

Press Proof (Not for Publication)

MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

March 7, 2013

This meeting of the Board of Trustees of the University of Illinois was held in Illini Rooms B and C, Illini Union, 1401 West Green Street, Urbana, Illinois, on Thursday, March 7, 2013, beginning at 8:00 a.m.

Chair Christopher G. Kennedy called the meeting to order and asked the secretary to call the roll. The following members of the Board were present:

Mr. Ricardo Estrada, Mr. Patrick J. Fitzgerald, Ms. Karen Hasara, Mr. Christopher G. Kennedy, Dr. Timothy N. Koritz, Mr. Edward L. McMillan, Mr. James D. Montgomery, Ms. Pamela B. Strobel. Ms. Patricia Brown Holmes and Governor Pat Quinn were absent. Mr. John W. Tienken, voting student trustee from the Springfield campus, was present. The following nonvoting student trustees were present: Mr. David Pileski¹, Urbana campus; Mr. Kenneth M. Thomas, Chicago campus. President Robert A. Easter was present.

Also present were the officers of the Board: Mr. Lester H. McKeever, Jr., treasurer; Mr. Walter K. Knorr, comptroller (and vice president/chief financial officer);

¹ Mr. Pileski arrived at 8:03 a.m.

Mr. Thomas R. Bearrows, University counsel; and Dr. Susan M. Kies, secretary. In addition, the following persons were also in attendance: Ms. Marna K. Fuesting and Ms. C. Ellen Foran, both assistant secretaries; and Ms. Eileen B. Cable, special assistant to the secretary.

MOTION FOR EXECUTIVE SESSION

At 8:02 a.m., Mr. Kennedy stated: “A motion is now in order to hold an executive session to consider University employment or appointment-related matters; and pending, probable, or imminent litigation against, affecting, or on behalf of the University.”

On motion of Mr. Montgomery, seconded by Mr. McMillan, this motion was approved. There were no “nay” votes.

EXECUTIVE SESSION

Material redacted pursuant to the Illinois Open Meetings Act (5 ILCS 120/2.06d)

EXECUTIVE SESSION ADJOURNED

The executive session adjourned at 10:07 a.m.

REGULAR MEETING RESUMED

The meeting resumed at 10:24 a.m., with all Board members previously recorded as being present in attendance.

PERFORMANCE OF THE STATE SONG

Mr. Kennedy introduced Dr. Ricardo Herrera, assistant professor of voice at Urbana, to sing the State song, *Illinois*. The performance was followed by a round of applause.

INTRODUCTION OF UNIVERSITY OFFICERS AND SENATE OBSERVERS

President Easter introduced the vice presidents of the University in attendance: Dr. Phyllis M. Wise, chancellor, Urbana campus, and vice president, University of Illinois; Dr. Paula Allen-Meares, chancellor, Chicago campus, and vice president, University of Illinois; Dr. Susan J. Koch, chancellor, Springfield campus, and vice president, University of Illinois; Mr. Walter K. Knorr, comptroller (and vice president/chief financial officer); Dr. Joe G.N. Garcia, vice president for health affairs; and Dr. Lawrence B. Schook, vice president for research. President Easter then introduced the senate observers and the representative of the academic professional staff: Dr. George Francis, professor, department of mathematics, Urbana, representing the University Senates Conference; Dr. Joyce Tolliver, associate professor, department of Spanish, Italian, and Portuguese, Urbana, representing the Urbana Senate; Dr. Brian Kay, professor and department head, department of biological sciences, Chicago, representing the Chicago Senate; Dr. Peter Boltuc, professor, department of philosophy, Springfield, representing the Springfield Senate; and Mr. Konstantinos Yfantis, acting manager, Teaching and Learning Services, Campus Information Technologies and Educational Services, Urbana, representing the academic professional staff. President Easter noted that Mr. Kingsley

Allan, GIS Manager, Illinois State Water Survey, would represent the academic professional staff in the afternoon. Also in attendance were Dr. Nicholas Burbules, chair of the University Senates Conference, and Dr. Matthew Wheeler, chair of the Urbana Senate executive committee.

In addition to those that were previously noted, the following were present: Mr. Thomas P. Hardy, executive director for University relations; Ms. Katherine R. Laing, executive director of governmental relations; Dr. Avijit Ghosh, senior advisor to the president; and Ms. Margaret M. O'Donoghue, interim special assistant to the president.

REMARKS FROM THE PRESIDENT

President Easter made comments regarding federal and State matters and discussed the potential impact of federal sequestration on the University, particularly in areas related to grant funding. He briefly discussed State finances and the State's declining support for higher education. He then asked Mr. Hardy to introduce members of the media present at the meeting.

WELCOME FROM THE CHANCELLOR AT URBANA

At 10:09 a.m., Mr. Kennedy asked Chancellor/Vice President Wise to provide a presentation on the Urbana campus (materials on file with the secretary). Dr. Wise welcomed trustees to the Urbana campus. She briefly commented on some recent events and highlighted a gift from The Grainger Foundation for scholarships. Dr. Wise also

mentioned an event at the Krannert Center for the Performing Arts celebrating the 150th anniversary of the Emancipation Proclamation, and stated that Ms. Myrlie Evers was honored at the event. She then provided an update on the Visioning Future Excellence initiative and stated that six themes emerged from meetings and surveys in which many across the campus participated. She stated that the next phase of the project will involve the identification of action items and resources.

Next, Dr. Wise discussed sustainability initiatives. She then commented on the importance of diversity at Urbana and described efforts to increase diversity among faculty and students. She stated that this is a time to be bold and to embrace change, and she referred to the keynote address given by Ms. Evers in which she commented on the responsibility to make positive change. Mr. Kennedy thanked Dr. Wise for her comments.

REPORT FROM CHAIR, AUDIT, BUDGET, FINANCE, AND FACILITIES COMMITTEE

At 10:49 a.m., Mr. Kennedy asked Mr. McMillan, chair of the Audit, Budget, Finance, and Facilities Committee, to provide a report from that committee. He stated that Mr. McMillan serves on the committee with Dr. Koritz, Mr. Montgomery, Ms. Strobel, Mr. Pileski, and Mr. Tienken.

Mr. McMillan stated that the committee met February 25, 2013, at 1:00 p.m., and reported that committee members approved the minutes of the meeting that was held January 14, 2013. Mr. McMillan stated that Mr. Knorr discussed the agenda item

requesting approval of the delegation of authority to the vice president/chief financial officer and comptroller to refund outstanding auxiliary facilities system revenue bonds and the item requesting approval of student health insurance rates at the Urbana and Springfield campuses for Academic Year 2013-14. Mr. McMillan reported that Ms. Julie A. Zemaitis, executive director, University Audits, provided a presentation on the Office of University Audits for the six-month period ended December 31, 2012, and that Mr. Patrick M. Patterson, controller and senior assistant vice president for business and finance, gave a presentation on the Fiscal Year 2012 financial audit, in which he reported that the University received a clean opinion on financial statements. He stated that Mr. Knorr provided updates on the federal and State legislation, budget issues, and the University's credit rating. Mr. McMillan reported that Mr. Michael B. Bass, senior associate vice president for business and finance and deputy comptroller, provided information regarding capital items, and that Dr. Heather J. Haberaecker, executive assistant vice president for business and finance, presented information regarding purchases.

Mr. McMillan stated that committee members reviewed the items within the purview of the committee on today's agenda, and he listed these items. He reported that the committee also met in an executive session to consider University employment or appointment-related matters. He stated that the next meeting of this committee will be held May 13, 2013, at 1:00 p.m.

REPORT FROM CHAIR,
UNIVERSITY HEALTHCARE SYSTEM COMMITTEE

Mr. Kennedy then asked Dr. Koritz, chair of the University Healthcare System Committee, to provide a report. Dr. Koritz stated that he serves on the committee with Mr. Estrada and Mr. Fitzgerald. He stated that the committee met March 6, 2013, at 1:00 p.m. He reported that committee members discussed the items within the purview of the committee on the agenda at today's meeting, and he listed these items. Dr. Koritz discussed the decreased Medicaid per diem reimbursement rate and the possible budget shortfall at the hospital, and he stated that the committee also discussed the effects of the federal sequestration and the Affordable Care Act. He also referred to a change in medicine that is moving away from a fee-for-service model.

Dr. Koritz stated that the next meeting of the committee is scheduled for
May 13, 2013, at 3:00 p.m.

REPORT FROM CHAIR,
ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Mr. Kennedy then asked Ms. Hasara, chair of the Academic and Student Affairs Committee, to provide a report. Ms. Hasara stated that she serves on the committee with Mr. Estrada, Ms. Holmes, Mr. Pileski, Mr. Thomas, and Mr. Tienken. Ms. Hasara reported that the committee met March 6, 2013, at 3:00 p.m. She stated that committee members discussed the items on the Board's agenda at today's meeting that are within the purview of the committee, and she listed these items. She reported that Dr. Richard P.

Wheeler, visiting associate vice president for academic affairs, attended the meeting on behalf of Dr. Christophe Pierre and presented a report on sabbatical leaves of absence for Academic Year 2013-14. Ms. Hasara stated that Mr. Pileski provided a presentation on student financial literacy with Ms. Andrea N. Pellegrini, visiting assistant director, University student financial services and cashier operations, and that this was followed by a discussion that included a suggestion by the student trustees that a cross-campus course on financial literacy be offered online. She told the Board that Dr. Wheeler will be exploring this suggestion. She then stated that Chancellor/Vice President Wise provided a presentation on diversity at Urbana, and that Mr. Estrada informed the committee of a recent visit to the Springfield campus to visit Latino students enrolled there. Ms. Hasara said these students felt some isolation and were appreciative of Mr. Estrada's visit.

Ms. Hasara stated that the next meeting of the committee is scheduled for May 28, 2013, at 3:00 p.m.

AGENDA

At 11:04 a.m., Mr. Kennedy announced that the agenda for this meeting would now be considered. All Board members recorded as present at the start of the meeting were in attendance. Mr. Kennedy explained the items for which a voice vote of the Board is requested would be first, and that the secretary would read the titles of these items. He noted that several Board members had previously discussed concerns with President

Easter, and other staff members regarding these items, and he said that he would welcome further discussion at this time.

By consensus, the Board agreed that one vote would be taken and considered the vote on each agenda item nos. A1 through 13 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Approve Minutes of Board of Trustees Meetings

(A1) The Secretary presents for approval the minutes of the Board of Trustees meetings of January 23 and January 24, 2013.

On motion of Mr. Montgomery, seconded by Dr. Koritz, these minutes were approved.

Approve Resolution for Lawrence Oliver II

(1) To: Lawrence Oliver II

The Board of Trustees expresses its deep appreciation to you for your dedicated service as a member of this Board for the last four years.

A special benefit to us all has been the manner in which you approach problems: with a clear head, understanding the background, able to ask questions, assimilate data and then express your opinion in a clear and concise way.

Throughout your service as a trustee you have been a strong advocate for the University's obligation to increase diversity throughout the University. Your thoughts and ideas have broadened the Board's awareness of inclusivity.

You have also served on several committees: The Audit, Budget, Finance, and Facilities Committee; the Academic and Student Affairs Committee; and the University Healthcare System Committee. Each has benefitted from your conscientious attention.

At this time, the Board members, joined by President Easter, as well as the University officers, faculty, students and staff of the University, wish to pay tribute to you for your valuable service and extend best wishes to you and your family.

The Board of Trustees directs that this resolution be incorporated into the minutes of today's meeting, to become a part of the official public record, and that a suitable copy be given to you as a permanent reminder of the esteem in which you are held.

On motion of Mr. Montgomery, seconded by Dr. Koritz, this resolution was approved.

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

Appointments to the Faculty

(2) 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.

Urbana

College of Business

Julian Christopher Reif, Assistant Professor of Finance, College of Business, probationary faculty on initial/partial term appointment, on an academic year service basis, on 49 percent time, at an annual salary of \$93,100, beginning January 1, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013; and Assistant Professor, Institute of Government and Public Affairs, University Administration, probationary faculty on initial/partial term appointment, on an academic year service basis, on 51 percent time, at an annual salary of \$96,900, beginning January 1, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013, for a total salary of \$190,000.

College of Engineering

Zahra Mohaghegh Ahmadabadi, 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 \$90,000, beginning January 1, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013.

Ahmed Elbanna, 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 \$88,000, beginning January 14, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013.

Lavanya Marla, Assistant Professor of Industrial and Enterprise Systems Engineering, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$87,500, beginning January 1, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013.

Yihong Wu, Assistant Professor of Electrical and Computer Engineering, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$90,000, beginning January 1, 2013; and continuing

as probationary faculty on tenure track year one, effective August 16, 2013; and Assistant Professor, Coordinated Science Laboratory, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning January 1, 2013, for a total annual salary of \$90,000.

College of Fine and Applied Arts

Carlos R. Carrillo, Assistant Professor, School of Music, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$60,000, beginning January 8, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013.

College of Law

Michelle Arlene Hook Dewey, Assistant Professor and Reference Librarian, Albert E. Jenner, Jr. Memorial Law Library, College of Law, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 100 percent time, at an annual salary of \$56,000, beginning January 14, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013.

Heather J. E. Simmons, Assistant Professor and Reference Librarian, Albert E. Jenner, Jr. Memorial Law Library, College of Law, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 100 percent time, at an annual salary of \$71,000, beginning January 14, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013.

College of Liberal Arts and Sciences

***Philippe Di Francesco**, Professor of Mathematics, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$150,000, beginning January 10, 2013; and Morris and Gertrude Fine Distinguished Professor of Mathematics, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning January 10, 2013, for a total salary of \$150,000.

Runhuan Feng, Assistant Professor of Mathematics, probationary faculty on tenure track year two, on an academic year service basis, on 100 percent time, at an annual salary of \$85,000, beginning January 1, 2013.

College of Medicine at Urbana-Champaign

Sayeepriyadarshini Anak, Assistant Professor, Basic Sciences, College of Medicine at Urbana-Champaign, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$78,000, beginning January 16, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013.

University Library

Mara Thacker, Assistant Professor of Library Administration, University Library, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 100 percent time, at an annual salary of \$56,650, beginning January 1, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013; and South Asian Studies Librarian, University Library, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, beginning January 1, 2013, for a total annual salary of \$56,650.

College of Veterinary Medicine

Valarmathi Mani Thiruvanamalai, Assistant Professor of Comparative Biosciences, College of Veterinary Medicine, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$95,000, beginning January 16, 2013; and continuing as probationary faculty on tenure track year one, effective August 16, 2013; and Assistant Professor, Basic Sciences, College of Medicine at Urbana-Champaign, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning January 16, 2013, for a total annual salary of \$95,000.

Emeriti Appointments

Robert B. Graves, Dean Emeritus, College of Fine and Applied Arts, November 1, 2012; and Professor Emeritus of Theatre, December 1, 2012

Susan Kieffer, Professor Emerita of Geology, January 16, 2013

Out-Of-Cycle Faculty Promotion in Faculty Rank

To the Rank of Professor Without Change in Tenure:

Kimani C. Toussaint, from Assistant Professor of Mechanical Science and Engineering, College of Engineering, to the rank of Associate Professor of Mechanical Science and Engineering, on indefinite tenure, effective January 1, 2013.

Out-Of-Cycle Sabbatical

Matthew C. Stewart, Associate Professor of Veterinary Clinical Medicine, College of Veterinary Medicine, sabbatical leave of absence for nine months from April 1, 2013, through December 31, 2013, at full pay. Professor Stewart will identify pathways that regulate the ability of articular chondrocytes (the cells within cartilage) to maintain the cartilage tissue that covers the surfaces of joints, and the processes by which these pathways are compromised in arthritic disease.

Chicago

College of Architecture, Design and the Arts

***Lisa Yun Lee**, Associate Professor of Art History, College of Architecture, Design, and the Arts, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$100,000, beginning January 1, 2013. Dr. Lee will continue to serve as Interim Associate Director, School of Art and Art History, College of Architecture, Design, and the Arts, non-tenured, on a twelve-month service basis, with an administrative increment of \$10,000, effective January 1, 2013; and continuing as Director, School of Art and Art History, effective August 16, 2013, for a total annual salary of \$110,000.

College of Medicine at Chicago

***Ramin Alemzadeh**, Professor of Pediatrics, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 51 percent time, at an annual salary of \$102,000, beginning December 10, 2012; Chief, Division of Endocrinology in Pediatrics, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$35,000, beginning December 10, 2012; and Director, Pediatric Diabetes Program, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$35,000, beginning December 10, 2012. Dr. Alemzadeh will continue to serve as Physician Surgeon in Pediatrics, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$98,000, effective August 16, 2012, for a total annual salary of \$270,000.

***Ao Ma**, Associate Professor of Physiology and Biophysics, College of Medicine at Chicago, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$100,000, beginning January 1, 2013; and Associate Professor of Bioengineering, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning January 1, 2013, for a total annual salary of \$100,000.

***Akhil Maheshwari**, Associate Professor of Pediatrics, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 51 percent time, at an annual salary of \$127,500, beginning December 10, 2012. Dr. Maheshwari will continue to serve as Physician Surgeon in Pediatrics, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$127,500, effective August 16, 2012, for a total annual salary of \$255,000.

***Sekhar M. Pothireddy**, Professor of Pediatrics, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 51 percent time, at an annual salary of \$151,200, beginning December 10, 2012; and Director, Center of Pediatric Pulmonary Research, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$40,000, beginning December 10, 2012. Dr. Pothireddy will continue to serve as Research Scientist in Pediatrics, College of Medicine

at Chicago, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$58,800, effective December 10, 2012, for a total annual salary of \$250,000.

***Nadera Sweiss**, Associate Professor of Medicine, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 40 percent time, at an annual salary of \$55,800, beginning December 18, 2012. Dr. Sweiss will continue to serve as Physician Surgeon in Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 60 percent time, at an annual salary of \$83,700, effective August 16, 2012, for a total annual salary of \$139,500.

College of Medicine at Peoria

***William Davis Parker, Jr.**, Professor of Pediatrics, College of Medicine at Peoria, on indefinite tenure, on a twelve-month service basis, on 51 percent time, at an annual salary of \$51,510, beginning July 23, 2012. Dr. Parker will continue to serve as Physician Surgeon in Pediatrics, College of Medicine at Peoria, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$49,490, effective August 16, 2012, for a total annual salary of \$101,000.

College of Nursing

Mary C. Kapella, Assistant Professor of Biobehavioral Health Science, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$79,000, beginning January 1, 2013. Dr. Kapella will continue to serve as Associate Director for Outreach and Education, Department of Biobehavioral Health Science, non-tenured, on a twelve-month service basis, with an administrative increment of \$3,500, effective August 16, 2012, for a total salary of \$82,500.

Emeriti Appointments

Kevin G. Barnhurst, Professor Emeritus of Communication, January 1, 2013

Doris A. Graber, Professor Emerita of Political Science, August 16, 2012

Ronald L. Koch, Associate Professor Emeritus of Pharmaceutics, Department of Biopharmaceutical Sciences, July 1, 2012

Springfield

College of Public Affairs and Administration

Kenny D. Runkle, Assistant Professor of Public Health, probationary faculty on tenure track year one, on an academic year basis, on 100 percent time, at an annual salary of \$58,595, beginning December 16, 2012.

Appointments to Administrative/Professional Staff

Urbana-Champaign

Sharon M. Nickols-Richardson, Head of the Department of Food Science and Human Nutrition, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$20,000, beginning July 1, 2013. Dr. Nickols-Richardson will be appointed to the rank of Professor of Food Science and Human Nutrition, College of Agricultural, Consumer and Environmental Sciences, summer appointment, on 100 percent time, at a monthly rate of \$13,889, July 1-August 15, 2013; and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$125,000, effective August 16, 2013. She will receive an amount equal to two-ninths of her faculty base salary for two months of faculty service during each summer of her appointment as Head (\$27,778 during Summer 2014).

Chicago

Michael W. Redding, Executive Associate Chancellor of External and Governmental Relations, Office of the Chancellor, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$223,000, beginning April 30, 2013. Dr. Redding will also be appointed to the rank of Lecturer in Educational Policy Studies, College of Education, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning April 30, 2013, for a total salary of \$223,000.

Kathleen J. Sparbel, Director, Quad Cities Regional Program, College of Nursing, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$4,700, beginning March 8, 2013. Dr. Sparbel will receive a thirty percent appointment based on one-ninth of her total academic year salary for two months service during each summer of her appointment as Director (\$5,342 for Summer 2013). She will continue to serve as Clinical Assistant Professor in Health Systems Science, College of Nursing, non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$75,433, effective August 16, 2012, for a total salary of \$85,475.

University Administration

Lauren Elizabeth Garry, Director of Security Initiatives, Office of the Vice President for Research, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$120,000, beginning March 11, 2013. Ms. Garry was appointed to serve as Interim Director of Security Initiatives under the same conditions and salary arrangement beginning March 4, 2013.

Brian Rasmus, Senior Director, Strategic Budget and Finance, Office of the Vice President for Health Affairs, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$257,000, beginning March 11,

2013. Mr. Rasmus was appointed to serve as Interim Senior Director under the same conditions and salary arrangement beginning January 28, 2013.

Michael C. Rudzinski, Facility Security Officer, Office of the Vice President for Research, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$125,000, beginning March 11, 2013. Mr. Rudzinski was appointed to serve as Interim Facility Security Officer under the same conditions and salary arrangement beginning March 4, 2013.

Intercollegiate Athletic Staff

Urbana-Champaign

~~**James F. Bridge**, Assistant Varsity Coach, Football, Division of Intercollegiate Athletics, Urbana-Champaign, non-tenured, with a multi-year agreement, on 100 percent time, at an annual salary of \$200,000, beginning February 1, 2013, through January 31, 2015. A performance review will be held in January of each contract year to determine any compensation increases after January 31, 2014.~~

~~Former Position: Assistant Football Coach (Offensive Line), North Carolina State University, Raleigh (2011-12); and Assistant Varsity Coach, Football, Division of Intercollegiate Athletics, University of Illinois at Urbana-Champaign (since January 2013)~~

~~Education~~

~~Wittenberg University, Springfield, Ohio, B.A. 1992~~

~~Bowling Green State University, Ohio, M.Ed. (Sport Administration), 1994~~

Gregory Wayne Colby, Assistant Varsity Coach, Football, Division of Intercollegiate Athletics, Urbana-Champaign, non-tenured, with a multi-year agreement, on 100 percent time, at an annual salary of \$180,000, beginning February 11, 2013, through January 31, 2015. A performance review will be held in January of each contract year to determine any compensation increases after January 31, 2014.

William J. Cubit, Assistant Varsity Coach, Football, Division of Intercollegiate Athletics, Urbana-Champaign, non-tenured, with a multi-year agreement, on 100 percent time, at an annual salary of \$250,000, beginning February 1, 2013, through January 31, 2015. In addition, Coach will receive an annual increment of \$150,000 for television, radio, educational, public relations, and promotional activities, beginning January 14, 2013, for a total annual salary of \$400,000. A performance review will be held in January of each contract year to determine any compensation increases after January 31, 2014.

Janet Elizabeth Rayfield, Head Women’s Soccer Coach, Division of Intercollegiate Athletics, Urbana-Champaign, non-tenured, a third amendment to extend the current multi-year agreement an additional five years, on 100 percent time, effective August 16, 2013 through August 15, 2018. Coach Rayfield’s base salary will increase to \$125,000, effective August 16, 2013. A performance review will be held in June of each contract year to determine any salary adjustments after August 15, 2014.

Alan J. Seamonson, Assistant Varsity Coach, Football, Division of Intercollegiate Athletics, Urbana-Champaign, non-tenured, with a multi-year agreement, on 100 percent time, at an annual salary of \$180,000, beginning February 25, 2013, through January 31, 2015. A performance review will be held in January of each contract year to determine any compensation increases after January 31, 2014.

Addendum

Re-Hired Retiree

University Administration

James D. Oliver	Visiting Senior Advisor, President's Office, UA, UIUC	30% <u>60%</u>	09/16/12 - 06/30/13	total \$60,000 <u>\$120,000</u>
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On motion of Mr. Montgomery, seconded by Dr. Koritz, these appointments were approved.

Sabbatical Leaves of Absence, 2013-2014

(3) The Chancellors at Urbana-Champaign, Chicago, and Springfield, and Vice Presidents, University of Illinois have recommended that the following members of the faculty be given sabbatical leaves of absence in accordance with the provisions of the University of Illinois *Statutes* and on the terms and for the periods indicated.

The programs of research and study for which leaves are requested have been examined on all campuses. The vice president for academic affairs has reviewed the applications for the leaves and recommends approval of 152 leaves for Urbana-Champaign; 55 leaves for Chicago; 12 leaves for Springfield; and no leaves for University Administration. (A list of those recommended has been filed with the secretary of the Board for record.)

(For the record and to provide an annual compilation, in 2012-2013, 135 leaves were taken at Urbana-Champaign; 52 leaves were taken at Chicago; 10 leaves were taken at Springfield; and no leaves were taken by University Administration.)

The Vice President for Academic Affairs concurs in these recommendations.

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 Procedures*, and Board of Trustees policies and directives.

The President of the University recommends approval.

On motion of Mr. Montgomery, seconded by Dr. Koritz, these leaves were granted as recommended.

Award Honorary Degree, Urbana

(4) This item was withdrawn from the agenda.

Award Honorary Degree, Chicago

(5) The Senate at the Chicago campus has nominated the following person for conferral of honorary degree at Commencement exercises in May 2013. The Chancellor, University of Illinois at Chicago, and Vice President, University of Illinois, recommends approval of this nomination.

Marian Wright Edelman, Founder and President of the Children's Defense Fund (CDF), has been an advocate for disadvantaged Americans for her entire professional life. Under her leadership, the CDF has become the nation's strongest voice for children and families--the honorary degree of Doctor of Humane Letters

The mission of the Children's Defense Fund is to ensure every child a Healthy Start, a Head Start, a Fair Start, a Safe Start, and a Moral Start in life, and consequently, a successful passage to adulthood, with the help of caring families and communities. Mrs. Edelman, a graduate of Spelman College and Yale Law School, began her career in the mid-60s when, as the first black woman admitted to the Mississippi Bar, she directed the NAACP Legal Defense and Educational Fund Office in Jackson, Mississippi.

In 1968, she moved to Washington, D.C., as counsel for the Poor People's Campaign that Dr. Martin Luther King, Jr., began before his death. She founded the Washington Research Project, a public interest law firm and the parent body of the CDF. For two years she served as the Director of the Center for Law and Education at Harvard University and in 1973 began the Children's Defense Fund.

Mrs. Edelman served on the Board of Trustees of Spelman College which she chaired from 1976 to 1987 and was the first woman elected by alumni as a member of the Yale University Corporation on which she served from 1971 to 1977. She has received over one hundred honorary degrees and many awards including the Albert Schweitzer Humanitarian Prize, the Heinz Award, and a MacArthur Foundation Prize Fellowship.

In 2000, she received the Presidential Medal of Freedom, the nation's highest civilian award, and the Robert F. Kennedy Lifetime Achievement Award for her writings which include eight books: *Families in Peril: An Agenda for Social Change*; *The Measure of Our Success: A Letter to My Children and Yours*; *Guide My Feet: Meditations and Prayers on Loving*

and Working for Children; Stand for Children; Lanterns: A Memoir of Mentors; Hold My Hand: Prayers for Building a Movement to Leave No Child Behind; I'm Your Child, God: Prayers for Our Children; and I Can Make a Difference: A Treasury to Inspire Our Children.

Marian Wright Edelman's achievements complement the Chicago campus' urban mission and our focus on academic excellence, access, and success.

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 with this recommendation.

On motion of Mr. Montgomery, seconded by Dr. Koritz, this degree was authorized as recommended.

Rename the Bachelor of Music in Music History,
College of Fine and Applied Arts, Urbana

(6) The Chancellor, University of Illinois at Urbana-Champaign, and Vice President, University of Illinois with the advice of the Urbana-Champaign Senate recommends approval of a proposal from the College of Fine and Applied Arts to rename the Bachelor of Music in Music History as the Bachelor of Music in Musicology.

The change in the name of the major reflects the current merger of historical and ethnomusicological approaches that has always been a signature feature of the program. It also reflects the 21st century view of musicology; specifically the dissolution of a sense of an implicit intradisciplinary boundary between historical

musicology and ethnomusicology, and the study of non-Western music and the history of Western music. The field is moving away from this timeworn, constrictive periodization of our curriculum into specific historical eras which better reflect the philosophy and expertise of our current faculty. The change also more accurately represents the interdisciplinary education of transnational scope available to students who choose this degree.

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. This action is subject to further review and approval by the Illinois Board of Higher Education.

On motion of Mr. Montgomery, seconded by Dr. Koritz, this recommendation was approved.

Establish the Grainger Center for Electric Machinery and
Electromechanics, College of Engineering, Urbana

(7) The Chancellor, University of Illinois at Urbana-Champaign, and Vice President, University of Illinois with the advice of the Urbana-Champaign Senate

recommends approval of a proposal from the College of Engineering to establish the Grainger Center for Electric Machinery and Electromechanics.

The Grainger Center for Electric Machinery and Electromechanics (CEME) was formed in September 1999, in the Department of Electrical and Computer Engineering with funding from the Grainger Foundation, to establish a position of leadership at the University of Illinois among university programs in the field of electric machinery and electromechanics; to nurture a new generation of engineers for contributions to rotating electric machines and electromechanics; to advance the technologies of electric machines and electromechanical devices; to conduct research that promotes the understanding of rotating machinery and involves students in experiences that enhance their knowledge; and to establish a network of collaborating universities and industries in the field.

Over the past thirteen years, the CEME has taken on a fourfold mission: education, research, economic development, and public service. The Center's primary contribution is in the field of energy, including long-term fundamental advances in electric machinery, transportation and vehicles, energy resources, and energy efficiency and reliability. CEME-supported education and research encourages economic development in Illinois directly through its graduates employed across Illinois and indirectly through its published research. CEME instructional development occurs through classroom lectures; laboratory classes; laboratory research carried out by undergraduates, graduate students, post-docs, and visiting scholars; and student and faculty publications and presentations at conferences and University seminars. The

CEME nurtures large student team projects including the Solar Decathlon, the Future Energy Challenge, and the Formula Hybrid Team. These mostly undergraduate team projects are supported by faculty across multiple University departments and supervised by CEME graduate students. The Solar Decathlon houses are open to the public, first in Washington, D.C., and then in Illinois, to encourage energy-efficient design for residential applications.

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. This action is subject to further review and approval by the Illinois Board of Higher Education.

On motion of Mr. Montgomery, seconded by Dr. Koritz, this recommendation was approved.

Establish the Center for a Sustainable Environment,
Office of the Chancellor, Urbana

(8) The Chancellor, University of Illinois at Urbana-Champaign, and Vice President, University of Illinois with the advice of the Urbana-Champaign Senate

recommends approval of a proposal to establish the Center for a Sustainable Environment (CSE).

The Center for a Sustainable Environment's mission has two interdependent directives: to provide national and international leadership on sustainability by providing support for interdisciplinary education, research, and engagement; and to develop and implement strategies for a sustainable campus environment. The Urbana-Champaign campus has an explicit goal of sustainability; the CSE will work to integrate, facilitate, and foster efforts of faculty, students, and staff in this area.

Campus-wide strengths are exhibited through disciplinary expertise, interdisciplinary collaborations, influential external partners, practical demonstrations, local-global connections, and a spirit of enthusiasm that recognizes connections between sustainability, environment, and human well-being. The CSE will take advantage of these strengths by positioning itself in roles of facilitating, coordinating, and organizing campus resources to capture and amplify the campus-wide strengths on sustainability.

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. This action is subject to further review and approval by the Illinois Board of Higher Education.

On motion of Mr. Montgomery, seconded by Dr. Koritz, this recommendation was approved.

Establish the TIAA-CREF Center for Farmland Research,
Department of Agricultural and Consumer Economics,
College of Agricultural, Consumer and Environmental Sciences, Urbana

(9) The Chancellor, University of Illinois at Urbana-Champaign, and Vice President, University of Illinois with the advice of the Urbana-Champaign Senate recommends approval of a proposal from the Department of Agricultural and Consumer Economics in the College of Agricultural, Consumer and Environmental Sciences to establish the TIAA-CREF Center for Farmland Research.

The Center will undertake a set of research and outreach activities related to agricultural asset valuation and financial performance with emphases on farmland markets, factors influencing farmland values, taxation and use policy, farmland rental arrangements, commodity price relationships to income and valuation, impacts of non-farm activities, and other items related to an understanding of farmland and related asset values.

The Department of Agricultural and Consumer Economics (ACE) has long been an international leader in farm-level research related to farmland valuation, leasing, and investment performance. This Center is consistent with the land-grant mission and is vital in supporting activities related to the development of understanding of issues related

to farmland valuation and policies impacting farmland, the single largest asset on the agricultural balance sheet. The formation of the Center will foster a coordination of research in the area and provide a much larger platform from which to continue and expand this leadership.

TIAA-CREF has agreed in principle to provide \$5.0 million in support over a three-year period. Earnings on the TIAA-CREF support will be the major source of funding. Additionally, support for research projects will be actively sought from private and competitive funding sources. The Center will be self-supporting after the three-year accumulation phase.

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. This action is subject to further review and approval by the Illinois Board of Higher Education.

On motion of Mr. Montgomery, seconded by Dr. Koritz, this recommendation was approved.

Amend the University of Illinois at Urbana-Champaign Senate *Constitution*, Urbana

(10) This item was withdrawn from the agenda.

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

(11) The Division of Specialized Care for Children (DSCC) is the Illinois Title V agency that provides care coordination for families and children with special health care needs and financial assistance for those who meet financial and medical eligibility requirements. In 1957, the Illinois General Assembly created an advisory board for the DSCC to advise the administrators of the University of Illinois regarding DSCC. The Board of Trustees is charged with appointing members to this advisory board.

The Chancellor, University of Illinois at Chicago, and Vice President,
University of Illinois recommends the following appointments to the DSCC Advisory
Board for the term March 1, 2013, through February 29, 2016:

Miriam I. Redleaf, M.D., Visiting Professor and Louis J. Mayer Professor; Physician Surgeon, Department of Otolaryngology, College of Medicine at Chicago, University of Illinois at Chicago; Member of American Academy of OHNS; Member, American Neurotological Society; Member, Triologic Society; Member, American Audiology Society

Tom K. Hughes, Public Health Consulting Associate, Government Relations, Illinois Public Health Association and the Illinois Association of Public Health Administrators

The Chancellor, University of Illinois at Chicago, and Vice President,
University of Illinois recommends the following reappointments to the DSCC Advisory
Board for the term July 1, 2012, through June 30, 2015:

William H. Chamberlin Jr., M.D., FACP, Compliance Officer, University of Illinois Hospital and Health Sciences System, University of Illinois at Chicago; and Associate Professor of Medicine and Associate Professor of Anesthesia, College of Medicine at Chicago, 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

Shubhra Mukherjee, M.D., Assistant Professor, Department of Physical Medicine and Rehabilitation, Northwestern University Feinberg School of Medicine, Chicago; Consultant, Children's Memorial Hospital, Chicago; Attending Physician, Pediatric and Adolescent Rehabilitation Program, Rehabilitation Institute of Chicago, Chicago; Attending Physician/Courtesy, Department of Orthopedics, Children's Memorial Hospital, Chicago

Myrtis Sullivan, M.D., MPH, FAAP, Independent Physician Contractor, Healthcare Service Corporation/Blue Cross, Blue Shield of Illinois; Attending Physician, Cook County Juvenile Detention Center, Chicago; and Adjunct Associate Professor, Division of Community Health Sciences, School of Public Health, University of Illinois at Chicago

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 Mr. Montgomery, seconded by Dr. Koritz, this recommendation was approved.

Designate The M. Christine Schwartz Experiential Learning Laboratory,
The M. Christine Schwartz Lobby, and The M. Christine Schwartz Research
Seminar Rooms in the College of Nursing, Chicago

(12) The Chancellor, University of Illinois at Chicago, and Vice President, University of Illinois has recommended the naming of specific areas of the College of Nursing, located at 845 South Damen Avenue, as The M. Christine Schwartz Experiential Learning Laboratory, The M. Christine Schwartz Lobby, and The M. Christine Schwartz Research Seminar Rooms in recognition of a \$2,212,000 gift from M. Christine Schwartz and the T & C Schwartz Family Foundation.

The donor's gift will be used to improve the physical environment of the College of Nursing building, built in 1969, in order to enhance the educational climate and safety of students, faculty, staff, alumni, and guests. The gift will fund the construction, design, permitting of and/or equipment and furniture related to the escalator removal, and renovation project at the College of Nursing.

The escalators have been nonfunctional for the last fifteen years and were enclosed to ensure safety for the building occupants. The escalators affect four floors from the lower level to the third floor and the removal of the escalators will create approximately 2,500 square feet of useable space. The scope of work includes:

- Removal of the escalator on the lower level, first, second, and third floors.
- The space on the lower level (M. Christine Schwartz Experiential Learning Laboratory) will be renovated to build two high fidelity simulation rooms that will be used to create clinical scenarios for the development of clinical decision-making and experiential learning.

- The freed space in the lobby (M. Christine Schwartz Lobby) will mirror the recently renovated other half of the lobby to provide additional communal and work space for students including electrical access for computers.
- The second floor will provide two research meeting rooms for students, fellows, and faculty. This space (M. Christine Schwartz Research Seminar Rooms) will also be offered to students as space for individual study and team work.
- Enhanced storage space will be created on the third floor for equipment used in the event center.
- Renovation of the first floor men's and women's bathrooms.
- Improvement of the S1 and S2 stairwells.

Mrs. M. Christine Schwartz is co-founder and principal of TCS Group, L.L.C. in Chicago, a private investment and service firm, and director of the T & C Schwartz Family Foundation. She is a member of the UIC College of Nursing Executive Advisory Board. Mrs. Schwartz holds a BSN from the UIC College of Nursing; an M.S. in Health Education from the University of Illinois at Champaign-Urbana; and an M.S. from the School of Nursing and Health Studies at Northern Illinois University. She is also a member of the Board of Trustees of the University of Miami, serving on the Master Planning & Construction Committee and the Visiting Committee for the School of Nursing and Health Studies.

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 Mr. Montgomery, seconded by Dr. Koritz, this recommendation was approved.

Approve Student Health Insurance Rates for Urbana and Springfield Campuses,
Academic Year 2013-14

(13) The Chancellors/Vice Presidents at Urbana-Champaign and Springfield recommend approval of student health insurance rates for Academic Year 2013-14. The student health insurance rate, combined with the student health service fee, fund health care programs tailored to meet the needs of the students at the campuses. The campuses consult with student advisory groups on health program coverage and the resulting rate. Students may choose not to participate in the student health insurance program by providing evidence of comparable insurance coverage from other sources. Attached is a summary of the student health program coverage.

On March 21, 2012, the U.S. Department of Health and Human Services published final rules related to the applicability of the Affordable Care Act (ACA) to student health insurance plans, allowing a three-year phased-in approach for commercially insured health insurance programs. Beginning fall 2013, plans may not have lifetime limits on essential health benefits and annual limits increase to \$500,000. The Urbana-Champaign and Springfield campuses have taken steps to obtain competitive pricing and coverage meeting ACA requirements by re-bidding the student health insurance contracts.

For the Urbana-Champaign campus the Fall Semester 2013 plan will be ACA-compliant necessitating a **16** ~~21~~ percent increase for undergraduate students and a **6** ~~12~~ percent increase for graduate students. For the Springfield campus the Fall Semester 2013 plan will be ACA-compliant necessitating an 18 percent increase for undergraduate and graduate students.

The recommended student health insurance rates are as follows:

LOCATION	ACTUAL RATE, FALL SEMESTER 2013	INCREASE OVER FALL SEMESTER 2012
<u>Urbana</u>	Undergraduate-- \$254265	\$3546 (16 21 %)
	Graduate-- \$328347	\$1837 (6 12 %)
<u>Springfield</u>	All students--\$318	\$48 (18%)

Rates may vary for the summer session. Students needing coverage for their spouse and dependents voluntarily pay a separate charge.

The selection of the insurance carriers and final rates are subject to approval by the State Procurement Officer, the Chief Procurement Officer for Higher Education, and the Procurement Policy Board.

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/Chief Financial Officer and Comptroller concurs in these recommendations.

The President of the University recommends approval.

On motion of Mr. Montgomery, seconded by Dr. Koritz, this recommendation was approved.

By consensus, the Board agreed that one roll call vote would be taken and considered the vote on agenda item nos. 14 through 17 inclusive as listed below. The recommendations were individually discussed but acted upon at one time.

Delegate Authority to the Vice President/CFO and Comptroller
to Refund Auxiliary Facilities System Revenue Bonds

(14) Since 1985, the Board has issued several series of Auxiliary Facilities System Revenue Bonds at varying interest rate levels. In the present interest rate environment, several of these issues can be refunded, in whole or in part, and produce a debt service savings. Such issues include, but are not limited to, the Series 2003A Bonds, Series 2005A Bonds, and the Series 2006 Bonds (all currently outstanding Auxiliary Facilities System Revenue Bonds being referred to as the “Outstanding Bonds”). By this action, the Board is authorizing the issuance of one or more series of Auxiliary Facilities System Refunding Revenue Bonds (the “Bonds”) to capture the refunding savings that are available. The principal amount of the Bonds to be issued to accomplish the refunding and the level of savings to be derived therefrom will depend upon market conditions at the time of sale. The principal amount of the Bonds issued could range from \$100,000,000 up to \$200,000,000 and the present value savings could range from \$3,000,000 up to \$9,000,000.

The decision as to the timing and size of the refunding issue (or issues) will rest with the Vice President/CFO and Comptroller (the “Comptroller”) and will be based upon the trade-off between available refunding savings versus the reasonable expectation of additional refunding savings arising from further market improvement. In no event will the aggregate principal amount of the refunding issue (or issues) exceed \$225,000,000 nor will the final maturity of such issue (or issues) exceed 30 years from the respective dates of issue thereof. The refunding issue (or issues) hereby authorized may be issued in combination with Auxiliary Facilities System Revenue Bonds for new projects, to be approved at a subsequent meeting of the Board, if such combination is in the best financial interest of the Board, as determined by the Comptroller.

The intention is to issue the Bonds this spring or summer to realize and optimize a refunding savings benefit for the Auxiliary Facilities System of the University (the “System”). In any event, this authorization will be effective for one year from the date hereof and may be renewed at a subsequent meeting of the Board.

The Bonds will be sold via (i) a public competitive bidding process to the bidder or syndicate submitting the offer to purchase one or more series of the Bonds determined by the Comptroller to be in the best financial interest of the Board or (ii) a negotiated sale to the underwriter or underwriters appointed as described below, all as determined by the Comptroller at the time of sale of each issue. Depending on market conditions, certain issues of Bonds authorized hereby may be sold competitively, while others may be sold on a negotiated basis.

Following a prior Request for Proposal (the “RFP”) selection process, seventeen firms were approved to serve as senior managing underwriter for University debt offerings. Any one or a combination of these firms will be selected by the Comptroller to serve as senior manager or co-manager on a negotiated sale of these refunding issues. Other co-managing underwriters, previously approved by the same RFP process for such a role, will be assigned to the Bond financing on an issue-by-issue basis.

The Bonds will be issued as fixed-rate bonds. The Bonds will be fully registered and will be special, limited obligations of the Board, payable only from and secured by the net revenues of the System, student tuition and fees (subject to prior payment of operating and maintenance expenses of the System, but only to the extent necessary), and the Bond and Interest Sinking Fund Account.

Accordingly, in order to proceed with the preparation, sale and issuance of the Bonds, the Comptroller recommends that the Board approve the following actions:

1. Authorization of the sale and issuance of up to \$225,000,000 of the Bonds.
2. Approval of the forms of the Official Notice of Sale and Bid Form (the “Notice of Sale”) in substantially the same form as the Board’s Notice of Sale dated December 5, 2011, and of the Preliminary Official Statement in substantially the same form as the Board’s Preliminary Official Statement dated December 5, 2011, and approval of the final Official Statement in substantially the same form as the Board’s Official Statement dated December 13, 2011, each updated to include current disclosure information respecting the University and its financial condition and the terms of the Bonds.
3. Approval of the form of the Bond Purchase Agreement, in substantially the same form as the Bond Purchase Agreement entered

into by the Board on June 24, 2011, to be used in connection with a sale of a series of the Bonds; whether sold competitively or on a negotiated basis, the Bonds of each series (i) shall be sold to the purchasers thereof at a price, exclusive of net original issue discount or premium, not less than 98 percent of the par amount thereof, (ii) shall have a true interest cost of the Bonds of any series not to exceed 5.75 percent, (iii) shall have coupon interest rates not to exceed 6.00 percent and (iv) shall provide a minimum net present value savings of 3 percent of the principal amount of the outstanding bonds being refunded. Any agreement entered into with the purchasers of Bonds sold competitively shall have terms and conditions no less favorable to the Board than those contained in the form of Bond Purchase Agreement.

4. Delegate to the Comptroller the authority to (i) determine the particular Outstanding Bonds to be refunded with proceeds of the Bonds, (ii) direct the publication of the Notice of Sale in such locations as shall be determined by the Comptroller to provide a competitive sale of Bonds on terms most favorable to the Board, (iii) determine the method of sale of any series, competitive or negotiated, (iv) approve the firm(s) from the pool qualified under the RFP to serve as senior managing underwriter and (v) appoint co-managers and selling group members from the pool qualified under the RFP to assist in the marketing of the Bonds.
5. Delegate to the Comptroller the authority to determine the principal amount, final terms, and terms of the sale of the Bonds within the limits expressed in this Board action.
6. Approval of the Nineteenth Supplemental System Revenue Bond Resolution in substantially the same form as the Eighteenth Supplemental System Revenue Bond Resolution approved by the Board on December 2, 2011, to be used in connection with the initial sale of the Bonds authorized hereby. Additional series of Bonds issued pursuant to the authorization contained herein shall be issued under Supplemental System Revenue Bond Resolutions substantially similar to the Nineteenth Supplemental System Revenue Bond Resolution.
7. Approval of the Escrow Agreement, in substantially the same form as the Escrow Agreement entered into by the Board on January 12, 2012, for the deposit of proceeds of any series of the Bonds and such other

funds of the Board as shall be deemed necessary by the Comptroller to provide for the refunding of the Outstanding Bonds.

8. Approval of the form of Continuing Disclosure Agreement, in substantially the same form as the Continuing Disclosure Agreement entered into by the Board on January 12, 2012, with respect to the Bonds to be executed and delivered in connection with the sale of each series of the Bonds.
9. 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 Bonds to the initial purchaser.
10. That 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 Notice of Sale, the Official Statement, the Nineteenth Supplemental System Revenue Bond Resolution, the Bond Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Agreement, including a Tax Exemption Certificate and Agreement in form satisfactory to Bond Counsel, University Counsel and the Board's Special Issuer's Counsel, and all acts and things whether heretofore or hereafter done or performed by any of the officers of the Board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.
11. Retain Chapman and Cutler LLP, to serve as bond counsel.
12. Retain Public Financial Management, Inc., to serve as financial advisor.
13. Retain Freeborn & Peters LLP, to serve as special issuer's counsel.
14. Retain The Bank of New York Mellon Trust Company, N.A., to serve as bond registrar, trustee and escrow agent.

15. Retain Grant Thornton LLP, to serve as verification agent, to the extent required.
16. Delegate to the Comptroller the authority to negotiate for credit enhancement, as needed and deemed economically beneficial following consultation with the financial advisor.
17. Take actions to pursue and obtain a credit rating or ratings on the Bonds.

Certain legal matters incidental to the authorization and issuance of the Bonds, the forms of the Preliminary and final Official Statements, the Nineteenth Supplemental System Revenue Bond Resolution, the Bond Purchase Agreement, Notice of Sale, Escrow Agreement, and the Continuing Disclosure Agreement will be approved by Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, and Freeborn & Peters LLP, Chicago, Illinois, Special Issuer's Counsel.

University Counsel concurs with the above recommended financing team, prescribed documentation and delegation of authority.

The Comptroller shall report to the Board upon completion of the transaction.

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.

Funding will be available from the proceeds of the Bonds.

The President of the University concurs.

On motion of Ms. Strobel, seconded by Ms. Hasara, these recommendations were approved by the following vote: Aye, Mr. Estrada, Mr. Fitzgerald, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Ms. Strobel, Mr. Tienken; No, none; Absent, Ms. Holmes, Governor Quinn.

(The student advisory vote was: Aye, Mr. Pileski, Mr. Thomas)

Amend Professional Services Consultant Contract for
Renovation and Addition, Assembly Hall, Urbana

(15) In December 2011, the Board of Trustees approved the employment of AECOM of Chicago, Illinois, for the professional services required for programming and schematic design phases of the Assembly Hall Renovation and Addition project on the Urbana-Champaign campus.

This project will enhance amenities to improve the experience for attendees and participants during events at the Assembly Hall. Major elements of the renovation work may include the addition of guest suites, new bowl seating, added restroom facilities, replacement of mechanical systems and controls to include air conditioning of the facility, replacement of building lighting and controls, replacement of the electrical distribution system, addressing code and ADA requirements and enlarging the concourse for added concession space. A grand west entry addition featuring new administrative offices and new points of entry may also be included.

The programming phase and schematic design phase for the project are now complete and the Division of Intercollegiate Athletics is ready for the project to move

into the design development phase. An appropriate scope of work for the Professional Services Consultant for the design development phase has been determined and, in order for the project to proceed, it is necessary to amend the Professional Services Agreement for architect/engineer 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).

Accordingly, the Chancellor, University of Illinois at Urbana-Champaign, and Vice President, University of Illinois with the concurrence of the appropriate administrative officers recommends that AECOM Services of Illinois, Inc., of Chicago, Illinois, continue to be employed and their contract amended for the professional services required for the design development phase of the project. The firm's total fixed fee will be \$2,852,500; for supplemental services for a fixed fee total of \$772,625; for other supplemental services on an hourly basis not to exceed a total of \$263,025; and for authorized total reimbursable expenses estimated at \$436,800, for a total amended contract of \$4,324,950.

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 operating funds budget of the Urbana-Champaign campus and from gift funds.

The President of the University concurs.

On motion of Ms. Strobel, seconded by Ms. Hasara, this recommendation was approved by the following vote: Aye, Mr. Estrada, Mr. Fitzgerald, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Ms. Strobel, Mr. Tienken; No, none; Absent, Ms. Holmes, Governor Quinn.

(The student advisory vote was: Aye, Mr. Pileski, Mr. Thomas)

Purchase Recommendations

(16) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the vice president/chief financial officer and comptroller.

These were presented in one category--purchases 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 amount of these purchases was \$ 7,871,000.

On motion of Ms. Strobel, seconded by Ms. Hasara, the purchases recommended were authorized by the following vote: Aye, Mr. Estrada, Mr. Fitzgerald, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Ms. Strobel, Mr. Tienken; No, none; Absent, Ms. Holmes, Governor Quinn.

(The student advisory vote was: Aye, Mr. Pileski, Mr. Thomas)

Authorize Settlement

(17) The University Counsel recommends that the Board approve settlement of *Wren v. Stone, M.D., et al.*, in the amount of \$5.0 million. Plaintiff alleges that defendants' failure to properly decompress the spinal cord of 54-year-old Etta Wren during back surgery resulted in paraplegia.

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/Chief Financial Officer and Comptroller concurs.

The President of the University recommends approval.

On motion of Ms. Strobel, seconded by Ms. Hasara, this recommendation was approved by the following vote: Aye, Mr. Estrada, Mr. Fitzgerald, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Ms. Strobel, Mr. Tienken; No, none; Absent, Ms. Holmes, Governor Quinn. (Mr. Montgomery asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Mr. Pileski, Mr. Thomas)

CAMPUS DASHBOARD REPORT

At 11:09 a.m., Mr. Kennedy asked Chancellor/Vice President Wise to present a dashboard report on the Urbana campus (materials on file with the secretary). Dr. Wise

presented a series of charts depicting metrics related to student access and enrollment, including data concerning the enrollment of students from underrepresented groups. She discussed efforts to increase underrepresented student minority enrollment. Dr. Wise then presented data regarding ACT scores of entering freshmen and metrics regarding transfer students. Discussion followed regarding agreements with community colleges at the campus and college level. Dr. Wise then presented goals and action items related to student access and enrollment.

Next, Dr. Wise discussed student outcomes and metrics regarding graduation rates. Trustees discussed the data, and Dr. Wise described some obstacles to graduating in four years and reasons that a student may take six years to complete a degree. She presented data regarding the number of bachelor's, master's, and doctoral degrees granted and reported on goals and action items related to student outcomes.

Dr. Wise then presented data, goals, and action items related to tuition and financial aid. Mr. Kennedy commented on the need to attract the best and brightest students to the University, which was followed by a discussion regarding the ability to identify students most likely to succeed at the University. Dr. Wise then reported on faculty and scholarship research performance and advancement, and presented goals and action items related to these areas.

Ms. Hasara expressed concern regarding cuts to funding to high schools in Illinois and whether this might affect a student's ability to attend the University. Discussion followed, and Mr. Kennedy advised that the geographic diversity of students

attending the University should be monitored, particularly after the elimination of legislative scholarships.

Mr. Kennedy thanked Dr. Wise for the report and suggested that the Board break for lunch.

MOTION FOR EXECUTIVE SESSION

At 12:04 p.m., Mr. Kennedy stated: “A motion is now in order to hold an executive session to consider University employment or appointment-related matters; and collective negotiating matters.”

On motion of Mr. Montgomery, seconded by Mr. Estrada, this motion was approved. There were no “nay” votes.

EXECUTIVE SESSION

Material redacted pursuant to the Illinois Open Meetings Act (5 ILCS 120/2.06d)

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned at 1:44 p.m.

REGULAR MEETING RESUMED

The meeting resumed at 1:51 p.m., with all Board members previously recorded as being present in attendance. Mr. Kennedy invited the members of the Opera Department, conducted by Mr. Eduardo Diazmuñoz, professor and chair of opera in the School of

Music, Urbana, and assisted by Ms. Cara Chowning, visiting lecturer and assistant conductor of opera in the School of Music, Urbana, to perform *O vos omnes/Motet*, by Tomas Luis de Victoria; *Im Walde, Op. 67-No 7* by Robert Schumann; and *Beherrigung, Op. 95-No 6* by Johannes Brahms. He introduced the following performers, who were all students at Urbana: Ms. Yaritza Zayas, Ms. Cassandra Jackson, Mr. Lee Steiner, and Mr. JinUk Lee. The performance was followed by a round of applause.

PRESENTATIONS

Report on the College of Law, Urbana

Mr. Kennedy asked Dr. Bruce Smith, dean, College of Law, Urbana, to provide a presentation on the College of Law at Urbana (materials on file with the secretary). Dr. Smith reported on faculty, students, and alumni at the college, and he discussed its innovative curriculum. He described the Chicago Program and public outreach activities and provided examples of prominent speakers that have participated in the college's lecture series. He discussed the college's global vision. Next, Dr. Smith reported on the bar passage rates and job readiness of College of Law graduates and the rankings of the college. He then discussed accessibility and affordability and the college's response to current challenges. He concluded his presentation with some comments regarding the vision and mission of the College of Law.

Discussion followed regarding diversity efforts and affordability, and Ms. Strobel complimented the dean and the college. Mr. Montgomery agreed with her comments.

Annual Ethics Report

At 2:11 p.m., Ms. Donna McNeely, University ethics officer, provided the University Ethics Office Annual Report for 2012 (materials on file with the secretary). Ms. McNeely stated that the ethics office reviewed a large quantity of materials in 2012, and she discussed the work that had been completed in the 2012 calendar year. She presented the case load of the office and stated that advisory services are also provided. Ms. McNeely stated that members of the office gave presentations at conferences and she assisted with the sexual abuse and harassment prevention task force at the University. She reported on annual ethics training and stated that Statements of Economic Interests are due to the University Ethics Office prior to April 19, 2013.

Mr. Kennedy thanked Ms. McNeely for the report and stated that the University Ethics Office is a model for the State.

Mr. Estrada left the meeting at 2:20 p.m.

Report on UI Singapore Research, LLC

At 2:22 p.m., Mr. Kennedy invited Mr. Montgomery to provide a report on the UI Singapore Research, LLC (materials on file with the secretary). Mr. Montgomery described the vision for the research center and its history. He then presented its

organizational structure. He provided information about the Urbana campus's Advanced Digital Sciences Center in Singapore, including its research team and research activities, and described the benefits to the campus. Mr. Montgomery then presented a video that showed the smart grid program, which is an area of research at the Advanced Digital Sciences Center.

REVENUE AND EXPENSES

Report from the University of Illinois Foundation

At 2:39 p.m., Dr. Thomas J. Farrell, president, University of Illinois Foundation, provided a report from the University of Illinois Foundation (materials on file with the secretary). He reported on new business, cash, and gifts, and highlighted a significant gift from Grainger. He presented the mission statement for the Foundation, as well as its vision and strategic imperatives. He provided an overview of the development structure at the University and discussed its strengths, challenges and performance. He presented the rankings of private support among private and public research universities and discussed the goals and plan for moving forward to advance development activities at the University.

Mr. Kennedy thanked Dr. Farrell for the presentation and expressed appreciation for his candor and insight.

Financial Indicators

At 3:01 p.m., Mr. Kennedy asked Mr. Knorr to provide a report on financial indicators for the University (materials on file with the secretary). Mr. Knorr presented a federal and State update and discussed the effects of the federal sequester, the University's credit rating, the Fiscal Year 2012 compliance audit, State legislative issues, pensions, the policy limiting the use of search firms, and the governor's budget recommendation. He showed a chart depicting the billings and collections for State appropriation revenue through February 28, 2013, and stated that the unpaid State appropriation is now \$495.0 million, noting that the highest receivable to date was \$525.0 million. He provided charts that showed the month-end general revenue fund receivable from Fiscal Year 2007 through 2013, and the billings and collections of tuition revenue from Fiscal Year 2009 through 2013. Next, Mr. Knorr discussed hospital revenue, expenses, and net income. He presented a series of charts depicting data regarding diversity of revenue, increasing demand for a University education, research and development expenditures, and institutional support expenditures, which he said he also showed to the credit rating agencies. He discussed the University's endowment and compared it to others in the Big Ten. Mr. Knorr then described his involvement with a group of students from Gary Comer College Prep in Chicago that visited the Urbana campus, and he highlighted the involvement of two individuals from the Illinois College Advisory Corp who assisted with the trip and visit. Mr. Knorr's presentation was followed by a round of applause, and Mr. Kennedy thanked him for his comments.

OTHER REPORTS AND COMMENTS

Report from the Faculty

Next, Mr. Kennedy asked Dr. Peter Boltuc, associate professor, Springfield, and vice chair of the University Senates Conference, to provide a report on behalf of the faculty (materials on file with the secretary). Dr. Boltuc focused his comments on academic freedom and began his presentation with an overview of its history. He discussed the current state of academic freedom and its importance in teaching and research, and presented statements on academic freedom from several scholars. He also referred to the statement on academic freedom in the University of Illinois *Statutes* and comments on academic freedom made by President Easter at a recent Board meeting.

PUBLIC COMMENT SESSION

Mr. Kennedy announced a public comment session and explained that the *Procedures Governing Appearances before the Board of Trustees* allows for a maximum of six individuals to speak for five minutes each. He then introduced the only speaker, Mr. Tyler Rotche. Mr. Rotche stated that he is the president of the Beyond Coal campaign at Urbana and referred to support for divestment from coal. He stated that the University continues to invest in coal and said that while divesting from coal may not lead to the demise of the industry, the University should not contribute to it. He stated that divesting

in coal would enable the University to fulfill its moral and ethical duty and would be worth the small amount of risk this would entail.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

There was no business presented under this aegis.

ANNOUNCEMENTS

Mr. Kennedy announced that the Board is scheduled to meet May 29, 2013², in Chicago, and July 24 and 25, 2013, in Chicago.

MOTION TO ADJOURN

At 3:35 p.m., Chair Kennedy requested a motion to adjourn the meeting.

On motion of Mr. Fitzgerald, seconded by Mr. Montgomery, the meeting adjourned.

SUSAN M. KIES
Secretary

CHRISTOPHER G. KENNEDY
Chair

² The date of the meeting scheduled for May 29, 2013, was originally scheduled for May 23, 2013