the Islamic World, College of Liberal Arts and Sciences, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Liberal Arts and Sciences to create an interdisciplinary minor in the Study of the Islamic World.

The interdisciplinary minor is designed for students interested in developing an expertise in one or more parts of the Islamic World or in Islamic culture generally, as a complement to their disciplinary major. Students will acquire knowledge through an introductory course in a facet of Islam, the study of an approved language of the Islamic world, as well as several advanced courses in culture.

Establish a Graduate Minor in Russian, East European, and Eurasian Studies, Graduate College, Urbana

The Urbana-Champaign Senate has approved a proposal from the Graduate College to establish a Graduate Minor in Russian, East European, and Eurasian Studies.

The minor is intended for students who wish to develop interdisciplinary knowledge of Russia, Eastern Europe, and/or Eurasia. The minor's purpose is to document a student's interdisciplinary engagement with the area and sufficient language study to be able to work in the region.



Establish a Graduate Minor in Balkan Studies, Graduate College, Urbana

The Urbana-Champaign Senate has approved a proposal from the Graduate College to establish a Graduate Minor in Balkan Studies.

The minor is intended for students who wish to develop systematic, interdisciplinary knowledge of the Balkans. The minor's purpose is to document a student's interdisciplinary engagement with the area and sufficient language study to be able to work in the region.

Establish a Graduate Concentration in African American Studies, College of Liberal Arts and Sciences, Urbana

The Graduate College on behalf of the Urbana-Champaign Senate has approved a proposal from the College of Liberal Arts and Sciences to establish a Graduate Concentration in African American Studies.

The interdisciplinary graduate concentration is designed to explore a wide range of information and scholarship in African American studies and its subfield. Students have an opportunity to work with a broad and dynamic group of African Americanist scholars across the humanities and social sciences, and the arts and professions.

Discontinue the Graduate Specialization in Biophysical Chemistry, Graduate College,  
Urbana

The Urbana-Champaign Senate has approved a proposal from the Graduate College to discontinue the Graduate Specialization in Biophysical Chemistry in the Ph.D. in Chemistry.

As the Department of Chemistry has a number of other, more formalized specializations already in place, including the traditional areas of analytical, inorganic, organic, and physical chemistry as well as materials chemistry and chemical biology, this specialization is no longer useful.

Establish a Joint Graduate Program Leading to both the M.S. or Ph.D. in Materials  
Science and Engineering and a Master of Business Administration, Graduate College,  
Urbana

The Urbana-Champaign Senate has approved a proposal from the Graduate College to establish a joint graduate program leading to both the M.S. (or Ph.D.) in Materials Science and Engineering and a Master of Business Administration.

Many students in Materials Science and Engineering (MatSE) become involved in the management aspects of companies following graduation. The proposed joint program permits students to obtain appropriate training in business so that they will be able to more effectively contribute. The program will enable engineering students to acquire business knowledge and skill, and will also allow the MBA program to benefit from students who have a strong technical background in statistics, analysis, and process.

The joint degree program reduces the credit hour requirements for the MBA by 12 hours, normally used for 3 electives or part of a second concentration. This is compensated for, in part, by the combination of courses and other activities. In addition, the MatSE course work (and thesis) requires considerable knowledge in the area of information technology, one of the MBA concentrations.

This report was received for record.

Comptroller's Financial Report  
Quarter Ended March 31, 2006

(34) The comptroller presented his quarterly report as of March 31, 2006. A copy has been filed with the secretary of the board.

This report was received for record.

Annual Report, University Office of Risk Management,  
Fiscal Year 2004-05

(35) This report was presented by the vice president for administration. A copy has been filed with the secretary of the board.

This report was received for record.

Technology Commercialization Highlights,  
Fiscal Year 2006, 3rd Quarter

(36) The vice president for technology and economic development presented this report.

A copy has been filed with the secretary of the board.

This report was received for record.

Report of the Secretary:  
Selection of Student Members of the  
University of Illinois Board Of Trustees, 2006-2007

(37) The secretary presented the following report:

*Chicago Campus*

The election for the UIC Student member of the University of Illinois Board of Trustees was held on April 11-12, 2006. Mr. Umair Mamsa was elected.

The total number of ballots cast for a student trustee on the UIC campuses--Chicago, Peoria, Rockford, and Urbana--was 1,037. Mr. Mamsa faced one other candidate in the election and the tally was:

|                   |     |
|-------------------|-----|
| Umair Mamsa       | 549 |
| Audrey Von Bergan | 488 |

Mr. Mamsa is originally from Orlando, Florida, and is now a resident of Chicago. He is a junior majoring in philosophy and political science in the College of Liberal Arts and Sciences. He has served as Vice President of the Student Centers Board, member of the Pre-Law club, Student Orientation Leader, Student Ambassador, judicial panel member, and judicial peer advocate.

*Springfield Campus*

The Student Government Association Election was held April 19-20, 2006, and Sarah Doyle was elected as the UIS Student Representative to the University of Illinois Board of Trustees. There were three candidates on the ballot and a total of 589 votes were cast for candidates for the Student Trustee position. The tally was:

|                 |     |
|-----------------|-----|
| Sarah Doyle     | 233 |
| Suraj Prashad   | 225 |
| Bob Skorczewski | 131 |

Ms. Doyle is a Political Studies Major with Communications and Economics Minors. She began her studies as a freshman in the Capital Scholars Program in Fall 2003, and is completing her third year at UIS. She was elected to serve as the Secretary to the Student Government Association in April 2005, and served as a student representative to the UIS Campus Senate this past year. In addition, Ms. Doyle has served on the Intercollegiate Athletic Committee, Student Web Advisory Committee for Enrollment, and the Campus Strategic Planning committee. In the Fall of 2005, Ms. Doyle participated in President White's Student Leadership Conference. She has also served as a UIS Student Ambassador since Fall 2004.

*Urbana-Champaign Campus*

The election was held on Tuesday, March 7, and Wednesday, March 8, 2006. Christopher Kantas was elected.

The total number of votes cast for student trustee was 6,422. The tally for each candidate was:

|                    |       |
|--------------------|-------|
| Christopher Kantas | 3,920 |
| Mike Trojanowski   | 1,482 |
| Nina Fuentes       | 1,020 |

Mr. Kantas is a junior in the College of Liberal Arts and Sciences, majoring in History, and is from Oak Lawn, Illinois. He has been a student senator during the 2005-2006 academic year where he has been an active member and is the Co-Chair of the Student Rights Committee of the Illinois Student Senate. Chris is currently serving on the UC-Senate Admissions Committee. Chris is also a member of Alpha Tau Omega Fraternity.

This report was received for record.

#### SECRETARY'S REPORT

The secretary presented for record changes to academic appointments for contract year 2005-06, new hires, reappointed retirees, resignations, and notices of nonreappointment. A copy has been filed with the secretary of the board.

#### BOARD MEETING RECESSED FOR MEETINGS OF THE BUILDINGS AND GROUND COMMITTEE AND THE BUDGET AND AUDIT COMMITTEE

At this time the board recessed for meetings of these two committees.

#### MEETING OF THE BUILDINGS AND GROUND COMMITTEE

Mr. Shah, chair of the committee, convened the meeting and stated that there were two design presentations for the board's consideration at this time, noting that the design for

remodeling Memorial Stadium had occurred earlier in the meeting, and he asked Mr. Wachtel to introduce the presenters.

Illinois Medical Center for Peoria Physicians, Chicago

Mr. Wachtel said the first presentation would be to present a design for the Illinois Medical Center for Peoria Physicians, Chicago, and invited James R. Debord, M.D., professor of clinical surgery, College of Medicine, Peoria, to introduce the project.

Dr. Debord commented on the importance of the project to the program at Peoria. The architect presented the design for a five-floor building to be constructed with traditional building materials designed to fit in with the new Urbanist approach to that portion of Main Street in Peoria (materials on file with the secretary).

Mr. Vickrey requested significant signage for the facility to identify the site as part of the University of Illinois College of Medicine. Dr. Debord said the physicians would be pleased to have such a sign on the facility.

On motion of Mr. Eppley, this design was approved.

Student Dining/Residential Programs Building and First Wing,  
New Residence Hall, Urbana

Mr. Wachtel introduced Larry Booth and Sandy Stephenson from the firm of Booth Hansen and said that approval of the first phase of this project was sought (materials on file with the secretary). The architects described the design of these facilities and emphasized that the object was to provide more open space in this area and to make the

Dining/Residential Programs Building the focal point for the new development. He said the building materials would be brick and limestone. Further, he stated that the dining hall would have 1200 seats oriented around a central market area. He added that the rooms for students in the Beckwith program would be located on the first floor of this facility so that these students, who are disabled, can move to the dining facility with ease without going outside the building. The architects said that the style of student residences has changed and that now suites for about five students with bathrooms within the suites is the most common style.

Chancellor Herman stated that these facilities would be replacements for extant residence halls and would not add to the number of residence hall spaces for students. He added that the campus has no difficulty filling all residence hall spaces.

On motion of Mr. Eppley, this design was approved.

#### MEETING OF BUDGET AND AUDIT COMMITTEE

Mr. Bruce, chair of the committee, convened this meeting and stated that the board had made a concerted effort to comply with the Sarbanes-Oxley Act and as a result of that he has met with a number of individuals responsible for aspects of auditing at the University. He said today the committee was joined by several individuals who would make presentations regarding the external audit of the University (materials on file with the secretary). He introduced Dr. Heather J. Haberaecker, executive assistant vice president for business and finance, Chicago, and compliance audit coordinator for the University, and asked her to summarize the Fiscal Year 2005 compliance audit. She



summarized the external audit and stated that there were eight material findings; five in business policies, one in human resources, and two federal audit findings. She assured the board that staff members were working diligently to resolve these. Further, she said there were eight immaterial findings that staff was working to resolve. She said three of these would be resolved in order to prevent them from becoming material findings in future. In conclusion, she indicated that she would discuss the Fiscal Year 2006 financial audit with the board in November 2006.

Mr. Bruce thanked Dr. Haberaecker and introduced Mr. Jeffrey R. Bonick, a partner with Clifton Gunderson, LLP, the external auditor for the University, who was the principal of this firm on its engagement with the University on its financial audit for Fiscal Year 2005. Mr. Bonick reviewed the letter his firm issued to the Budget and Audit Committee in connection with the June 30, 2005, report of the financial audit of the University. He stated that this letter is required by the Statement on Auditing Standards Number 61 (SAS no. 61). He said the purpose of this letter is to communicate any significant issues related to the audit and to assist the Budget and Audit Committee with its oversight responsibilities. He indicated that the audit his firm conducted was performed according to generally accepted accounting principles and generally accepted auditing standards that require the auditor to obtain reasonable but not absolute assurance that the financial statements are free of material misstatement. He said that during the three years that his firm has been auditing the University the firm had not encountered any significant problems. He indicated that the University management and staff have

been courteous and professional, which the firm's representatives have greatly appreciated.

Mr. Bruce then stated that the last presenter was Mr. Thomas Kizziah, audit manager, Office of the Auditor General, who would discuss his role within the Auditor General's office and how that interacts with the University. Mr. Kizziah described the Office of the Auditor General and said that the auditor general, a constitutional officer of the State, is appointed to a ten-year term and that Mr. William Holland, the current auditor general, has been in this position since August 1992, and began a second term in August 2002. He stated that the office conducts audits of public funds and reports findings to the General Assembly and the governor. He indicated that the office performs several different types of audits: financial audits, compliance and attestation examinations, single audits for the University, approximately 150 post audits of State agencies per year, and hiring of public accountants for State entities. He stated that approximately 80 percent of the audits are contracted out to licensed public accounting firms that serve as special assistant auditors for the auditor general and they perform the audits at the direction of the auditor general, review the audits in terms of process then deliver the audits to the auditor general, who then releases the financial audit before it becomes public information to the Legislative Audit Commission (LAC) that then holds public hearings to review the audits with the agency officials. From information gleaned in these public hearings the members of the LAC may decide to sponsor legislation to correct troublesome fiscal problems revealed in the audits. He stated that the commission

is made up of 12 members of the General Assembly, six senators and six representatives, evenly divided between Democrats and Republicans.

Mr. Bruce thanked all for their reports and asked the board if there were questions. Mr. Eppley asked if there were any material findings and Mr. Bruce responded that there were. Mr. Eppley also asked for a copy of a letter from the external auditor. Mr. Bruce assured him he would see that he received a copy of this letter and indicated that each board member was provided a set of the material findings at their places. Dr. Carroll asked about the finding that the University was not in compliance with a requirement to keep a record of the time worked by University employees. Dr. Haberaecker said that this finding applied to all public universities in the State and entails a difference of opinion regarding how the records are kept. She said the universities thought they were in compliance because they keep time records in terms of negative reporting, e.g., time away from work, such as vacation time and sick leave, and that a letter from the inspector general's office seemed to indicate that this was acceptable. She said the public universities would be discussing this further with the auditor general. Mr. Beckmann said the auditor general's response was that the State law is clear, thus the University needs to attempt to change the State law or find a way to comply with the time-reporting requirement.

**BOARD MEETING RESUMED**

When the board meeting resumed in regular session, the same members noted as present earlier were in attendance. Mr. Sperling left the meeting at approximately 3:30 p.m. and participated in the rest of the meeting telephonically.

**BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERISTY**

President White announced he was chartering a University of Illinois Energy taskforce with members from the campuses and University administration to address the spikes in the production of worldwide fossil fuels which have affected organizations of every size, including the University. He indicated that the taskforce would review effective acquisition, production, and distribution of energy resources. The president said it was vital that the University respond and shift focus to manage the demand side of the energy equation, and that this must be immediate, to stem, as much as possible, the escalation of current prices and in turn, help long-term to offset future price escalations that are certain to occur. The president stated that given the prominence of energy supply and demand issues and the effect of these on the University, he would hereby create an energy taskforce to address the following five tasks:

1. Review and document changes in energy consumption.
2. Review and document changes in energy production, distribution processes, operations costs, and capacity from production to end-use by customers.

3. Identify steps of immediate impact to reduce energy consumption and suggest funding mechanisms necessary to implement those steps.
4. Recommend incentive mechanisms that will encourage the adoption of energy conservation practices by end-users.
5. Identify projects and processes to be integrated into University facilities planning and operations processes that will enable absorption of costs of future price escalations.

The president then stated that once the members of the taskforce were appointed and leadership determined he would report further to the board on the work of this group.

#### OLD BUSINESS

There was no business presented under this aegis.

#### NEW BUSINESS

Mrs. Sodemann requested comments on the policy for hiring University retirees that she distributed earlier in the meeting. She said she thought the board should approve a new policy in July 2006.

Related to this issue, President White stated that he and the chancellors would issue a draconian statement immediately regarding the need to seek prior board approval of all appointments of University retirees. Further, he stressed that it was important for the board to approve a policy that would represent wise guidance for hiring retirees and urged approval of a new policy in July 2006 if not sooner.

Mrs. Sodemann suggested that the policy be approved at the telephonic meeting of the board scheduled for June 5, 2006.

Mr. Bruce stated for the record that he had given his changes to the draft policy to Secretary Thompson.

Next, Dr. Schmidt reported that the University of Illinois Research Park Board of Managers had met on May 1 and decided to develop another 66 acres in the park. He also said that work on the conference center and hotel was scheduled to commence soon.

#### REPORTS FROM STUDENT TRUSTEES

Mr. Eppley asked for reports from the student trustees.

Ms. Bauer thanked the trustees for the learning experience they had afforded her and thanked her peers at the Springfield campus for electing her to serve in the role as student trustee for the past year. She said she had learned a great deal in the year she served as student trustee from the Springfield campus. Also, she told the board her successor was Ms. Sarah Doyle.

Mr. Klitzing reported that interviews with candidates for the position of vice chancellor for student affairs at Urbana had been conducted and he had been involved in this important process. He thanked the board and the administration for a good experience as student trustee from the Urbana campus and stated the University was in great hands. He also stated that the most important things he did in his tenure as student trustee was to support a tuition increase and the Academic Facilities Maintenance

Fund Assessment. Lastly, he thanked Vice President Gardner, who was attending his last meeting as vice president for academic affairs, for his service to the University in that role.

Mr. Alam then commented, stating that he was particularly pleased with the many award ceremonies and special events surrounding commencements at the Chicago campus. He indicated that Umair Mamsa would be his successor and he thanked the trustees for their help in the life-changing experience he had had as student trustee.

Mr. Klitzing then recognized his successor, Mr. Christopher Kantas, whom he had introduced at the April 11, 2006.

#### OTHER TRUSTEE COMMENTS

Dr. Schmidt stated that he and Mrs. Sodemann wished to ask that the board meetings start earlier. Mr. Eppley stated that the starting time of 10:00 a.m. was for Chicago meetings, in recognition of the time required for commuters to drive to the meetings. He noted that the start time for the meetings in Urbana and Springfield was 9:00 a.m. and said that this issue would be revisited at the November meeting in Springfield.

#### ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months:

June 5, 2006, a special meeting via conference call; July 12-13, Chicago, with a retreat on July 12; September 7, Urbana; and November 9, Springfield.

There being no further business, the board adjourned.

MICHELE M. THOMPSON  
*Secretary*

LAWRENCE C. EPPLEY  
*Chair*