

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

Tuition and Fee Increases,
Cost Recovery, Off-Campus, On-Line, and Aviation Programs,
Fiscal Year 2007

I

(20) The Urbana-Champaign campus provides several academic programs on a “full cost recovery” basis, i.e., all costs are met through a combination of tuition and fee charges.

Tuition and fee requirements for each of these programs are reviewed and adjusted annually to ensure that adequate revenues are available to operate each program.

For Fiscal Year 2007, the following actions are proposed for Cost Recovery Programs:

PROPOSED ANNUAL TUITION AND FEES FY 2007			
EXECUTIVE MBA PROGRAM			
	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>FY 2007 Increase</u>
Tuition	\$23,500	\$37,000	
Program Fees	13,500		
TOTAL	<u>\$37,000</u>	<u>\$37,000</u>	<u>\$0</u>
MASTER OF SCIENCE IN FINANCE			
	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>FY 2007 Increase</u>
Tuition	\$29,000	\$30,000	
Program Fees	7,500	7,500	
TOTAL	<u>\$36,500</u>	<u>\$37,500</u>	<u>\$1,000</u>

MASTER OF SCIENCE IN BUSINESS ADMINISTRATION				
		FY 2006	Proposed FY 2007	FY 2007 Increase
Tuition		\$24,000	\$25,300	
Program		7,300	7,632	
Fees				
	TOTAL	\$31,300	\$32,932	\$1,632
MASTER OF SCIENCE IN POLICY ECONOMICS				
		FY 2006	Proposed FY 2007	FY 2007 Increase
Tuition		\$17,800	\$18,360	
Program		4,600	4,760	
Fees				
	TOTAL	\$22,400	\$23,120	\$720
MASTER OF SCIENCE IN ACCOUNTANCY				
		FY 2006	Proposed FY 2007	FY 2007 Increase
Tuition		\$25,500	\$27,000	
Program		5,500	5,500	
Fees				
	TOTAL	\$31,000	\$32,500	\$1,500
MASTER OF SCIENCE IN ACCOUNTANCY-TAX (Chicago) (UIUC in Chicago)				
		FY 2006	Proposed FY 2007	FY 2007 Increase
Tuition		\$35,000	\$35,000	
	TOTAL	\$35,000	\$35,000	\$0

The **Executive MBA Program** is a five-semester program. Thus the tuition increase recommended for FY 2007 will affect only the students in the entering class of 2007. Total tuition revenue available for FY 2007 will be sufficient to cover all projected academic program costs.

The **Policy Economics, Finance, Business Administration, and Accountancy** programs are specially designed, intensive programs of study leading to a Master of Science degree in a business-related discipline. They are intended for promising international administrators in government and private institutions who need additional training in areas of economic analysis and quantitative techniques. Additional funds are required in FY 2007 to provide for normal cost increases for these programs.

II

The unique costs associated with instructional requirements in the **Institute of Aviation** are addressed by specific charges for individual courses. Charges differ based upon the type of equipment required, the frequency of its use, the instructional mode (classroom, flight simulator, aircraft, etc.) and so on. Annual reviews of aircraft and simulator operating expenses and other equipment training needs are conducted along with projected wage requirements for the next year. Corresponding adjustments are then made in course charges. For the academic year 2007, current rates have been adjusted for materials, labor, insurance, and flight time.

Aviation course charges proposed for FY 2007 are specified below:

Course	FY 2006	Proposed FY 2007
Avi 101	\$3,189	\$3,423
Avi 090	2,741	2,909
Avi 120	4,124	4,422
Avi 121	2,168	2,129
Avi 130	3,723	3,980
Avi 140	3,939	4,212
Avi 200	5,356	5,719
Avi 210	5,319	5,678
Avi 320	3,380	3,598
Avi 322	1,817	1,945
Avi 324	2,844	3,043
Avi 380	4,324	4,588
Avi 381	1,053	1,107
Avi 391	3,651	3,887
Avi 392	6,413	6,823
Avi 398	860	901

These changes have been reviewed and are recommended for approval by the Chancellors and by the Vice President for Academic Affairs.

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 recommendations were approved.

Rate Changes for University-Operated Housing Facilities,
Chicago, Springfield, and Urbana, Fiscal Year 2007

(21) The Chancellors at each campus have recommended rate changes for University-operated housing for Fiscal Year 2007. The increases are required to meet operational costs (salaries and wages, utilities, general price increases, including food), to provide for student program enhancements, and to provide for debt service and repair and replacement reserve requirements.

CHICAGO

Residence Halls (room and board, academic year)

<u>Unit</u>	<u>2005-06</u>	<u>Proposed 2006-07</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Student Residence Hall</u>				
Single	\$7,538	\$7,840	\$302	4.0%
Double	6,916	7,192	276	4.0
<u>Polk Residence Hall</u>				
Suite Double	7,258	7,548	290	4.0
<u>Student Residence and Commons*</u>				
Double	7,160	7,446	286	4.0

* The Standard Rate is \$7,446. Rates for the Student Residence and Commons will range from \$6,892 to \$8,548 depending on room configuration. These rates include a board charge of \$2,176.

URBANA-CHAMPAIGN**Undergraduate Housing** (room and board, academic year)

<u>Unit</u>	<u>2005-06</u>	<u>Proposed 2006-07</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Single	\$7,672	\$8,248	\$576	7.5%
Double	6,710	7,216	506	7.5
Triple	6,336	6,812	476	7.5

Notes:

- (1) The above rates include the 14-meals-per-week classic (traditional) board plan. All undergraduate contracts must include one of six meal plans: 14 meals classic, 20 meals classic, 12 meals classic + 1,500 café credits, 10 meals classic + 4,500 café credits, 10 meals classic + 6,000 café credits, or all café credits (11,500).
- (2) Rates in halls with air conditioning will be \$100 more than the above rates.
- (3) Rates in halls with learning communities will be up to \$290 higher than the above rates.
- (4) The rates quoted do not include the \$16 Student Involvement dues.
- (5) University Housing's basic room and board rates include Phase I of III for debt for Dining/Residential Program Building and the first wing of the new residence hall.

Graduate Housing (room only, academic year)

<u>Unit</u>	<u>2005-06</u>	<u>Proposed 2006-07</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Sherman Hall</u> (air conditioned)				
Single	\$3,896	\$4,024	\$128	3.3%
Double	3,728	3,850	122	3.3
<u>Daniels Hall</u> (air conditioned)				
Single/private bath	\$4,914	\$5,290	\$376	7.7%
Single/shared bath	4,914	5,076	162	3.3
Double	4,482	4,630	148	3.3
<u>Unit</u>	<u>2005-06</u>	<u>Proposed 2006-07</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Board Contract (optional)				
14 meals classic	\$3,740	\$4,020	\$280	7.5%
20 meals classic	4,190	4,504	314	7.5
12 classic + 1,500 credits	3,740	4,020	280	7.5
10 classic + 4,500 credits	4,190	4,504	314	7.5
10 classic + 6,000 credits	4,610	4,956	346	7.5
All café credits (11,500)	4,436	4,768	332	7.5

Note: Rates quoted do not include the \$8 Student Involvement dues.

<u>Unit</u>	<u>2005-06</u>	<u>Proposed 2006-07</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Goodwin-Green</u> (monthly rates - includes heat)				
Sleeping rooms	\$474	\$497	\$23	4.9%
Efficiency	555	582	27	4.9
Efficiency with dining	573	601	28	4.9
One bedroom	658	690	32	4.9
One bedroom with dining	675	708	33	4.9

Orchard Downs (monthly rates)

	<u>2005-06</u>	<u>Proposed 2006-07</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
One bedroom	\$549	\$576	\$27	4.9%
One bedroom/Unfurnished	456	479	23	5.0
Two bedrooms	614	645	31	5.0
Two bedrooms/Unfurnished at Orchard South	491	515	24	4.9
Two bedrooms/Unfurnished	576	605	29	5.0

Note: Rates in Orchard Downs include a special assessment for an intergovernmental agreement with the City of Urbana.

Beckwith Living Center (room & board, 19 meal plan, academic year)

	<u>2005-06</u>	<u>Proposed 2006-07</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Single room ¹	\$23,400	\$25,040	\$1,640	7.0%
Single room ²	11,600	12,410	810	7.0

¹Room and board with full assistance with Activities of Daily Living (ADL – showering, dressing, personal care, etc).

²Room and board without full assistance with Activities of Daily Living.

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 Administration concurs in these recommendations.

The President of the University recommends approval.

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

Academic Facilities Maintenance Fund Assessment,
Academic Year 2007

(22) The University of Illinois maintains approximately 300 academic buildings on the Chicago, Springfield, and Urbana campuses. The current replacement value of these facilities is estimated to be about \$4.4 billion. In Fiscal Year 2004 University staff with the assistance of Vanderweil Facility Advisors (Boston, MA), completed an extensive Facilities Condition Audit that identified \$617.0 million in University-wide deferred maintenance deficiencies associated with these academic buildings.

Generally accepted facilities standards suggest that an acceptable level of deferred maintenance deficiencies equals 10 percent of the building replacement costs. The Space Realignment, Renewal and Replacement (SR3) methodology shows that deferred maintenance expenses accumulate as buildings age at an annual rate of 0.75 percent of their replacement cost. Data published by the Engineering News Record indicates that repair costs have increased about five percent per year since FY 2004. Consequently, the FY 2007 deferred maintenance backlog for academic facilities, viz. the amount in excess of the 10 percent acceptable level, is estimated to be about \$320.0 million. This estimate takes into account the modest University-wide deferred maintenance expenditures that were made in FY 2004 through 2006.

It will require several years to fully address the deferred maintenance backlog during which time repair costs will increase because of inflation. Between FY 2007 and FY 2016 the University of Illinois must spend about \$800.0 million to address the accumulation of new maintenance costs as buildings age (~\$400.0 million) and to eliminate the current backlog of deficiencies (~\$400.0 million). Following extensive discussions with the Chancellors at each campus, the Vice President for Academic Affairs, and the Vice President for Administration, the President directed the vice presidents to develop a financial plan for solving the deferred maintenance problem permanently and for eliminating the backlog within 10 years. The financial plan has two components. The first component includes allocating existing University resources (\$30.0 million in FY 2007) as well as new Capital Renewal funding from the State (\$10.0 million requested in FY 2007) for deferred maintenance expenditures. These expenditures will increase each year by a percentage equal to the inflation rate for building repair and replacement costs.

The second component of the financial plan is an Academic Facilities Maintenance Fund Assessment (AFMFA) to be paid by both undergraduate and graduate/professional students to address the deferred maintenance backlog in academic facilities. All new undergraduate and graduate/professional students will pay the AFMFA in FY 2007, which will be \$250 per semester for full-time students enrolled for at least 12 credit hours at the Chicago and Urbana campuses and \$8.33 per credit hour for students enrolled at the Springfield campus. For less than full-time enrollment at Chicago and Urbana, the AFMFA will be pro-rated according to current tuition range

calculations. The AFMFA will be phased-in over four years so that in FY 2010 all students will pay the assessment. The AFMFA will increase each year by a percentage equal to the inflation rate for building repair and replacement costs as determined by authoritative external sources such as the Engineering News Record and the Capital Development Board. In FY 2008 undergraduate and graduate/professional students, who have been enrolled more than four years, will also begin paying the assessment. This group includes all undergraduates who will be paying the non-guaranteed tuition rates in FY 2008.

Funding for the \$800.0 million ten-year deferred maintenance program is as follows: State of Illinois Capital Renewal funds--15 percent, University of Illinois internal funding from various sources--50 percent, and students and their families from the AFMFA--35 percent. Because the AFMFA is being phased-in over four years, it will be necessary to pay for some of the required maintenance expenditures by borrowing funds, especially during the first several years of the program. Total borrowing during the ten-year period will be approximately \$100.0 million. The Board of Trustees has already approved the first phase of this “jump start” effort, and the financing team has been assembled. Approval of the specific funding mechanism is expected to come to the Board in May. In FY 2017, provided the expected State of Illinois Capital Renewal funding is secured for the entire program, the AFMFA may be eliminated because the deferred maintenance backlog will have been eliminated and other funding sources will be sufficient to address new maintenance costs and debt service in FY 2017 and beyond.

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 Chancellors, Vice President for Academic Affairs, and Vice President for Administration recommend approval.

The President of the University concurs.

Ms. Bauer moved to amend this item to include the statement that the amount to be assessed students at Springfield be postponed until the May 11, 2006, meeting of the Board of Trustees.

The amendment failed by the following vote: Aye, Mr. Dorris, Mr. Klitzing, Mr. Shah, Mrs. Sodemann; no, Mr. Bruce, Mr. Eppley, Dr. Schmidt, Mr. Sperling; absent, Governor Blagojevich, Dr. Carroll, Mr. Vickrey.

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

On motion of Dr. Schmidt, the recommendation as initially presented was approved.

Student Fees for Chicago, Springfield, and Urbana,
Fiscal Year 2007

(23) The Chancellors at each campus have recommended student fee levels for Fiscal Year 2007 to support auxiliary operations, student programs and activities, and student health services. The fees recommended are required to meet continuing components

(salaries and wages, utilities, goods and services), student programs, and operating costs including debt service, and repair and replacement programs of facilities that comprise the Auxiliary Facilities Systems.

CHICAGO CAMPUS

The \$67 (8.5 percent) increase is largely driven by an increase in the General Fee needed to cover the debt service cost associated with the opening of the new Campus Recreation facilities and funds that will be provided to the Office of Student Financial Aid to cover the incremental costs associated with the fee portion of the UIC Grant for the neediest students.

SPRINGFIELD CAMPUS

The \$16 increase (4.0 percent) is to provide for continued support of student programs, organizations, career services, and health services.

URBANA-CHAMPAIGN CAMPUS

The \$28 increase (4.3 percent) is to provide for projected general cost, utilities, and debt service increases; implementation of Phase III of III for Campus Recreation new debt; and, an enhancement to McKinley Health Center for significant increases in pharmacy, laboratory tests, radiology, and malpractice insurance. The fees also incorporate the new student fee payer bases.

The attached table presents the current and proposed fee levels for the programs described above.

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 Administration concurs in the fee levels proposed.

The President of the University recommends approval.

SUMMARY OF FISCAL YEAR 2007 SEMESTER STUDENT FEES

<u>Chicago</u>	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>Percent Increase</u>
Student Fees			
Service Fee	\$285	\$288	
General Fee	309	371	
Health Fee	97	99	
Campus Transportation	95	95	
Student-to-Student Assistance	<u>3</u>	<u>3</u>	
Total Per Semester	\$789	\$856	8.5%
<u>Springfield</u>	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>Percent Increase</u>
Student Fees			
Service Fee	\$224	\$237	
General Fee	154	154	
Health Fee	22	25	
Student-to-Student Assistance	<u>4</u>	<u>4</u>	
Total Per Semester	\$404	\$420	4.0%
<u>Urbana-Champaign</u>	<u>FY 2006</u>	<u>Proposed FY 2007</u>	<u>Percent Increase</u>
Student Fees			
Service Fee	\$190	\$193	
General Fee	211	228	
Health Fee	188	196	
Campus Transit/Safe Rides	38	38	
SEAL/SORF/Others*	24	24	
Krannert	<u>5</u>	<u>5</u>	
Total Per Semester	\$656	\$684	4.3%

*SEAL/SORF, \$20; Energy Technologies Fee, \$2; Cultural Programming Fee, \$2

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

Student Health Insurance Fees for Chicago, Springfield, and Urbana Campuses,
Fiscal Year 2007

(24) The Chancellors at Chicago, Springfield, and Urbana recommend approval of student health insurance fees for Fiscal Year 2007. The student health insurance fee, 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 fee. 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.

Beginning fall 2004 the Chicago campus proposed the adoption of a self-funded plan to increase student benefits and contain costs. All care, with the exception of emergencies, will be provided at the UIC Medical Center. All students will receive the same benefit package and have the added feature of services for well child care for covered dependents under age six. Students needing coverage for their spouse and dependents voluntarily pay a separate charge. Higher than anticipated costs for prescription drugs necessitates a 4 percent increase for FY 2007.

In 2005 the Springfield campus issued a RFP for student health insurance, selecting The Chickering Group, through the insurer, Aetna as the plan provider. Renewal options exist through 2010. For FY 2007 pricing will remain at FY 2006 levels.

Students needing coverage for their spouse and dependents voluntarily pay a separate charge.

In 2005 the Urbana campus issued a RFP for student health insurance selecting Student Resources, through its insurance carrier Mega Life, as the plan provider. The Mega Life program at Urbana provides basic coverage for undergraduate students and expanded benefits for graduate students. Coverage enhancements were made to both plans at that time. Increased utilization and poorer than anticipated loss experience necessitates a 7.5 percent increase in price for the undergraduate plan, and an 11.3 percent increase in price for the graduate plan for FY 2007. Students needing coverage for their spouse and dependents voluntarily pay a separate charge. Renewal options exist through 2015.

The recommended student health insurance fees per semester are as follows:

LOCATION	PROPOSED PREMIUM FALL 2006		PERCENT INCREASE
<i>Chicago</i>	All students	\$378	+4.0%
<i>Springfield</i>	All students	\$291	0
<i>Urbana</i>	Undergraduate	\$180	+7.5%
	Graduate	\$256	+11.3%

The rates displayed are for the typical undergraduate and graduate student. Rates may vary for summer session, family dependent coverage, etc.

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 Administration concurs in these recommendations.

The President of the University recommends approval.

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

Designate Dr. Nikhil Bhatt Sinus Surgery Laboratory in the Eye and Ear Infirmary,
Chicago

(25) The Chancellor at Chicago has recommended the naming of Room B.13 in the Eye and Ear Infirmary in recognition of gifts raised toward renovation of space used by the Department of Otolaryngology--Ear, Nose, and Throat. The space, which measures approximately 600 square feet, was renovated for use as a sinus surgery training laboratory. With a focus on minimizing construction while maximizing functionality, all work stations in the training lab are mobile, and permit the room to be used for a number of purposes, including labs and lectures.

Total costs to date are approximately \$50,000, of which 80 percent has come from private fundraising. To date, gifts and pledges in the amount of \$41,550 have been raised.

The space to be named is Dr. Nikhil Bhatt Sinus Surgery Laboratory.

Dr. Nikhil Bhatt has made a gift to the project of \$35,000. In addition, several of his friends and colleagues have donated an additional \$6,550 for the space to be named in his honor. Dr. Bhatt completed his residency at the University of Illinois

Eye and Ear Infirmary in Chicago in 1978. Dr. Bhatt has worked with UIC development officers to set up and endow the stated sinus laboratory. He has also been investigating the possibility of donating his private otorhinolaryngologist practice to UIC upon his death. Dr. Bhatt has also served the College as a clinical assistant professor in the UIC Eye and Ear Infirmary.

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.

Amend The General Rules Concerning University Organization and Procedure

(26) *The General Rules Concerning University Organization and Procedure* are enacted by the Board of Trustees and supplement the University *Statutes*. The *General Rules* address administrative organization; powers, duties, and responsibilities of University Officers; and various other administrative matters. (*Statutes*, Preamble). Article V of the *General Rules* concerns "University Property." Section 4 addresses the "Naming of Buildings, Streets and Drives" and is attached hereto.

The current language in Section 4 was adopted many years ago and has not been revised since that time. During the past year, numerous situations have arisen that have highlighted the inadequacies of the current provisions. For example, the current

provisions simply assume that donors involved in naming situations will be individuals; Sec. 4(a) provides that “Buildings ... may be named for ... donors whose *individual* contributions have been crucial in the financing of such buildings.” This does not allow for corporate-naming opportunities to be considered. Similarly, the current provisions assume that donors will always wish to designate the use of their name; there is no express provision permitting the Board to honor a donor’s request to name in honor of the donor’s relative, friend, or colleague, for example. With regard to naming opportunities for buildings, the current provisions recognize naming opportunities only for construction; this does not allow for naming opportunities related to “renovating and remodeling,” for example. Improving the language of this section of the *General Rules* is especially timely in light of the upcoming capital campaign.

The following proposed amendment to Article V, Section 4, entitled "Naming of University Facilities and Programs; Commemorative Plaques and Tablets," addresses these inadequacies. The proposed language was derived in large part from a review of similar policies used by comparable institutions. The proposed language was the result of extensive consultations with the Chancellors, as well as representatives of the Foundation.

Since the proposed amendment involves numerous revisions and re-ordering of the existing policy, a revised version showing a strike-out or underlining for each change was more confusing than helpful. Following are the key changes in the proposed amendment:

- allowing naming opportunities for things other than physical facilities, termed here as “Programs”;
- defining “Facilities” broadly, then treating buildings and spaces within buildings separately;
- treating all buildings the same (thereby eliminating separate provisions for residence halls);
- allowing donor-naming opportunities for individual *and* corporate contributions;
- allowing facilities to be named after a donor *or* someone the donor designates;
- allowing donor-naming opportunities for not only new construction, but also for “renovating, remodeling or additions”; and,
- allowing the Board to approve the naming of a University Facility or Program in situations other than those specified when the Board, in its discretion, determines that the interests of the University are served in doing so.

Finally, the proposed amendment expressly recognizes in Section 4(b) that the University will comply with existing and future provisions of State law in this area.

The main similarity between the current policy and the proposed amendment lies in requiring Board approval for naming situations while allowing the Chancellors to determine opportunities for recognition using commemorative plaques or tablets next to spaces within buildings.

As mentioned, an initial draft was shared with the Chancellors, who provided comments and suggestions. The University Senates Conference has been consulted on 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.

The President of the University recommends approval.

CURRENT POLICY EXCERPTED FROM *THE GENERAL RULES CONCERNING UNIVERSITY ORGANIZATION AND PROCEDURE*

ARTICLE V. UNIVERSITY PROPERTY

SECTION 4. NAMING OF BUILDINGS, STREETS, AND DRIVES

- (a) Buildings given to the University may be named for the donors of funds for the same or for donors whose individual contributions have been crucial in the financing of such buildings.
- (b) Buildings should be named in such a way as to denote their general use as a matter of convenience to students as well as to visitors except as provided for in paragraphs (d) and (e) below.
- (c) Residence halls may be named for donors of funds for such halls; for distinguished former members of the Board of Trustees; and for distinguished members of the University faculty, especially those who were identified with some phases of student life outside the classroom.
- (d) Buildings and other campus facilities may be named for deceased or retired former members of the University faculty in accordance with guidelines issued by the president of the University. Living former members of the faculty must have been retired from the University of Illinois for at least ten years.
- (e) Buildings may be named for distinguished persons in the public life of the state or nation.
- (f) Except as provided for in paragraphs (a), (c), or (d) above, buildings and other campus facilities shall not be named for living persons.

(g) Plaques or tablets may be installed in buildings in recognition of distinguished members of the university staff whose services were identified with the functions of said buildings with the approval of the appropriate chancellor or the chancellor's designee.

(h) The designation of names of buildings, streets, and drives shall be exclusively within the authority of the Board of Trustees. A building name may include a designation such as auditorium, center, gymnasium, hall, institute, school, or laboratory.

PROPOSED AMENDMENT TO *THE GENERAL RULES CONCERNING UNIVERSITY ORGANIZATION AND PROCEDURE*

ARTICLE V. UNIVERSITY PROPERTY

SECTION 4. NAMING OF UNIVERSITY FACILITIES AND PROGRAMS;
COMMEMORATIVE PLAQUES AND TABLETS

(a) University "Facilities" refers to any building, structure, street, drive, landscaped area, open space, physical improvement, or other property under the administrative control of the University. "Programs" refers to any academic or non-academic program, school, college, institute, center, etc., but does not include endowed faculty positions such as chairs or professorships.

(b) Insofar as consistent with State law, the naming of University Facilities and Programs lies within the authority of the Board of Trustees and shall require Board approval except as specifically described in paragraph (e) below.

(c) University Facilities and Programs may be named for the following:

(1) Donors who have made substantial contributions toward financing the construction, renovation or remodeling of a Facility or an addition thereto; or establishing, advancing or maintaining a Program;

(2) An honoree nominated by such a donor and approved by the Board of Trustees;

(3) Distinguished persons in the public life of the State of Illinois or the nation;

(4) Distinguished former members of the Board of Trustees; or

(5) Former members of the University, faculty, staff or administration. In addition, the Board may approve the naming of a University Facility or Program in situations other than those described above when the Board, in its discretion, determines that the interests of the University are served in doing so.

(d) Buildings should be named in such a way as to denote their general use; such names may include a designation such as auditorium, gymnasium, hall, laboratory, or school.

(e) Notwithstanding the above provisions, commemorative plaques or tablets may be installed inside buildings near spaces such as rooms, lounges, laboratories, performance spaces and lecture halls in recognition of:

(1) Distinguished members of the University faculty, staff, or administration whose services were identified with the functions of said spaces; or

(2) Donors of funds (or an honoree designated by the donor) where the contribution was substantial in financing the renovation or remodeling of said spaces. Any such plaque or tablet must be approved by the appropriate chancellor but does not require Board approval.

(f) The Chancellors may develop for their respective campuses procedures for internal review and approval prior to the submission of items to the Board for its consideration.

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. 27 through 36 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Refunding and/or Restructuring All or a Portion of the Outstanding Health Services
Facilities System Revenue Bonds

(27) The Vice President for Administration recommends approving the actions leading to the refunding and/or restructuring of all or a portion of the Health Services Facilities System Revenue (the “HSFS”) Bonds. Outstanding bonds remain on two Series of HSFS Revenue Bond issues: fixed-rate Series 1997A in the amount of \$41.7 million; and, variable-rate Series 1997B in the amount of \$21.5 million. These bonds were issued for the construction of the Outpatient Care Center in Chicago. The remaining Series 1997A bonds (\$41.7 million) are eligible to be advance refunded which would produce approximately \$2.8 million in present value savings, or approximately seven percent of the refunded bonds, in recent market conditions.

The Board may also consider taking advantage of the current low interest rate environment by fixing the interest rate on the remaining \$21.5 million of the variable rate Series 1997B bonds. With interest rates at relatively low levels and the municipal yield curve relatively flat, the incremental cost of converting variable rate bonds to fixed rate bonds is relatively small and would preserve the HSFS’s capacity to issue variable rate bonds in the future, when short-term interest rates may be materially lower than long-term interest rates. The interest rate could be fixed by converting the Series 1997B bonds to a fixed rate under the current bond documents; or, by layering a floating-to-fixed interest rate swap on the Series 1997B bonds. Alternatively, traditional fixed rate bonds could be issued to refund the Series 1997B bonds.

There is no guarantee that the present favorable market conditions will continue, and action(s) will only be taken if they offer considerable financial benefit to the University. If pursued, they would have limited impact on the level of outstanding debt; in general, new debt would replace existing debt.

It is recommended that the Board approve the issuance of bonds in the approximate amount of \$43.0 million to refund the Series 1997A bonds if either (a) the refunding savings reach three percent, in aggregate, of the principal amount of the refunded bonds and/or (b) savings on any particular maturity exceeds one percent of the bonds maturing in less than five years; and, the Comptroller deems such refunding to be economically beneficial following consultation with the financial advisor and managing underwriter.

It is also recommended that both traditional and synthetic structures, including variable-to-fixed interest rate and forward starting swap structures, be considered for the refunding and/or restructuring of the Series 1997A and 1997B bonds. The structure chosen will be within the parameters contained in the Board's Debt Policy adopted in March 2004.

Accordingly, in order to proceed with the preparation of documents and to take other actions needed prior to the issuance of bonds to refund and/or restructure all or a portion of the outstanding HSFS Revenue Bonds, the Vice President for Administration and the University Counsel recommend that the University:

1. Retain Katten Muchin Rosenman LLP to serve as bond counsel to the University.

2. Retain Scott Balice Strategies, LLC, to serve as financial advisor and swap advisor to the University, to the extent required.
3. Engage Goldman, Sachs & Co. to serve as managing underwriter and/or placement agent and/or initial remarketing agent, as required. Additional co-managers and selling group members may be added to assist in the marketing of revenue bonds if revenue bonds are issued.
4. Retain Freeborn & Peters LLP to serve as special issuer's counsel and as swap counsel to the University, to the extent required.
5. Engage Grant Thornton, LLP, to serve as verification agent for the refunding plan if revenue bonds are issued.
6. Appoint JPMorgan Trust Company, National Association, to serve as Bond Registrar.
7. Prepare the Preliminary Official Statement.
8. Negotiate for credit enhancement and/or liquidity support, as needed and deemed economically beneficial following consultation with the managing underwriter and the financial advisor.
9. Analyze the economic benefit of the purchase of bond insurance in consultation with the financial advisor and managing underwriter. If such purchase is deemed economically beneficial, the bond insurance would be purchased by the managing underwriter.
10. Take actions to pursue and obtain a credit rating or ratings on the revenue bonds.
11. Prepare additional documents including a Supplemental Bond Resolution, Bond Purchase Agreement, Continuing Disclosure Agreement and Escrow Agreement and any related documents.
12. Prepare, to the extent required, standard ISDA agreements including the Master Agreement, Schedule,

Credit Support Annex and Confirmation and any related documents.

Prior to the sale and delivery of the refunding and/or restructuring HSFS Revenue Bonds, the Board will be asked to approve the substantially final form of the above referenced documents and ratify and confirm all actions taken or to be taken by the officers and members of the Board in connection with such sale and delivery.

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

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

Award Contract for Wood Street/Roosevelt Road Parking Lot, Chicago

(28) A \$1,574,900 project has been approved to construct a new surface parking lot on the southwest corner of Roosevelt Road and Wood Street. The parking lot will provide 134 total parking spaces including 6 accessible spaces for faculty, staff, and visitors of

the west campus and University of Illinois Medical Center. The project will include lighting, landscaping, fencing, and access control equipment.

The Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the following contract be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidders on the basis of its base bid plus the acceptance of indicated alternates.³

Division I – General Trades

Pan-Oceanic Engineering Co., Inc., Chicago, IL	Base Bid	\$955,000
TOTAL		\$955,000

Funds for the project are available from the proceeds of the Auxiliary Facilities System Series 1999 Revenue Bonds.

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 has been filed with the Secretary of the Board for record.

The President of the University concurs.

On motion of Mr. Sperling, this contract was awarded by the following vote: Aye, Mr. Bruce, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Mr. Shah, Mrs. Sodemann,

³Description of Alternates: No alternates were accepted.

Mr. Sperling; no, none; absent, Governor Blagojevich, Dr. Carroll, Mr. Vickrey.

(Dr. Schmidt asked to be recorded as not voting on this item.)

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

Award Contract for Student Recreation Center Parking Lot, Springfield

(29) An \$850,000 project has been approved to construct a new 300-space parking lot for the Student Recreation Center as well as surrounding campus dormitories, classrooms/office buildings, and soccer fields. This project consists of providing a new asphalt-surfaced, concrete-curbed parking lot with a lighting system.

At this time, the Chancellor at Springfield with the concurrence of the appropriate administrative officers recommends that the following contract be awarded. Competitive bidding procedures in accordance with the Illinois Procedure Code were followed; and the award is to the lowest responsible bidder on the basis of its base bid.

Division 1 – General Work

Merrill’s Contractors Inc., Springfield, IL	Base Bid	\$549,600
TOTAL		\$549,600 ⁴

Funds are available from Auxiliary Facility System Funds.

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

⁴Contract for other division was awarded that was within the delegated approval levels: Division 5 –Electrical Work: B & B Electric, Inc., Springfield, IL - \$103,000.

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

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

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

Award Contract for Roger Adams Laboratory Complex Renovation, Urbana

(30) In November 2005, the Board approved Phase 1 of the Roger Adams Laboratory complex renovation project for \$5.3 million. This project provides for the renovation of approximately 13,400 square feet to support the new hires of two faculty members for scheduled operation in the fall of 2006.

At this time, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the following contract be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were

followed; and the award is to the lowest responsible bidder on the basis of its base bid plus the acceptance of indicated alternates:⁵

Division I – General Work

Johnco Construction, Inc.,	Base Bid	\$545,000
Mackinaw, IL	Alt. 1	9,000
	Alt 2	<u>2,100</u>
TOTAL		\$556,100 ⁶

Funds for this project are available from grant funds and 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.

The President of the University concurs.

⁵Description of Alternates: Alt. G-1 – Prepares, primes, and paints existing structural steel at roof top level; Alt. G-2 – Provides alternate overhead service carrier framing system; and Alt. H-1 – Provides all owner-supplied components and programming by listed control system manufacturers.

⁶Contracts for other divisions were awarded that were within the delegated approval levels (Division II – Plumbing Work: Nogle & Black Mechanical, Inc., Urbana, IL - \$225,150; Division III – Heating, Piping, Refrigeration & Temperature Control Work: Nogle & Black Mechanical, Inc., Urbana, IL - \$243,900; Division IV – Ventilation & Air Distribution Work: A & R Mechanical Contractors, Inc., Urbana, IL - \$256,900; Division V – Electrical Work: Krut’s Electric, Inc., Rantoul, IL - \$278,400; and Division VI – Sprinkler Work: Automatic Fire Sprinkler Co., Normal, IL - \$54,800), making a total award of \$1,615,250.

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

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

Award Contract for Housing Life Safety Code 2000 Fire Alarm Upgrade and High-Rise Sprinkler – Phase III, Urbana

(31) In July 2004, the Housing Life Safety Code 2000 Fire Alarm Upgrade and High-Rise Sprinkler project was approved to upgrade fire alarm notification appliances to six residence halls and add sprinkler systems to four high-rise residence halls. This project represents the second year of continued upgrades and is located at Trelease Hall.

At this time, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the following contract be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of its base bid plus the acceptance of indicated alternates.⁷

⁷Description of Alternates: Alt. 1--Removes 12th floor corridor ceilings and provides new suspended acoustical ceiling tile; Alt. 2--Provides corridor and elevator/stair lobby flooring upgrade and painting; and Alt. 3--Provides for painting dorm rooms; Alt. 4--Upgrades elevator cab finishes; and Alt. 6--Provides for painting the staircase.

Division I--General Work

Roessler Construction Co., Inc.,	Base Bid	\$182,600
Rantoul, IL	Alt. 1	7,300
	Alt. 2	314,400
	Alt. 3	184,500
	Alt. 4	41,800
	Alt. 6	<u>30,900</u>
<i>TOTAL</i>		\$761,500 ⁸

Funds for this project are available from the Auxiliary Facilities System Repair and Renovation Fund.

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

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

⁸Contracts for other divisions were awarded that were within the delegated approval levels (Division V—Electrical--Bodine Electric of Champaign, Champaign--\$265,068; and Division VI--Sprinkler Work--Fire Suppression Systems, Inc., Champaign--\$224,390), making a total award of \$1,250,958.

Award Contracts for Instructional Facility, College of Business, Urbana

(32) The new \$62.0 million state-of-the-art facility of approximately 153,900 gross square feet for the College of Business will accommodate the MBA Program, the Undergraduate Affairs Program, the Accountancy Program, and other instructional activities. The new building will address both quantitative and qualitative space needs to support modern instructional styles. All program elements embody the college's long-standing commitment to excellence in scholarship, teaching, and service.

Bids for the construction of this facility have been solicited and in order for the project to proceed, the Chancellor at the Urbana campus with the concurrence of the appropriate administrative officers recommends that the following contracts⁹ be awarded based on competitive bidding procedures in accordance with the Illinois Procurement

⁹Contracts for other divisions were awarded that were within the delegated approval levels: Division 6 – Sprinkler Work: Automatic Fire Sprinkler Co., Normal, IL - \$397,800; and Division 8 – Testing and Balancing Work: Certified Testing, Petersburg, IL - \$84,000, making a total award of \$42,618,185.

Code to the lowest responsible bidder for each division on the basis of its base bid plus the acceptance of indicated alternates¹⁰:

Division 1 – General Work

Mid-States General & Mechanical Contracting, Decatur, IL	Base Bid	\$7,726,000
	Alt. 1	125,000
	Alt. 5	50,000
	Alt. 6	139,000
	Alt. 7	79,000
	Alt. 10	133,000
	Alt. 11	-4,000
	Alt. 12	0
<i>TOTAL</i>		<u>\$8,248,000</u>

¹⁰Description of Alternates: Alt. 1 – Finishes out 4th floor area; Alt. 2 – Changes all dimensional stone panels and trim (except Stone Accent Trim) from Indiana or Alabama limestone to Minnesota limestone; Alt. 3 – Changes all dimensional stone panels 7 trim (except Stone Accent Trim) from Indiana or Alabama limestone to Iowa limestone; Alt. 4 – Changes all Stone Accent Trim shown on drawings from Indiana or Alabama limestone to red granite or red slate; Alt. 5 – Adds complete intensive and extensive green roofs systems and includes 2-year plant warranty and 2-year maintenance; Alt. 6 – Deletes the grass area and adds fountain; Alt. 7 – Provides larger fountain; Alt. 8 – Changes metal roofing system from Manufactured Roof Panel to a Sheet Metal Roofing (zinc) system; Alt. 9 – Changes manufactured wall panels from pre-finished galvalume panel system to zinc composite panel system; Alt. 10 – Changes linoleum flooring covering and wood base at 1st floor to terrazzo flooring and terrazzo base; Alt. 11 – Adds battery-operated door access control and related work at doors indicated on the door schedule with base bid including rough-in for future electrical system; Alt. 12 – Adds for electric campus system door access control and related work at doors with base bid to include rough-in for future electrical system; Alt. 13 – Adds CO2 controls/sensors to areas; Alt. 14 – Provides chilled water and compressed air services to buildings; Alt. 15 – Provides raw water service to building; Alt. 16 – Provides chilled water meter assembly in indicated locations; Alt. 17 – Provides raw water distribution in building; Alt. 18 – Changes landscaping plantings to closer spaces; Alt. 19 – Uses occupancy sensors to control variable air volumes; and Alt. 20 – Changes all handrails and guardrails in common areas to stainless steel.

Division 2 – Plumbing Work

T. A. Brinkoetter and Sons, Inc., Decatur, IL	Base Bid	\$1,088,000
	Alt. 1	23,000
	Alt. 17	<u>29,000</u>
<i>TOTAL</i>		\$1,140,000

Division 3 – Heating Work

Gingher Process Piping, Inc., East Peoria, IL	Base Bid	\$1,483,000
	Alt. 1	27,000
	Alt. 14	135,000
	Alt. 15	28,000
	Alt. 16	<u>14,000</u>
<i>TOTAL</i>		\$1,687,000

Division 4 – Ventilation & Air Distribution Work

A & R Mechanical Contractors, Inc., Urbana, IL	Base Bid	\$3,282,900
	Alt. 1	<u>90,800</u>
<i>TOTAL</i>		\$3,373,700

Division 5 – Electrical Work

Bodine Electric of Champaign, Champaign, IL	Base Bid	\$5,077,300
	Alt. 1	162,400
	Alt. 12	<u>112,700</u>
<i>TOTAL</i>		\$5,352,400

Division 7 – Temperature Control Work

Siemens Building Technologies, Normal, IL	Base Bid	\$667,000
	Alt. 1	39,000
	Alt. 13	12,000
	Alt. 16	6,000
	Alt. 19	<u>41,000</u>
<i>TOTAL</i>		\$765,000

Division 15 – Concrete Work

Stark Excavating, Inc., Champaign, IL	Base Bid	\$2,209,000
	Alt. 10	<u>0</u>
<i>TOTAL</i>		\$2,209,000

Division 17 – Drywall Work

Performance Contracting, Inc., Carmel, IN	Base Bid	\$4,903,000
	Alt. 1	<u>289,100</u>
<i>TOTAL</i>		\$5,192,100

Division 23 – Masonry Work

J. J. Braker & Sons, Inc.,	Base Bid	\$3,190,000
Morton, IL	Alt. 2	1,125,000
	Alt. 4	<u>124,000</u>
<i>TOTAL</i>		\$4,439,000

Division 26 – Roofing Work

Fabri-Tech Sheet Metal, Inc.,	Base Bid	\$1,647,625
St. Louis, MO	Alt. 5	349,610
	Alt. 8	72,915
	Alt. 9	<u>-17,100</u>
<i>TOTAL</i>		\$2,053,050

Division 27 – Site Work

Stark Excavating, Inc.,	Base Bid	\$1,631,000
Champaign, IL	Alt. 14	38,400
	Alt. 15	<u>0</u>
<i>TOTAL</i>		\$1,669,400

Division 28 – Structural Steel Work

Stone City Ironworks, Inc.,	Base Bid	\$3,936,735
Bedford, IN	Alt. 20	<u>76,000</u>
<i>TOTAL</i>		\$4,012,735

Division 35 – Windows and Entrances Work

Bacon & Van Buskirk Co., Inc.,	Base Bid	\$1,995,000
Champaign, IL	Alt. 1	<u>0</u>
<i>TOTAL</i>		\$1,995,000

Funds for this project are available from private gift funds and proceeds from the future sale of certificates of participation.

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

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

Employ Architect/Engineer for Intermodal Transportation Study for the Cities of Champaign and Urbana and the University of Illinois, Urbana

(33) The campus leadership has been redefining its philosophy on how pedestrians should move about the campus with an eye toward creating a safer, walker-friendly, and healthy campus environment. The campus and the Cities of Champaign and Urbana are seeking recommendations to assess existing transportation systems (including pedestrian, mass transit, motor vehicle, and bicycle modes) and make recommendations on how these systems should be organized and configured in the campus district.

Recommendations from this study will be shared with administrative staff members, local elected officials, and the Campus Area Transportation Study Technical Advisory Committee for implementation strategy.

In order for the study to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the

architect/engineer for this study was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹¹

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that Martin/Alexiou/Bryson, PLCC, Raleigh, North Carolina, be employed for the professional services required. The firm's fees will be \$150,000 plus reimbursable expenses estimated to be \$5,000.

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 study are available from the Fiscal Year 2006 institutional funds operating budget of the Urbana campus.

The President of the University concurs.

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

¹¹A selection committee consisting of Pam Voitik, Kevin Duff, and Clif Carey (Facilities & Services), Bruce Knight (City of Champaign), and Bill Gray (City of Urbana) interviewed the following firms (listed in ranking order): (1) Martin/Alexiou/Bryson, PLCC, Raleigh, NC; (2) Fehr & Peers, Denver, CO; and (3) URS Corporation, Minneapolis, MN. The committee recommends Martin/Alexiou/Bryson, PLCC, Raleigh, NC, as best meeting the criteria for the project.

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

Employ Construction Manager for Student Dining/Residential Programs Building and First Wing, New Residence Hall Project, Urbana

(34) In July 2005, the Board approved the construction of the Student Dining and Residential Programs Building and the first wing of a residence hall to accommodate 200 residents (including 26 Beckwith Hall residents) and demolition of the Illini Orange facility, Gregory and Peabody dining halls, and Weston residence hall at a project budget of \$75.7 million. The first phase of a planned multi-phase redevelopment will include consolidation of dining and residential support spaces into a new student dining and residential programs building. In November 2005, Booth Hansen of Chicago, Illinois, was retained to provide architectural and engineering services through the design development phase with the expectation of retaining architects of record for the two building components.

In order for the project to proceed within this structure, it is necessary to employ a construction manager for the preconstruction and construction phases for the entire project.

The selection of the construction manager for this project was in accordance with the requirements and provisions of the Illinois Procurement Code.

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that Turner Construction Co., Chicago, be employed for the construction management services required for preconstruction and

construction services for a fixed fee of \$1,420,450 and staff cost on an hourly basis with the total not to exceed \$2,110,757, plus reimbursable expenses estimated to be \$46,463.

Funds are available initially from the operating budget of the University Housing Division of the Urbana campus with anticipated reimbursement from the proceeds of a subsequent 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 directives.

The President of the University concurs.

A schedule of Turner Construction Co.'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: Aye, Mr. Bruce, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling; no, none; absent, Governor Blagojevich, Dr. Carroll, Mr. Vickrey.

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

Sale of Property at 115-135 South Sangamon Street, Chicago

(35) The Chancellor at Chicago with the concurrence of appropriate administrative officers, recommends the sale of a 1.42-acre parcel of land, including the institutional building thereon, and all rights pertaining thereto, with a common address of 115-135

South Sangamon Street, Chicago (the “Property”) to the Chicago Park District. This sale has been authorized by Public Act 94-0626, which sets the valuation of the Property at \$7,033,333. The price was determined by the Illinois House of Representatives Executive Staff after review of the City’s appraisal (\$6.2 million), the University’s appraisal (\$7.4 million), and a review appraisal of the two appraisals.

The Chicago Park District (CPD) approached the University in 1998 about its interest in acquiring the Property. The CPD’s area plan anticipates using the Property for a park to serve the growing residential neighborhood in the West Loop Gate area.

The Property is no longer being utilized for campus programs or storage as it is functionally obsolete.

Public Act 94-0626 provides that the payment for the Property be made to the University of Illinois, and the proceeds would enable the campus to retire its debt to University of Illinois Foundation for its purchases, on behalf of the campus, of a new warehouse at 1515 West 15th Street and the adjacent storage parcel, in 2000 and 2004, respectively. The University of Illinois Foundation debt is \$3.1 million. Additionally, the campus incurred \$4.3 million in renovation costs for the warehouse, and would use the balance of the sale proceeds to reimburse itself for the majority of those costs.

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.

As previously stated, the sale of the Property was further authorized by Public Act 94-0626.

The Vice President for Administration concurs.

The President of the University recommends approval.

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

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

Purchases and Change Orders

(36) 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	\$15,463,610
Change Orders	1,050,000

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

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

Report of Actions by the Executive Committee

(37) The following actions have been taken by the Executive Committee since the last meeting of the Board. These actions are now reported to the Board as a whole.

Honorary Degrees, Urbana

(1) The Senate of the Urbana-Champaign campus has recommended that honorary degrees be conferred on the following persons at the Commencement Exercises on May 14, 2006:

Julian Bond, Chairman, NAACP--the honorary degree of Doctor of Humane Letters
Mr. Bond has served as Chairman of the Board of the NAACP, the oldest and largest civil rights organization in the United States, since 1998, and is a Distinguished Professor at American University, Washington, DC, and a Professor of History at the University of Virginia. Mr. Bond has made it his life work to seek justice and civil rights for minorities and the disfranchised, translating basic issues into legislation, writing the legislation, and then trying to translate the laws back into practice. He served 20 years as a Georgia legislator and during his legislative tenure, sponsored or

co-sponsored more than 60 bills which became law, and successfully fought for the creation of a majority black congressional district in Atlanta.

Elaine Fuchs, Laboratory Head of Mammalian Cell Biology and Development, The Rockefeller University, Howard Hughes Medical Institute--the honorary degree of Doctor of Science

Dr. Fuchs, a University of Illinois alumna, is a leader of the life sciences scientific community. She is a member of the National Academy of Sciences, past president of the American Society for Cell Biology, and a Howard Hughes Medical Institute Investigator. Her studies on the molecular mechanisms underlying the development and differentiation of mammalian skin, and how these processes go awry in various human diseases, including cancer, are fundamental achievements known to scientists world-wide.

Elbert “Burt” L. Rutan, Aerospace Engineer and President/CEO, Wyman-Gordon Company--the honorary degree of Doctor of Engineering

Mr. Rutan is an acknowledged leader in the field of light aircraft design and manufacturing. He has designed, fabricated, and flown many of his own designs over a period of thirty years. He designed the Voyager that set the record for the first flight circumnavigating the globe without refueling, as well as the SpaceShipOne, the first private venture to successfully launch a manned vehicle into sub-orbit and return safely twice in the period of two weeks. His ideas have affected military and general aviation aircraft and air transports designed for passenger and cargo in space.

Mr. Rutan is a member of the National Academy of Engineering, a National Aviation Hall of Fame honoree, and received the Presidential Citizen’s Medal from President Ronald Reagan.

Thomas M. Siebel, Founder and Chairman of the Board, Siebel Systems Inc.--the honorary degree of Doctor of Engineering

Mr. Siebel, a University of Illinois alumnus, is widely recognized as a world leader in the field of software development, and one of the nation’s foremost proponents of investors in higher education, research and innovation, and community wellness. He started his career working with Oracle Systems and Gain Technology before founding Siebel Systems in 1993. Siebel Systems, Inc., with offices all over the world, is the leading provider of customer relationship management software that automates the sales and customer-service operations of large corporations. Mr. Siebel maintains a leadership role in the advancement of higher education nationally by serving on the Board of Advisors of the Graduate School of Business and the Law School, Stanford University, and on the Dean’s Board at the College of Business, University of California at Berkeley, in addition to serving on numerous advisory boards at the University of Illinois. Mr. Siebel and his wife’s philanthropic endeavors, through the creation of the Thomas and Stacey Siebel Foundation, have made a tremendous

impact in the areas of higher education, research and innovation, and community wellness throughout the nation.

The Chancellor concurs in the 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 Procedure*, and Board of Trustees policies and directives.

The President of the University recommends approval.

On motion of Mr. Shah, these degrees were authorized as recommended by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

Award Contracts for South Campus Mixed Use Development, Chicago

(2) 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 \$69,583,974 have been approved. Contract for testing and inspections has already been awarded.¹²

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:¹³

Division 24 – Metal Fabrications and Metal Stairs

Waukegan Steel Sales, Waukegan, IL	Base Bid	\$3,300,000
	Alt. 1	-\$124,404
	Alt. 8	<u>-\$150,000</u>
<i>TOTAL</i>		\$3,025,596

Division 28 – Structural Steel

LeJeune Steel, Minneapolis, MN	Base Bid	\$6,590,000
	Alt. 2	-\$134,000
	Alt. 3	-\$45,000
	Alt. 4	<u>-\$50,000</u>
<i>TOTAL</i>		\$6,361,000

¹²Contract for division awarded within delegated approval level: Division 51A--Testing and Inspections: Flood Testing, Chicago--\$205,793.

¹³Description of Alternates: Alt. 24-1--Provides stairs and railings meeting Section 05510 metal stairs in lieu of stairs and railings meeting Section 05126 monumental stairs and 05724 ornamental metal railings in the multi-purpose rooms; Alt. 24-8--Provides the six return air grilles of an aluminum ALUM-3 framing composed of 3" x 3/16" bars in lieu of the 3 1/2" x 1/2" stainless steel MTL-1 bars and angle frames for these grilles of aluminum ALUM-3 in lieu of stainless steel MTL-1; Alt. 28-2--Provides steel plates at the edges for the added soffit framing; Alt. 28-3--Omits the allowance for 10 tons of structural steel member; and Alt. 28-4--Omits the allowance for 10 tons of rolled shape framing members to support the Forum's high roof hanging loads.

Division 32 – Utility Site Work – Plumbing¹⁴

Aspen Plumbing, Streamwood, IL	Base Bid	\$854,550
<i>TOTAL</i>		\$854,550

The project will be funded from the proceeds of future 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 has been filed with the Secretary of the Board for record.

The President of the University concurs.

On motion of Mr. Vickrey, these contracts were awarded by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

¹⁴Harrington Excavation & Construction, Alsip, declined to sign the contract for their bid of \$593,132; the University is pursuing their bid security and is recommending Aspen Plumbing of Streamwood, Illinois, as the second lowest bidder.

Award Contracts for West Side Central Chilled Water Plant Chillers, Chicago

(3) In November 2005, the Board approved a \$3.0 million project to expand the capacity of the central chilled water plant for the west side of the Chicago campus by 4,400 tons to enable connection of additional buildings to the central chilled water production and distribution system. In order to maintain the project schedule to provide the additional capacity this summer, the University has issued separate bids for this chiller equipment and for contractor installation of the chillers for this project. A previous contract for electrical work already has been awarded.¹⁵

The President of the University with the concurrence of the appropriate administrative officers recommends that the following contracts be awarded.

Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of its base bid plus acceptance of the indicated alternates.¹⁶

Division III – Heating, Piping, Refrigeration and Temperature

Kroeschell Engineering Co., Chicago, Illinois	Base Bid	\$1,084,943.00
<i>TOTAL</i>		\$1,084,943.00

Chiller Equipment Purchase

York, a Johnson Controls Company, Mount Prospect, Illinois	Base Bid	\$1,078,589.56
	Alt. H-4	<u>5,003.76</u>
<i>TOTAL</i>		\$1,083,593.32

¹⁵Contract for division awarded within the delegated approval level and by previous Board action: Division 5--Electrical Work: ESI, East Hazel Crest--\$395,000.

¹⁶Description of Alternates: H-4 provides a performance and payment bond.

Funds for the project 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.

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

On motion of Mr. Vickrey, these contracts were awarded by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

Purchase

(4) The president submitted, with his concurrence, a purchase recommended by the director of purchases at Urbana and the vice president for administration.

The purchase was 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 amount of this purchase from institutional funds was \$3,500,000.

On motion of Mr. Vickrey, the purchase recommended was authorized by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

This report was received and confirmed.

President's Report on Actions of the Senates

(38) The president presented the following report:

Revision of the Master of Architecture Program, Chicago

The Chicago Senate has approved a proposal from the College of Architecture and the Arts to revise the Master of Architecture program, shifting from a concentration studio format to a master's thesis format. In the past format, students entering their final semester of study enrolled in one of four topic studios offered every spring (activist practice, architectural technologies, digital media, and landscape urbanism). In the new proposal students will develop a sustained program of independent research and design inquiry articulated at the beginning of their studies, culminating in the production of a formal thesis in their last semester.

Revision of the Master of Social Work Program, Chicago

The Chicago Senate has approved a proposal from Jane Addams College of Social Work to revise the Master of Social Work (MSW) Program. A new concentration, Community Health and Urban Development, will be established in conjunction with the

elimination of two concentrations: (a) Community and Administrative Practice and (b) Health. The changes will mean the MSW program will have four concentrations instead of its current five.

Introduction of the new concentration will not affect the total number of credit hours required for the MSW degree.

Revision of the Bachelor of Science in Finance, Chicago

The Chicago Senate has approved an optional concentration in risk management and insurance for finance majors. A concentration in this area will highlight the student's interest and facilitate their job placement into the insurance industry, an industry that is represented by several major companies in northern Illinois. This concentration meets recently approved University guidelines and requirements, so qualifying finance majors will have the concentration designated on their transcripts.

Revision to the Major Resulting in an Increase in the Number of Hours for the B.S. Degree in Materials Science and Engineering, College of Engineering, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Engineering to revise the major and increase the number of hours required for the B.S. Degree in Material Science and Engineering.

A need to increase the laboratory experience for students particularly those pursuing the Biomaterials concentration has resulted in an increase in the number of

hours required for the degree, from 128 to 131 hours. Students will now have more exposure through a biomaterials laboratory and technical electives.

Establish a Concentration in Biomolecular Engineering in the B.S. Degree in Chemical Engineering, 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 a concentration in Biomolecular Engineering in the B.S. Degree in Chemical Engineering.

The new curriculum builds upon the traditional principles of chemical engineering, but specializes in biological and biotechnical systems in order to better prepare students who seek employment in the food, pharmaceutical, and biotechnology industries.

Establish a Graduate Concentration in Astrochemistry in the Ph.D. Degree in both Chemistry and Astronomy, Graduate College, Urbana

The Urbana-Champaign Senate has approved a proposal from the Graduate College to create a graduate concentration in Astrochemistry in the Ph.D. Degree in both Chemistry and Astronomy.

Astrochemistry is an interdisciplinary area of knowledge at the intersection between chemistry and astronomy. Topics of research include identifying organic molecules in interstellar space, building models of chemical reactions that occur in interstellar space and understanding the contributions of interstellar molecules to the chemical origins of life. In order to succeed in this field, students require training in both

of the traditional disciplines of chemistry and astronomy. The proposed graduate concentration in Astrochemistry will provide a framework for such training of Ph.D. students.

Redesignate Major in Russian and East European Studies as Russian, East European, and Eurasian Studies, College of Liberal Arts and Sciences, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Liberal Arts and Sciences to redesignate the major in Russian and East European Studies as Russian, East European, and Eurasian Studies.

In 2004, the Russian and East European Center was redesignated as 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.

Establish an Honors Concentration in the Integrative Biology Major,
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 honors concentration in the Integrative Biology major.

The honors concentration is designed for superior students who wish to pursue an intensive biology program, and concurrently, to gain a strong background in the physical sciences, mathematics, and statistics. An intense laboratory and field component emphasizes first-hand experience with the processes of science and the investigative framework.

This report was received for record.

Comptroller's Financial Report
Quarter Ended December 31, 2005

(39) The comptroller presented his quarterly report as of December 31, 2005. A copy has been filed with the secretary of the board.

This report was received for record.

Investment Report for the Quarter Ended December 31, 2005

(40) The comptroller presented this report as of December 31, 2005. A copy has been filed with the secretary of the board.

This report was received for record.

University of Illinois Investment Inventory Report,
December 31, 2005

(41) The comptroller presented this report as of December 31, 2005. A copy of this report has been filed with the secretary of the board.

This report was received for record.

Capital Projects Status Report

(42) The associate vice president for facilities planning and programs presented this report of active projects in excess of \$5.0 million. A copy has been filed with the secretary of the board.

This report was received for record.

Technology Commercialization Highlights, Fiscal Year 2006, 2nd Quarter

(43) 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.

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.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President White reported that the Rockford Taskforce had met since the last board meeting and by consensus all members agreed to find resources to add to the funding

available for constructing an addition to the extant College of Medicine at Rockford facility.

He also told the board that the second Richard J. Daley Urban Forum held at the Chicago campus was very successful, with, Rudolph Giuliani, former mayor of New York City, as the keynote speaker and other elected officials and former elected officials as guests for parts of the forum.

In addition, he reported that a meeting was held in March with the Alliance of Business Leaders and Entrepreneurs to find additional means for increasing the number of minority contractors hired by the University for various types of services and supplies.

The president also told the board that the BIO 2006 convention in Chicago was an outstanding success and that the University of Illinois had a presence in several areas.

He also noted that Ebert Fest, with host, Roger Ebert was to begin in a few days, on April 26, and that this annual event was always wonderful for the University and for Champaign's Virginia Theatre. In addition, he said that the groundbreaking for the College of Business's Instructional Facility at Urbana would be April 28, and the ribbon-cutting ceremony for the Alice Campbell Alumni Center in Urbana would be May 12.

He concluded by calling attention to the first of a series of lectures and panel presentations involving reporters from the *Chicago Sun-Times* that would be sponsored by the Chicago campus and the *Sun-Times* and said this would be April 19. He also mentioned the groundbreaking ceremony for the Sandi Port Errant Language and

Culture Learning Center at Grant Hall, Chicago, and the many commencement ceremonies that were scheduled for the next several weeks. He thanked the trustees for participating in these commencement ceremonies.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

There was no business presented under this aegis.

REPORTS FROM STUDENT TRUSTEES

Mr. Alam reported that the student recreation center on the east side of Chicago campus was dedicated recently. He also stated that elections for student trustee for next year were imminent.

Ms. Bauer stated that student elections at the Springfield campus, including the election for a new student trustee for next year were scheduled for the following week. She also reported that she had been active in raising funds for a Relay for Life fundraiser for cancer research and thanked those who had supported her efforts.

Mr. Klitzing told the trustees that a senior at the Urbana campus, Mr. Justin Spring, was named Gymnast of the Year and Big Ten Gymnast of the year, and said Mr. Spring he was a seven-time All American. He added that Mr. Spring received the Nissan-Emery award, considered the most coveted award in college gymnastics.

Mr. Klitzing also said that students at Urbana had delivered letters to legislators in Springfield in recent weeks urging better funding of higher education. In addition, he said that students were working to strengthen the Pell Grants. In closing, he introduced Mr. Christopher Kantas, who was recently elected student trustee for 2006-07.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

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

May 11, Chicago; July 12-13, Chicago.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair