

MEETING OF THE BOARD OF TRUSTEES AS THE SOLE MEMBER OF
WOLCOTT, WOOD AND TAYLOR, INC.

April 11, 2006

Mr. Eppley convened the meeting of the Board of Trustees as the sole member of Wolcott, Wood and Taylor, Inc., and asked the secretary to call the roll. The following members of the board were present: Mr. Devon C. Bruce, Mr. David V. Dorris, Mr. Lawrence C. Eppley, Dr. Kenneth D. Schmidt, Mrs. Marjorie E. Sodemann. The following members of the board were absent: Governor Rod Blagojevich, Dr. Frances G. Carroll, Mr. Niranjana S. Shah, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. 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.

Mr. Eppley asked the secretary to read the titles of the items on the agenda to be considered and the secretary read: agenda item no. 1, "Appoint President and Chief Executive Officer of Wolcott, Wood and Taylor, Inc, Chicago"; and agenda item no. 2, "Change in *Bylaws* of Wolcott, Wood and Taylor, Inc., Chicago."

Mr. Eppley then asked Chancellor Manning to speak to these two items. She explained that with regard to the first item, the nominating committee of Wolcott, Wood and Taylor, Inc. (WWT, Inc.), comprised of the Board of Trustees of the University of Illinois as the sole member of that organization, nominated William R. Nicholas, executive director of the College of Medicine's Medical Service Plan, as president and chief executive officer of WWT, Inc.

Concerning the second item, she said that a change in the *Bylaws* was necessary to reflect organizational changes at the Chicago campus that affect the membership of the Board of Directors of WWT, Inc. Owing to the fact that there is no longer a position of vice chancellor for health affairs and that the incumbent of that position formerly held a seat on the board, *ex officio*, with vote, of WWT, Inc., it is recommended that a designee of the chancellor at Chicago be appointed to the board. Further, it is recommended that the dean of the College of Medicine or designee occupy the seat on the board currently held by the associate dean for finance of the College of Medicine, *ex officio*, with vote.

The items follow:

Appoint President and Chief Executive Officer of
Wolcott, Wood and Taylor, Inc., Chicago

(1) Pursuant to Article II, Section 2.2 of the *Bylaws* of Wolcott, Wood and Taylor, Inc. (“WWT”), the Board of Trustees of the University of Illinois, as sole member of WWT, has the authority to approve the nomination of the chair, vice chair, and president of WWT.

On February 10, 2006, the Board of Directors of WWT, meeting as the Nominating Committee, approved the nomination of William R. Nicholas, Executive Director of the College of Medicine’s Medical Service Plan, as President and Chief Executive Officer of WWT.

As sole member of WWT, the Board of Trustees hereby appoints William R. Nicholas, as President and Chief Executive Officer of the Corporation effective immediately.

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

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

Change in *Bylaws* of Wolcott, Wood and Taylor, Inc., Chicago

(2) Pursuant to Article II, Section 2.2 of the *Bylaws* of Wolcott, Wood and Taylor, Inc. (“WWT”), the Board of Trustees of the University of Illinois, as sole member of WWT, has the authority to amend the articles of incorporation and *Bylaws* of WWT.

The Board of Directors of WWT, recommends that Article III, Section 3.2 of the *Bylaws* be amended as follows to reflect organizational and personnel changes at UIC:

- From the Vice Chancellor for Health Affairs of the University, *ex officio*, with vote, to a designee of the Chancellor of the Chicago Campus of the University; and
- From the Associate Dean for Finance of the University's College of Medicine, *ex officio*, with vote, to the Dean of the University's College of Medicine or designee.

In addition, it is recommended that the *Bylaws* be amended to add a fifth member to the WWT Board of Directors who will be selected by the Board of Trustees

from among its membership. Finally, the sentence proscribing the course of action in the event of a vacancy in the Office of the Vice Chancellor for Health Affairs should be deleted since that position no longer exists.

Deleted material is lined-through; new language is in italics in Article III, Section 3.2 attached hereto.

University Counsel, who serves the Corporation as Secretary of the Board of Directors, concurs.

Section 3.2 **Composition of the Board.** The board of directors shall consist of ~~four (4)~~ *five (5)* individuals, ~~with the initial board being those persons named in the Corporation's articles of incorporation.~~ The ~~four (4)~~ *five (5)* individuals shall include: (1) ~~the Vice Chancellor for Health Affairs of the University, a designee of the Chancellor of the Chicago Campus of the University, ex officio, with vote,~~ (2) ~~the Associate Dean for Finance of the University's College of Medicine, the Dean of the University's College of Medicine or designee, ex officio, with vote,~~ (3) the Executive Director of the Medical Service Plan (the "MSP"), *ex officio*, with vote, ~~and~~ (4) a Clinical Department Head who will chair the Board, as nominated from time to time by the Dean of the University's College of Medicine following consultation with the Executive Committee of the College of Medicine of the University of Illinois at Chicago MSP and elected by the sole member, *and (5) an individual selected by the sole member from among its membership.* ~~In the event of a vacancy in the Vice Chancellor for Health Affairs of the University, the Chancellor shall appoint an individual to serve as duly appointed member of the Board of Directors until such time as the vacancy no longer exists, for whatever reason.~~ In addition to the sole member's reserved powers, the Dean of the College of Medicine shall have the authority to remove the Clinical Department Head chosen, and nominate another individual.

On motion of Mr. Bruce, these recommendations were approved by the following vote: Mr. Bruce, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt,

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

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

There being no further business, the meeting adjourned.