

SPECIAL MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

March 9, 2006

This special meeting of the Board of Trustees of the University of Illinois was held telephonically and in Room 302, UIC Student Center East, Chicago campus, Chicago Illinois, on Thursday, March 9, 2006, beginning at 10:03 a.m.

Chair Lawrence C. Eppley called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. Devon C. Bruce, Dr. Frances G. Carroll, Mr. David V. Dorris, Mr. Lawrence C. Eppley, Dr. Kenneth D. Schmidt, Mrs. Marjorie E. Sodemann,¹ Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. The following members of the board were absent: Governor Rod Blagojevich, Mr. Niranjana S. Shah. Mr. Nicholas W. Klitzing, voting student trustee from the Urbana-Champaign campus, was present. The following nonvoting student trustees were present: Mr. Shumail Alam, Chicago campus; Ms. Carrie M. Bauer, Springfield campus.

INTRODUCTION OF UNIVERSITY OFFICERS

Mr. Eppley asked President White to introduce the University officers. President White introduced the following: Dr. Sylvia Manning, chancellor, University of Illinois at

¹Mrs. Sodemann joined the meeting telephonically at 10:12 a.m.

Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; Dr. Richard H. Herman, chancellor, University of Illinois at Urbana-Champaign; Dr. David L. Chicoine, vice president for technology and economic development; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. The president also introduced: Mr. Richard M. Schoell, executive director for governmental relations; and Mr. Thomas P. Hardy, executive director for university relations. In addition, the following persons were also in attendance: Ms. Marna K. Fuesting and Ms. C. Ellen Foran, both assistant secretaries.

Also in attendance were: Mr. Douglas E. Beckmann, senior associate vice president for business and finance; Mr. Lyle Wachtel, associate vice president for facilities planning and programs; and Mr. Michael Bass, executive vice president for business and finance.

COMMENTS FROM THE CHAIR OF THE BOARD

Mr. Eppley stated that this meeting and others to follow, are to provide connections between the regular board meetings, by way of reports on pending projects and ongoing business of the University from the president and chancellors. He added that at this meeting there would also be a few items for the board's consideration that cannot wait for the next regular board meeting.

Mr. Eppley offered congratulations to Chancellor Herman on his appointment to the President's Council of Advisors for Science and Technology.

Next, Mr. Eppley said that as the first order of business for this meeting he would ask for presentations on each of the items on the agenda, and then turn to the reports.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

President White thanked the board members for considering these items at this meeting and said the items had been reviewed with the appropriate committee chairs and vice chairs.

Mr. Eppley then asked Chancellor Herman to present items related to the Urbana campus.

Agenda item no. 1, "Appoint Associates to the Center for Advanced Study, Urbana"; and agenda item no. 2, "Appoint Fellows to the Center for Advanced Study, Urbana"--Chancellor Herman stated that the center was established in 1959 and is regarded as the intellectual heart of the campus. He said that there are 19 permanent professors at the center at any time, and these have included: John Bardeen, Joseph Boob, Paul Lauterbur, Anthony Leggett, and Nick Holonyak among others. He then said that the recommendations before the board are to appoint fellows and associates to the center. He explained that associates are tenured faculty who are either associate professors or professors and that fellows are usually assistant professors that have been given release time to pursue work for one semester. He described the application process

and stated that letters of recommendation are required from experts in the individual faculty members' fields. He concluded by stating that all faculty recommended are worthy scholars. Trustee Schmidt, chair of the Academic Affairs Committee, said he supported the appointments and found the research projects described by these faculty members to be exciting.

Agenda item no. 6, "Award Contract for Renovation and Expansion of Intramural Physical Education Building, Phase II--Rebid, Division of Campus Recreation, Urbana"--Chancellor Herman and Mr. Wachtel commented on this item, noting that different aspects of the project have been before the board previously. Mr. Wachtel explained that it was necessary to rebid the roofing work since the original solicitation for the work received no bids. He said that in the second solicitation, Henson Robinson Company, Springfield, submitted the lowest responsive bid, and that is what is recommended to the board. Trustee Vickrey indicated that he and Mr. Shah had reviewed this recommendation and supported it. Trustee Carroll indicated that it was not possible for her to join the meeting at which Trustees Shah and Vickrey reviewed this recommendation and others.

Agenda item no. 7, "Approve Project for Poultry Research Facilities, College of Agricultural, Consumer and Environmental Sciences, Urbana"--Chancellor Herman indicated that it was necessary to relocate the poultry research unit in order to expand the Atkins Tennis Center, Eichelberger Field, and a parking lot in between the two. He said that gift funds were given to the Division of Intercollegiate Athletics (DIA) for the projects and added that the relocation of the poultry research unit

will be supported by funds from the DIA, the college, and campus funds. Mr. Wachtel said seeking this approval is the first step in accomplishing this relocation and that the next step will be to advertise for professional services for an architect/engineer which will be recommended to the board. Mr. Vickrey indicated that he and Mr. Shah reviewed this recommendation and that they support it.

Mr. Eppley then asked Chancellor Manning to present items related to the Chicago campus and asked Mr. Wachtel to comment on these as well, since they are capital projects.

Agenda item no. 4, "Award Contracts for Student Residence Hall Renovation, Chicago"--Chancellor Manning said that this item is presented at this meeting in order to commence renovation work as soon as possible, as the campus would like to have the newly renovated residence hall ready for students in the spring semester 2007. She stated that most of the interior of the facility would be replaced and that the building would be equipped with life-safety features.

Mr. Eppley noted that beginning this work as quickly as possible would help in placing this facility in a revenue-generating status sooner.

Mr. Wachtel explained that this project will require contractors in five divisions of work: general construction, plumbing, heating, ventilation, and electrical, and these are all recommended in the item. Mr. Sperling asked if Mr. Shah had reviewed all capital projects presented today and Mr. Eppley responded that indeed Mr. Shah, chair of the Buildings and Grounds Committee, had reviewed these, as had Mr. Vickrey, vice

chair of the Buildings and Grounds Committee. He added that Dr. Carroll, also vice chair of the committee, had not reviewed them and she would have a comment later.

Mr. Vickrey noted that aspects of this particular project had been presented to the board at other times and this recommendation is step five in the entire process.

Dr. Carroll then stated that she had not met with the chair and other vice chair of the committee to discuss projects and asked which contractors recommended reflect diversity in hiring. Mr. Wachtel explained that the contractors all are the low bidders for the work and that each will provide a diversity plan under contractual obligations.

Next, President White mentioned that Chancellor Manning and he would participate in a workshop later that day involving a diverse group of business leaders to discuss ways in which these individuals and others might participate to a greater degree in contractual work with the University. Dr. Carroll stated that she planned to attend that as well. Mr. Wachtel added that there would be a similar meeting for just architects and engineers in Illinois to provide information about how to do business with the University.

Agenda item no. 5, "Award Contract for South Campus Infrastructure Phase 9, Chicago"--Chancellor Manning told the board that the city of Chicago requires completion of the infrastructure in the south campus by December 2006, thus this item is recommended to the board with some urgency. Mr. Wachtel stated that there were three contractors that submitted bids and that the recommendation is to hire the lowest responsive and responsible bidder for a sum of \$4,530,481.30.

Agenda item no. 8, "Lease of Space for College of Business Administration, Chicago"--Chancellor Manning described this recommendation as urgent because the lessor of the property has another potential lessee and thus must know by April 1, 2006, if the University wishes to lease this space. The chancellor said that the space is ideally suited to a need of the College of Business Administration for space for several programs. Mr. Beckmann explained that the proposed lease is for three years and that during that time the administration will evaluate purchasing a building. He said that the owner of this property has indicated no interest in selling the building.

Dr. Carroll stated that she knows the building and suggested the University try to purchase it. Chancellor Manning responded that this building is located north of the expressway that borders the campus, and that it would be preferable to have all of the college's programs located south of the expressway; closer to the core of the campus.

Mr. Beckmann reported that his staff had surveyed 20 different properties and found the rental rate for this building to be lower than the average and that it also has certain features that are important including: good configuration of space, parking, and building improvements promised by the lessor. He said the total rent for three years would be \$450,000. He also said he would explore other properties with the idea of purchase.

Mr. Vickrey stated that he was consulted on this lease and supports the recommendation.

Next, Mr. Eppley called on Vice President Chicoine to present an item.

Agenda item no. 3, “Retain Law Firm to Enforce University’s Intellectual Property Rights”--Dr. Chicoine said it was necessary to retain a law firm at this time to protect the University’s intellectual property because the University has not been receiving fees as required for a vaccine the University owns. Both he and Mr. Bearrows recommended retaining a law firm to assist in collecting past-due fees. He stated the law firm recommended is ready to begin work immediately.

Mr. Bearrows said he had discussed this recommendation with Trustee Bruce, chair of the Legal Affairs Committee, and received support for the recommendation. He said the law firm recommended has considerable experience and an excellent reputation in performing this type of work.

Mr. Bruce also voiced his support of the recommendation.

Mr. Eppley then asked Mr. Bass to present the recommendations for purchases.

Agenda item no. 9, “Purchases”--Purchase item no. 1, vendor: EMC, Chicago, IL--to upgrade existing network storage infrastructure that was originally put in place to accommodate the Banner Enterprise Resource Planning System, Administrative Information Technology Services (AITS). Mr. Bass reported that this contract is recommended as a result of competitive bidding and all relevant State laws were followed in the process. He indicated that he had consulted with Trustees Shah, Carroll, and Vickrey as he does for all recommendations for purchases and they supported the recommendation.

Mr. Bass explained that as the Banner system evolves and expands, the need for storage of data will expand too and that this is the first manifestation of that phenomenon. He concluded his comments by noting that there were two other bidders, and the pricing offered by EMC was determinative in selecting that firm.

Purchase item no. 2, vendor: Russell Reynolds--executive recruiting firm to assist in the search for a vice president and chief financial officer, Office of the President. Mr. Bass stated that this purchase is to provide executive search services to aid in the search and identification of candidates for the new position of vice president and chief financial officer to be established. He described the selection process and noted that three staff members, himself, Dr. Michele M. Thompson, secretary, Board of Trustees and Secretary of the University, and Ms. Julie Zemaitis, executive director of University Audits, reviewed all responses to a request for proposals and found five of the respondents both responsive and responsible. Russell Reynolds was ranked first on technical expertise, and second on pricing; however, the difference in pricing between Russell Reynolds and the other firms was insignificant. Further, he explained that Russell Reynolds has experience in searching for chief financial officers in private and non-profit sectors, which will be helpful in recruiting a broad-based group of candidates. Mr. Bass said he had reviewed the item with Trustees Shah, Carroll, and Vickrey and had received their support for the recommendation.

COMMENT FROM TRUSTEE CARROLL

Referring to her statement earlier in the meeting, Dr. Carroll stated that she wanted to state for the record that she did not consider a recommendation to approve a \$300.0 million project an “update,” the purpose for which this meeting was intended, and that she would like to have an opportunity in future for the chair and vice chairs of the Buildings and Grounds Committee to meet to discuss such recommendations prior to a conference call meeting, as is done for regular meetings.

AGENDA

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

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 and 2. The recommendations were individually discussed but acted upon at one time.

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

Appoint Associates to the Center for Advanced Study, Urbana

(1) Each year the Center for Advanced Study awards appointments as associates in the center, providing one semester of release time for creative work. Associates are selected

in an annual competition from the faculty of all departments and colleges to carry out self-initiated programs of scholarly research or professional activity.

The chancellor at Urbana recommends the following list of associates selected for the 2006-07 academic year, and offers a brief description of their projects:

NARENDRA AHUJA, Professor, Electrical and Computer Engineering, *Integration of spatial and frequency representations for periodic motions*

This proposal aims at analyzing videos of objecting exhibiting periodic motions, by integrating the traditionally disparate approaches from computer vision and signal processing.

ANTONIA DARDER, Professor, Educational Policy Studies, *Forging a Puerto Rican feminism: The power and poetics of embodied history*

The research will lead to the completion of a book manuscript that incorporates the scholarly use of personal historical narrative, archival research, and a variety of literatures in the humanities and social sciences to critically engage the manner in which working class Puerto Rican women are influenced, directed, and altered by the historical, cultural, political, and economic conditions, and institutional policies and practices that shape their life decisions and personal notions of feminism.

LAURA GREENE, Professor, Physics, *Particle conversion in unconventional superconductors*

Andreev reflection, a particle-hole conversion process that occurs at the interface of a normal metal and a superconductor, is well understood for conventional superconductors. Our data has shown this process cannot be explained by existing theories in the case of heavy fermion superconductors, which are unconventional.

PAUL KWIAT, Professor, Physics, *State-of-the-art detectors for quantum information processing*

Single-photon detectors with efficiencies approaching 100 percent open new vistas in quantum information processing. Working with several detector technologies, the eventual goal is to realize the world's most efficient optical detector.

RALPH MATHISEN, Professor, History, *Citizenship and identity in the late Roman and early Medieval worlds*

This project will discuss how, during the later Roman Empire, the Roman government developed an inclusive citizenship policy that allowed foreigners to enjoy Roman citizenship rights simply by settling within Roman territory. In today's multi-ethnic, multi-cultural world, it may be that the Roman model for dealing with issues of

ethnicity, identity, and religion in the context of political citizenship still has much to teach us.

HARRIET MURAV, Professor, Slavic Languages and Literature, and Program in Comparative Literature, *Music from a speeding train: Russian-Jewish and Soviet Yiddish literature*

This study explores Russian-Jewish and Soviet-Yiddish literature of the twentieth century by framing the analysis of such key authors as David Bergelson, Isaac Babel, Perets Markish, Fridrikh Gorenshteyn, and Asar Eppel' against the backdrop of ongoing catastrophe and deferred redemption.

ROBERT OUSTERHOUT, Professor, School of Architecture, *From center to border: Repositioning architectural history in the Evros/Meriç River valley*

Through a study of its architecture, the project reconstructs the Byzantine history of the Evros/Meriç River valley that now separates Greece and Turkey. As the valley was transformed in the last centuries from a vital artery to a neglected frontier, modern national histories have reshaped our perspective of regional history.

DAVID ROEDIGER, Professor, History and African-American Studies and Research Program, *Race making nation: A U.S. history*

This brief synthetic history narrates the role of white supremacy in the peopling of what would become the United States, and in the creation and recreations of the nation. It seeks to explain the persistence of race amidst democracy, emancipation, mass production, the consumer society, and other "colorblind" processes.

DANIEL SCHNEIDER, Associate Professor, Urban & Regional Planning and Illinois Natural History Survey, *Treating sewage: Coupling history and ecology in the study of an industrial ecos*

This interdisciplinary project examines the history and ecology of sewage treatment plants to better understand the process of ecosystem management in particular, and the role of science, labor, and law in technological change in general.

DANIEL SIMONS, Associate Professor, Psychology, *A book on the consequences of perceptual and cognitive illusions*

The goal of this sabbatical will be to write a general audience book on the consequences of failures of perception, cognition, attention, and awareness. Specifically, the book will focus on how mistaken beliefs about perception and cognition can lead to dire consequences and will attempt to remedy these consequences by underscoring the strengths and weaknesses of the mind.

XIAODONG SONG, Associate Professor, Geology, *Seismic imaging of the Earth's inner core*

Recent seismic studies have revealed remarkable features of the Earth's inner core that have implications for the generation of the Earth's magnetic field and the evolution and dynamics of the Earth. This project seeks to acquire new critical data, and to develop methods for imaging the anisotropy and rotation of the inner core.

SEVER TIPEI, Professor, School of Music, *Composition for chamber ensemble and computer-generated sounds*

A work produced with DISSCO, original software which integrates computer-assisted composition and sound synthesis into a seamless process. It contrasts improvised fragments and rigorously structured sections in a work, which renews itself with each performance.

DOUGLAS WEST, Professor, Mathematics, *Research and scholarship in combinatorial mathematics*

The focus of this project is to produce an advanced textbook in Combinatorial Mathematics useful for graduate students and researchers. This area of mathematics is applicable in diverse areas such as computer science, operations research, computational biology, and the social sciences.

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. Shah, these appointments were approved.

Appoint Fellows to the Center for Advanced Study, Urbana

(2) Each year the Center for Advanced Study awards appointments as fellows in the Center, providing one semester of release time for creative work. Fellows are selected in

an annual competition from the faculty of all departments and colleges to carry out self-initiated programs of scholarly research or professional activity.

The chancellor at Urbana recommends the following list of fellows selected for the 2006-07 academic year, and offers a brief description of their projects:

****BRIAN DEMARCO**, Assistant Professor, Physics, *Quantum simulation using ultra-cold atoms*

This research program concentrates on working toward resolving outstanding questions regarding many-body quantum mechanics by realizing quantum simulation using ultra-cold atoms trapped in an optical lattice. The experimental tools required for this research will be completed and tested, and the technical limitations of various methods for quantum simulation in this system will be explored.

****EILEEN DIAZ MCCONNELL**, Assistant Professor, Sociology, *The G-men behind the curtain: The federal government and the social construction of difference, change, and progress in America*

This project explores how the federal government contributes to knowledge making in the United States, through the creation, institutionalization, and legitimization of particular understandings of race, ethnicity, demographic change, and the “American Dream.” Drawing from a range of qualitative and quantitative sources, this study documents how the federal government provides the content, context, and institutional support for racialized discourses about what the United States has been, what it is now, and what it can be in the future.

****MINH DO**, Assistant Professor, Electrical & Computer Engineering, *Sampling signals from a union of subspaces*

Sampling is a corner stone of signal processing that allows real-life signals in the continuous domain to be represented and processed in the discrete-domain by computers via measured samples. This research aims to fundamentally extend the existing sampling theory by considering signals from a union of subspaces instead of a single vector space.

****CLARENCE LANG**, Assistant Professor, African-American Studies & Research Program and History, *Black working-class formation and social movements in St. Louis, Missouri, 1936-1969*

Using the border-state city of St. Louis, Missouri, as an illustration, this project argues that the historical development of African American urban working-class communities propelled the major black social movements that occurred between 1936 and 1969, including the modern Civil Rights Struggle. The black popular agendas emerging from these movements represented the racial and class interests of African

American working people, not only in demands for political participation, but also for social citizenship--greater employment opportunity, and better housing, education, and public services.

LISA ROSENTHAL, Assistant Professor, School of Art & Design, *For pleasure, profit, and persuasion: constructions of art's many virtues in The Netherlands of the Seventeenth Century*

This project is a book-length study of the theme of artistic virtue in seventeenth-century Dutch and Flemish paintings and prints. It specifically explores how constructions of art's pleasures, profitability, and persuasive powers served three contested domains of cultural meaning: the body, the home, and the political sphere.

****CHRISTIAN SANDVIG**, Assistant Professor, Speech Communication, *Visualizations of the electromagnetic spectrum in policy debates about wireless*

Recent advances in communication regulation and in wireless technology have made measurement of the electromagnetic spectrum newly relevant in policy debates. This research investigates the tactics, aesthetics, and consequences of visualizing these measurements, and considers the way that new cartographies of electromagnetic radiation affect the ability to imagine communication systems, technology, and nature.

****M. CHRISTINA WHITE**, Assistant Professor, Chemistry, *Hydrocarbon functionalization methods for synthesis*

This is a proposal to discover and develop a general "toolbox" of selective methods for C-H functionalization for the synthesis of complex molecules. Such methods will impact significantly on the discovery of small molecules for human health.

**These faculty members have been recommended for appointment as Beckman Fellows in the Center for Advanced Study named for the donor of a gift that permits additional recognition for outstanding younger fellow candidates who have already made distinctive scholarly contributions.

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. Shah, these appointments were approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 3 through 9 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Retain Law Firm to Enforce University's Intellectual Property Rights

(3) As part of its continuing efforts to increase license compliance, the Chicago campus Office of Technology Management retained the accounting firm of McGladrey & Pullen in 2005 to audit licensee Organon Teknika Corporation concerning a license that originated in 1990. The firm found that during one three-year period Organon Teknika had underpaid the University by more than \$2.5 million on sales of a UIC-developed vaccine.

This item is brought by the vice president of technology and economic development and the university counsel to seek the board's approval to retain outside counsel, specifically the firm of Stadheim & Gear, on a contingent fee basis to pursue recovery of all unpaid royalties from Organon Teknika. The board previously approved, in July 2005, a contingent fee agreement with Stadheim & Gear to pursue infringers of a patent portfolio donated to the University by Proctor and Gamble. On that matter, the

firm has already begun license negotiations with infringing companies, and significant revenues are anticipated.

This item provides that Stadheim & Gear would receive one-third of any recovery related to the underpayment of royalties by Organon Teknika under the 1990 license. In light of the audit results, by entering a contingent fee agreement on this matter there is a substantial likelihood that the University will be contractually obligated to pay Stadheim & Gear a lump sum legal fee in excess of \$100,000 in one fiscal year, triggering the requirement of board approval (per the board's September 2005 action). The board may recall that the "substantial likelihood" standard was used to address contingent fee contracts in a November 2004 board item that awarded contracts to third-party vendors for consulting services in support of technology commercialization. The same approach was used in the July 2005 item referenced above and is recommended here. If a similar occasion arises in the future, prior approval will be sought using the "substantial likelihood" standard.

Stadheim & Gear has secured significant recoveries for major research universities, including the Iowa State University Research Foundation and the Wisconsin Alumni Research Foundation. Its clients include the Dana Farber Cancer Institute, George Washington University, and the University of Chicago. In addition to licensing and litigating in the U.S., the firm has managed world-wide enforcement programs and directed patent prosecution in the U.S., Europe, and Japan. In all, the firm has collected hundreds of millions of dollars in royalties and damages for its clients.

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 technology and economic development and the university counsel with the concurrence of the appropriate administrative officers, recommend approval to enter into a contract for the services described above. This contract is exempt from the Illinois Procurement Code since it is necessary to prepare for anticipated litigation.

The president of the University concurs.

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

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

Award Contracts for Student Residence Hall Renovation, Chicago

(4) A \$9.45 million renovation project was approved in May 2005 to renovate the Student Residence Hall on the west side of the Chicago campus. Included in this renovation plan is the addition of sprinklers to the building to comply with the current applicable fire safety codes. In May 2005, Cannon Design, Chicago, was employed for professional services for the design through warranty phases of this renovation. In order

to accommodate students for the spring semester 2007, it is important to commence work on this project as soon as possible.

Accordingly, 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.²

Division I – General Work

Joseph Construction Co., Lynwood, IL	Base Bid	\$4,262,262
	Alt. G-1	\$130,801
	Alt G-3	<u>\$2,134</u>
TOTAL		\$4,395,197

Division II- Plumbing Work

A & H Plumbing & Htg. Co., Inc., Elk Grove Village, IL	Base Bid	\$638,000
TOTAL		\$638,000

Division III – Heating A/C Temperature Control Work

Ideal Heating Co., Brookfield, IL	Base Bid	\$662,000
	Alt. H-3	<u>\$30,600</u>
TOTAL		\$692,600

Division IV – Ventilation Work

Amber Mechanical Contractors, Inc., Alsip, IL	Base Bid	\$169,880
	Alt. V-3	<u>\$19,770</u>
TOTAL		\$189,650

²Description of Alternates: Alt.-1--Adds student room window sill and fan coil cover; and Alt.-3--Adds new air handling unit on second floor in lieu of cleaning and repair work of AHU-1.

Division V – Electrical Work

Airport Electric Company, Chicago, IL	Base Bid	\$717,959
	Alt.E-3	<u>\$1,879</u>
TOTAL		\$719,838

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.

The project will be funded from the proceeds of future Auxiliary Facilities System Revenue Bonds. Any project planning 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.

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

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

Award Contract for South Campus Infrastructure Phase 9, Chicago

(5) At the January 19, 2006, meeting of the Board of Trustees of the University of Illinois, the board approved an increase in the Infrastructure Project Budget for the South Campus Development. The Infrastructure Phase 9 project component completes the majority of work in the residential development area from 14th Place north to Liberty Street, and from Halsted Street to Union Street and the park south of 14th Place.

Accordingly, the chancellor at Chicago with the concurrence of the appropriate administrative officers now 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 responsive and responsible bidder on the basis of its base bid plus the acceptance of indicated alternates:³

Division 1 –General Construction

Bigane Paving Company,	Base Bid	\$4,544,481.30
Chicago, Illinois	Alt. 1	<u>-14,000.00</u>
<i>TOTAL</i>		\$4,530,481.30

The project will be funded from the proceeds from advance refunding of Series 1999 South Campus Development Project Revenue Bonds and Institutional Funds.

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

³Description of Alternates: Alt. 1 provides a modular block retaining wall in lieu of the precast concrete retaining wall and footing in the playground park. The precast corner piers shall be installed with the modular block retaining wall.

A schedule of the bids received will be filed with the secretary of the board for record.

The president of the University concurs.

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

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

Award Contract for Renovation and Expansion of Intramural Physical Education Building, Phase II--Rebid, Division of Campus Recreation, Urbana

(6) At the Board of Trustees meeting on January 17, 2002, the Board approved renovation and expansion of the Intramural Physical Education Building and the Campus Recreation Center East both part of the Division of Campus Recreation. This final phase of work is to renovate 30,000 square feet of strength and conditioning space; enclose ground level space at existing tennis courts up to the existing roof level; a 1/6 mile track; three additional basketball/volleyball courts; a climbing wall; seven multi-purpose rooms; and all existing activity space and racquetball courts. In addition, this project includes modifying SportWell space and locker rooms; expand to provide new office space, and a snack bar area with an instructional kitchen.

In February 2005, the board approved a final project budget of \$82.7 million after construction bids received in the fall of 2004 exceeded the original

project budget of \$77.6 million. On December 21, 2005, the board awarded \$37,777,097 in construction contracts for all divisions except roofing. The original solicitation for the roofing work received no bids and had to be re-advertised.

The chancellor at Urbana with the concurrence of the appropriate administrative officers now recommends that this contract be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award recommendation is to the lowest responsible bidder on the basis of its base bid plus the acceptance of indicated alternates:⁴

Division 26 – Roofing Work

Henson Robinson Company, Springfield, Illinois	Base Bid	\$621,806
	Alt. R2	(9,387)
	Alt. R3A	78,596
	Alt. R3B	79,018
<i>TOTAL</i>		<u>\$770,033⁵</u>

Funds for this construction are available from the proceeds of a future sale of the Auxiliary Facilities System Revenue Bonds. Any project planning and construction costs incurred prior to the sale of 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*,

⁴Description of Alternates: Alt. R2--extend large radius, translucent barrel vault from YB.4 to X column line; Alt. R3A--provide west colonnade in accord with documents; Alt R3B--provide east colonnade in accord with documents.

⁵The total for all divisions of work is \$38,547,130 (\$37,777,097 contract total approved by board December 21, 2005).

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

A schedule of the bids received will be filed with the secretary of the board for record.

The president of the University concurs.

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

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

Approve Project for Poultry Research Facilities, College of Agricultural, Consumer and Environmental Sciences, Urbana

(7) The Poultry Research facilities located immediately adjacent to the Atkins Tennis Center and Eichelberger Field must be relocated to accommodate expansion of the tennis facility.

The new Poultry Research facilities (approximately 16,600 square feet of new space and about 2,800 square feet of remodeled space) will replace the current facilities (approximately 28,200 square feet). Five buildings, two designated for highly controlled, intensive, and/or specialized research, will all function to support the teaching and research programs in this field.

Accordingly, the chancellor at Urbana with the concurrence of the appropriate administrative officers recommends the Poultry Research facility project be approved at \$2.8 million.

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

Funds for this project are available from gift funds and the 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, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich, Mr. Shah.

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

Lease of Space for College of Business Administration, Chicago

(8) The chancellor at Chicago recommends that the University lease 7,594 square feet of office space on the first floor of the office building located at 322 S. Green Street, Chicago, Illinois, for the period April 1, 2006, through March 31, 2009. The landlord is Jerome H. Meyer & Co. The leased space would accommodate several programs operated by the College of Business Administration (CBA). These programs are

currently housed in separate suites at another leased location, 815 W. Van Buren; however, the needs of the programs have outgrown the existing space. Additionally, the CBA would gain operating efficiencies for conferencing facilities and support space by consolidating these programs in one location.

The required space program did not necessitate the publication of a Request for Information, but a space search was conducted to ascertain the comparability of available space in the general vicinity of the University. There were 20 rental spaces available in the area, of which 12 did not meet the space requirements of the program. The pertinent facts of the eight potential locations determined by the space survey are summarized as follows:

1. Rental rates ranged from \$18.00-\$20.00 per square foot (psf) gross annually. The average rental rate was \$19.24. The lower rental rates were on the east side of the Dan Ryan Expressway in an otherwise industrialized area, and are not suitable for the CBA.
2. Three of the locations had inadequate conference facilities for CBA's program requirements.
3. One of the locations had no interior construction at all, and the remainder would require painting and carpeting.

A lease with Jerome H. Meyer & Co. for space at 322 S. Green is proposed as the most suitable location for the college's program, at the least cost. The landlord would provide painting, carpeting, and some minor construction alterations to suit the tenant's program. The conference facilities are excellent, and the first floor location provides visibility for the college. The term of the proposed lease is three years. Annual base rental costs would start at \$18.75/psf, escalating three percent annually on April 1 of

each year. The annual first year base cost would equal \$142,387.50. As this is a gross lease, provisions of heating, air conditioning, and janitorial services are included. The University will be responsible for charges related to electricity and telephone service.

Funds for the current fiscal year are available from the institutional funds operating budget of the College of Business Administration. Funds for future fiscal years will be included in the institutional funds operating budget requests to be submitted to the Board of Trustees.

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.

The president of the University recommends approval.

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

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

Purchases

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

The purchases 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 from institutional funds was \$474,640.

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

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

REPORTS FROM PRESIDENT AND CHANCELLORS

President White

Mr. Eppley asked President White to present his report to the board. The president noted that 138 years ago on March 2, 1868, the University opened its doors to students. He commented that an article published in *Fortune* magazine in 1954 listed the 400 major businesses and added that few of these exist today, unlike great universities that are

enduring and adaptable and said it is an honor to serve as stewards of such a great institution as the University of Illinois.

Next, he reported that the governor's budget recommends a 1.5 percent increase for higher education in Illinois in Fiscal Year 2007, with a possibility of a capital budget to follow. He referred to a letter sent to the governor that all public university presidents had signed calling for greater support of higher education in the State and noted that this had been useful and the tone of the response seemed to signal a willingness to help public higher education.

The president also reported that he had testified before the Appropriations Hearings in the Illinois Senate and House and stressed:

- the need for the General Assembly to support the governor's programs for higher education in hopes of a turn-around;
- the fact that the University of Illinois is the State's most valuable asset for the people of the State and deserves support;
- a concern about access to the University and the need for State support to control the price of attending the University; and
- two overarching concerns for the University today; first is maintaining excellence, and, second is addressing the University's deferred maintenance problems.

He said these hearings went well and that the tone was positive. The president then asked Mr. Schoell to comment. Mr. Schoell concurred that the hearings were positive and added that the legislators were pleased with the emphasis the University has placed on

economic development, particularly on efforts to commercialize intellectual property and the development of Illinois VENTURES, LLC. He said that they were also happy with the University's efforts to raise private funds for capital projects in the last few years when there were no capital budgets from the State. Also, Mr. Schoell stated that the legislators had questions about admissions, and the competitiveness in admissions particularly to the Urbana campus. He thanked Trustee Schmidt for meeting with legislators to present the Illinois Bill of Health program and the need for State support of the University's health care enterprise and the health sciences academic programs.

President White then commented on the positive working relationship he has developed with President Glenn Poshard of Southern Illinois University and said that he had worked closely with President Poshard on the letter to the governor concerning the needs of higher education in the State. He indicated that the two had met in Centralia to visit a community service center in which Southern Illinois University might also become involved.

The president also reported on progress on the University's Strategic Plan and said that he would plan to discuss this at the next regular board meeting.

Next, President White discussed resources for the University and stated that his Compact 5/500 for support of the University depends on greater support from the State, which he said may be forthcoming. He said another key source of support is that provided by students and their families and this will be addressed at the next regular board meeting when the proposal for tuition for the coming year is presented, along with a proposal to address the deferred maintenance problem the University faces by

instituting a fee for a maintenance trust. He also stated that another source of support is private gifts and that private giving has increased in the last year and that the campaign the University of Illinois Foundation has been planning will be launched in June 2007.

President White reported to the board that he and Chair Eppley had attended the University of Illinois Foundation's board meeting in February and both had addressed the Foundation's board.

Among other topics explored was the idea of bringing the Board of Trustees, the Board of Directors of the Alumni Association, and the Board of Directors of the Foundation together periodically for an exchange. Both agreed to work to bring this about.

In conclusion, the president announced coming events of interest that included:

- Meeting with ABLE (Alliance of Business Leaders and Entrepreneurs), March 9, to discuss ways these individuals and others might engage in business with the University.
- Richard J. Daley Urban Forum at the Chicago campus, April 4, that will include Rudolph Giuliani, former mayor of New York City, and Adlai Stevenson, former U.S. Senator from Illinois as speakers.
- BIO 2006, an international convention to be held in the Midwest for the first time, in Chicago, April 8-12 at McCormick Place. He said 1,100 biotechnology firms are expected to participate and representatives of 31 other nations. The president said he was a member of the steering committee and that the University had been heavily involved in planning for the convention. He commended Vice President Chicoine and Chancellors Herman and Manning for their work on this.

- Roger Ebert Overlooked Film Festival, Urbana. The president said this is the eighth annual festival and it is scheduled for April 26-30. He noted that this festival has been a major contribution to the Urbana campus and to the surrounding communities and that interest in it has been overwhelming.

Chancellor Ringeisen

Chancellor Ringeisen told the board that the men's basketball team at the Springfield campus that participates in Division I of the NAIA Conference is part of the national tournament this year and will play in Kansas City tomorrow. He added that the coach had been named Coach of the Year for the Conference and that 56 percent of the students on the team were named academic all-conference players.

He also reported that enrollment at the Springfield campus was up, with 100 honor students and 180 other freshmen admitted for fall 2007. He said that these students present a very diverse group as well.

Further, he added that there will be 50 courses added to fulfill the new general education requirements and that there was a need for 15 new faculty members to offer these courses.

Chancellor Ringeisen also stated that there has been considerable change in the faculty in recent years and that at present 42 of the 157 faculty members are quite new, with 24 percent of the total faculty serving in their first year as faculty members. He said that next year, the campus hopes to add 34 new faculty members and, if that is possible, then 39 percent of the faculty members will be in their first or second year at the

Springfield campus. He added that the new faculty members were coming from excellent institutions.

Next, he stated that a group of 50 faculty and staff members had formed to encourage private giving to the campus from faculty and staff members.

Chancellor Herman

Chancellor Herman reported that an alumnus of the Urbana campus, Ang Lee had received an Oscar from the Academy of Motion Picture Arts and Sciences as best director for his film *Brokeback Mountain*. He said as a salute to Mr. Lee, the Urbana campus had placed ads in *The New York Times*, the *Los Angeles Times*, the *Chicago Tribune*, *Variety*, and *The News Gazette*. Dr. Herman said Mr. Lee was a loyal alumnus and a great fan of the Urbana campus from which he graduated in 1980.

He also stated that the men's Big Ten basketball tournament begins March 10 and that players Dee Brown and James Augustine would be honored at senior night.

In addition, he told the board that the wrestling team had shown great improvement under Coach Mark Johnson's direction and had finished second overall in the recent NCAA tournament.

Next, Chancellor Herman presented a report on pedestrian and vehicular safety on the campus and in the area surrounding the campus. He noted good progress in working with the cities of Champaign and Urbana and with the Mass Transit District

(MTD) to improve safety. Also, he said that the buses now have warning lights and warning sounds, and he indicated that work would continue with the cities and the MTD.

He also noted that several searches for major administrators were underway at the Urbana campus, including:

- Vice Chancellor for Student Affairs
- Dean, College of Education
- Dean, College of Engineering
- Dean, College of Fine and Applied Arts
- Director, Institute of Labor and Industrial Relations
- Director, Center for the Study of Democracy in a Multi-Racial Society

Chancellor Manning

Chancellor Manning commented on the international conference, BIO 2006, that President White had mentioned and stated that David A. Gulley, who holds joint appointments in the Office of the Vice Chancellor for Technology and Economic Development, and the Office of the Vice Chancellor for Research at Chicago, was the liaison for all U.S. universities for this convention.

On the subject of leadership changes, she reported that two deans were concluding their service this spring and that she would be appointing interim deans for the College of Pharmacy, and for the School of Public Health. In addition, she said that the interim dean of the College of Liberal Arts and Sciences had decided to return to faculty status after next year, thus making three searches for deans necessary and said these would be initiated very soon. She also reported that in the review of the performance of the dean of the College of Medicine, Joseph A. Flaherty, M.D., there was

strong support for making his appointment permanent, a recommendation she would bring to the board at the next regular meeting. In addition, she stated that the search for a vice chancellor for external affairs had concluded and that a recommendation would be made to the board at its next regular meeting.

Chancellor Manning next reported that a Rockford Taskforce, as suggested at the board's January 19, 2006, meeting, had been appointed and would meet soon to develop a plan to provide needed space for the National Center for Rural Health Professions.

The chancellor also told the board of a meeting she, President White, and Dean Flaherty had attended in Peoria to discuss what might be required to establish a National Cancer Center at Peoria. She said Congressman Ray LaHood and Mayor Jim Ardis of Peoria were involved in the discussion. She added that Southern Illinois University's medical school would also be involved in such an undertaking, and that the cost of the project would be significant.

Dr. Manning reported that surgeons at the University Hospital had successfully performed double kidney transplants last week that involved two couples, with each wife donating a kidney to the other's husband. She said this was the first such occurrence in Illinois.

She also noted that the campus had recently received a grant for \$11.0 million to study radiation sickness.

Further, she said that there will be a grand opening on April 10 for the Recreation Center on the east side of the Chicago campus.

In conclusion, the chancellor reported that she had joined a group of women students in a residence hall for dinner the previous evening and had been reminded warmly of the purpose of a university.

Closing Remarks from Chair Eppley

Mr. Eppley thanked all for joining in this conference call meeting and said he would like to hear from his colleagues about their views on the value of this kind of meeting. He indicated that he would plan to schedule another such meeting in the second quarter of this year.

He also asked the staff to follow-through on Dr. Carroll's request for discussion of items on the agenda with appropriate chairs and vice chairs of committees before each meeting.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair