

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

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MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS
March 23, 2011

This meeting of the Board of Trustees of the University of Illinois was held in the Public Affairs Center, Sangamon Auditorium Lobby, Springfield campus, Springfield, Illinois, on Wednesday, March 23, 2011, beginning at 8:05 a.m.

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

Mr. Ricardo Estrada, Ms. Karen Hasara, Ms. Patricia Brown Holmes, Mr. Christopher G. Kennedy, Dr. Timothy N. Koritz, Mr. Edward L. McMillan, Mr. James D. Montgomery, Mr. Lawrence Oliver II. The following members of the Board were absent:

Governor Pat Quinn, Ms. Pamela B. Strobel. Mr. Daniel A. Soso,¹ voting student trustee from the Urbana campus, was present. The following nonvoting student trustees were present: Ms. Roshina K. Khan, Chicago campus; Mr. Charles L. Olivier III,² Springfield campus. President Michael J. Hogan was present. Also present were the officers of the Board: Mr. Lester H. McKeever, Jr., treasurer; Mr. Walter K. Knorr, comptroller (and

¹Mr. Soso joined the meeting at 8:15 a.m.

²Mr. Olivier joined the meeting at 8:04 a.m.

vice president/chief financial officer); Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, secretary.

In addition, the following persons were also in attendance: Dr. Lisa Troyer, executive assistant to the president and chief of staff; Ms. Marna K. Fuesting and Ms. C. Ellen Foran, both assistant secretaries; and Ms. Eileen B. Cable, special assistant to the secretary.

MOTION FOR EXECUTIVE SESSION

At 8:15 a.m., Mr. Kennedy stated: “A motion is now in order to hold an executive session to consider University employment or appointment-related matters.”

The motion was made by Mr. Montgomery, seconded by Mr. Oliver, and approved.

EXECUTIVE SESSION

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

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned at 9:50 a.m.

REGULAR SESSION RESUMED

At 10:07 a.m., Mr. Kennedy announced that the regular meeting would resume. All Board members recorded as present at the start of the meeting were in attendance.

REMARKS FROM THE CHAIR

Mr. Kennedy commented that the University of Illinois has recently lost some members of its family, and he asked for a moment of silence to pay tribute to these individuals: Mr. Samuel K. Gove, a longtime fixture in Illinois State politics, former director of the University of Illinois Institute of Government and Public Affairs, professor of political science at Urbana, founding chairman of *Illinois Issues*, and member of the Illinois Board of Higher Education; Mr. Brad Bunte, a junior in the College of Media at Urbana studying sports broadcasting; and Ms. Magnolia (Maggy) Whitaker, a long-serving employee in the Office of Admissions and Records at Chicago. Mr. Kennedy also extended heartfelt wishes of concern and sympathy to the people of Japan and their families throughout the world for their losses in the recent earthquake.

Mr. Kennedy then announced that Mr. McKeever will receive the Alumni Association's Distinguished Service Award at the Urbana Commencement in May, and he congratulated him on this honor. This was followed by a round of applause.

Mr. Kennedy commented that March is an important month for the University and referred to the first regular meeting of the Board of Trustees of the Illinois Industrial University on March 12, 1867, and the first day of classes of the University of Illinois on March 2, 1868. He thanked his fellow trustees for agreeing to his recent

requests for service on Board committees and on external boards, as well as for the time they give to the work of the Board. The assignments to the committees of the Board and external boards are as follows:

Executive Committee	Christopher G. Kennedy (chair) Edward L. McMillan Pamela B. Strobel
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Committees of the Board

Academic and Student Affairs	Karen Hasara (chair) Ricardo Estrada Patricia Brown Holmes Timothy N. Koritz Lawrence Olivier Daniel A. Soso Roshina K. Khan Charles L. Olivier II
Audit, Budget, Finance, and Facilities	Edward L. McMillan (chair) James D. Montgomery Lawrence Oliver Pamela B. Strobel Charles L. Olivier II
Governance, Personnel, and Ethics	Pamela B. Strobel (chair) Karen Hasara James D. Montgomery Daniel A. Soso
Hospital	Timothy N. Koritz (chair) Ricardo Estrada Lawrence Olivier Roshina K. Khan

External Boards

Alumni Association Board of Directors	James D. Montgomery
Civil Service Merit Board	Karen Hasara Patricia Brown Holmes James D. Montgomery

Illinois VENTURES Board of Directors	Edward L. McMillan
University of Illinois Foundation Board of Directors	Christopher G. Kennedy
University of Illinois Research Park Board of Directors	Edward L. McMillan

INTRODUCTION OF UNIVERSITY OFFICERS AND SENATE OBSERVERS

President Hogan thanked the University officers in attendance and introduced the senate observers and the representative of the academic professional staff: Dr. Tih-Fen Ting, representing the University Senates Conference, chair of the senate executive committee and chair of the Springfield senate; Dr. Alex Scheeline, representing the Urbana senate; Dr. Donald Chambers, vice chair of the executive committee of the Chicago senate, representing the Chicago senate; Dr. Kathy Jamison, representing the Springfield senate; and Mr. Gerald Burkhart, representing academic professional staff. Also in attendance were: Dr. Joyce Tolliver, chair of the Urbana senate executive committee, and Dr. Matthew Wheeler, vice chair of the Urbana senate executive committee and chair of the University Senates Conference.

The president then stated that the University officers were present. In addition to those noted earlier, the following University officers were present: Dr. Mrinalini Rao, vice president for academic affairs; Dr. Joe G.N. Garcia, interim vice president for health affairs designate; Dr. Lawrence Schook, interim vice president for research designate; Dr. Avijit Ghosh, special assistant to the president; Mr. Thomas P.

Hardy, executive director for university relations; Ms. Katherine Laing, executive director for governmental relations.

REPORT FROM THE CHANCELLOR

Next, Mr. Kennedy asked Dr. Harry J. Berman, interim vice president, University of Illinois and chancellor of the Springfield campus, to comment briefly on the campus and the work that is occurring there. Dr. Berman welcomed the trustees to the campus and stated that his presentation (materials on file with the secretary) would focus on the Springfield campus' identity as a public liberal arts university, priorities for academic year 2010-2011, and some personal reflections on the campus from 1995 through the present. He discussed the learning environment at the campus, focusing on small class size, lifelong learning, and civil engagement, and described some of the campus' undergraduate and graduate degrees. He told trustees that the Springfield campus was accepted into the Council of Public Liberal Arts Colleges (COPLAC) in 2009, and explained that COPLAC membership is usually granted to one higher education institution in each state. He described the role of faculty as teacher-scholars and provided information about the successful development of online courses and degree programs as an example of the campus' ability to apply technology to learning.

Dr. Berman then discussed priorities for the 2010-2011 academic year, highlighting efforts to increase international programming, partnerships with community colleges, and engagement with the community, and he briefly described the

implementation of recommendations of the instructional resource management task force. He shared personal reflections of the past fifteen years at the campus and described the transition of Sangamon State University to the Springfield campus of the University of Illinois. He also presented a portion of the campus' vision statement that refers to the campus as "a place of lively intellectual, cultural, and social life," and he concluded his presentation with a video showing student activities, athletics, and events on the campus, as well as collaborations, partnerships, and outreach initiatives.

UPDATE ON DIVERSITY AT THE UNIVERSITY

Next, Mr. Kennedy asked Ms. Hasara to introduce a guest who would provide insights into aspects of diversity at the University. Ms. Hasara reminded the Board that diversity includes individuals with disabilities, and she mentioned that the Board met Dr. Timothy J. Nugent and Dr. Tanya M. Gallagher, dean, College of Applied Health Sciences, Urbana, last year. She introduced Mr. John Burton, a junior in the College of Engineering at Urbana and a resident of Nugent Hall, which was named for Dr. Nugent and designed to house and support students with disabilities. Ms. Hasara described Dr. Nugent as a pioneer in providing educational opportunities for students with disabilities, and said that after hearing Mr. Burton speak at the opening ceremony for Nugent Hall last year, she wanted her fellow trustees to hear his comments on the experience of a student with disabilities at the Urbana campus.

Mr. Burton referred to the opening of Nugent Hall and said that the University of Illinois has had a history of breaking new ground in providing students of all abilities and disabilities with the tools necessary to reach their dreams. He stated that a friend told him about the many opportunities for students with disabilities at the Urbana campus, and said that he chose to enroll there because of its challenging academic environment, the opportunity for a new beginning, and an experience outside his comfort zone. He said the support and programs at Beckwith Hall helped him make this decision, and that as a new student, his drive to explore and learn was reawakened by a student body with high standards. He told trustees that he has worked hard and been motivated by his friends, fellow Beckwith residents, personal assistants, and others at the University, and said that he was able to become part of a close-knit group in less than a semester on campus. He described dorm life as typical, and credited the University, Beckwith Hall, and Nugent Hall for the relationships he has developed during his time as a student at Urbana. He said his experience has been good, and his comments were followed by a round of applause.

Mr. Kennedy thanked Mr. Burton for his comments and said that his experience is an example of the greatness of the University of Illinois. He then asked Dr. Heather J. Haberaecker , executive assistant vice president for business and finance, to continue the diversity presentation with a report on Minority and Female Business Enterprise (MAFBE) program participation in University contracts.

Dr. Haberaecker began her presentation (materials on file with the secretary) with an overview of MAFBE and a definition of a MAFBE-owned business according to State statute. She showed capital and non-capital MAFBE expenditures from Fiscal Years 2007 through 2010 and presented MAFBE expenditures by category for that same time period, noting that the figures in FY 2007 and FY 2008 reflect a large project at the Chicago campus that adhered to the city of Chicago's MAFBE requirements. She presented data showing an increase in expenditures to businesses owned by minority females, minority males, and individuals with disabilities. She emphasized that expenditures to MAFBE vendors remained stable despite a decrease in the addressable spend, and advised that reporting of MAFBE expenditures should focus on the addressable spend in future reports. Next, she described an annual MAFBE conference, outreach events, and vendor workshops, and she told the Board that the Bronner Group, LLC, had been retained to assist in creating strategies and opportunities to increase MAFBE participation in professional and artistic services. She then introduced Ms. Gila Bronner, president and chief operating officer of the Bronner Group, to provide an overview of the initial assessment of supplier diversity at the University.

Ms. Bronner introduced her colleagues: Mr. Nicholas Tzitzon, Mr. Robert Fortes, Mr. Ari Harper, and Ms. Bernadine Robinson, and provided information about the Bronner Group and its consultation project with the University. She provided an overview of the three phases of the project and emphasized the complexity of the procurement environment at the University, and Mr. Tzitzon highlighted its effects on

supplier diversity. He stated that the University's commitment to supplier diversity is sincere, and he told the Board that statements communicating the benefits and value of supplier diversity are not adequate and that the program is insufficiently resourced. He commended the University's outreach efforts, and he and Ms. Bronner described alternative sourcing strategies that could be utilized to increase diversity among vendors. Mr. Fortes then provided a summary of the Bronner Group's analysis of the University's supplier diversity program and identified next steps, indicating that the University could become a leader in supplier diversity. Mr. Kennedy asked the presenters about the financial impact of centralizing the administration of purchases and contracts, and Mr. Tzitzon stated that it may be a way to potentially save money while increasing diversity. Mr. Kennedy also inquired about the importance of maintaining local diversity, and Ms. Bronner discussed some sourcing strategies that could be utilized to protect local vendors. Additional discussion followed, and the presenters responded to questions from trustees regarding the importance of communication emphasizing the need for supplier diversity at the University, the level of investment and staffing models that might be needed to adequately support a supplier diversity program, methods for measuring success, and additional outreach activities. Mr. Kennedy thanked the members of the Bronner Group for their informative presentation. He referred to the insight that can be obtained by working with a third party, and he thanked Mr. Montgomery for his suggestion at a previous meeting that an outside group be

utilized to help analyze and suggest improvements to increase diversity among vendors hired by the University.

With no further questions or comments, Mr. Kennedy suggested that the Board take a short break at 11:20 a.m.

At 11:45 a.m., the meeting resumed, with all trustees previously listed as present in attendance. Mr. Kennedy asked Mr. McMillan, chair of the Audit, Budget, Finance, and Facilities Committee, to present a report, and said that Mr. Montgomery, Mr. Oliver, Ms. Strobel, and Mr. Olivier also serve on the committee.

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

Mr. McMillan stated that the Audit, Budget, Finance, and Facilities Committee last met on March 14, 2011, with Trustees McMillan, Montgomery, Oliver, and Olivier in attendance. He said that at this meeting, the committee approved the minutes from the meeting that was held on January 10, 2011, and that Urbana Mayor Laurel Prussing and student advocate Suhail Barot provided comments in response to a proposed wind turbine project at the Urbana campus. He said that the following presentations were also provided: Dr. Heather Haberaecker provided an update on the Minority and Female Business Enterprise (MAFBE) program; members of the Bronner Group presented their initial findings related to supplier diversity at the University; and Dr. Avijit Ghosh, special assistant to the president, reviewed key elements of the new developer contract for the University of Illinois Research Park. He reported that Mr. Walter Knorr, vice

president/chief financial officer and comptroller, made several presentations, including: information regarding the proposed Academic Facilities Maintenance Fund Assessment, the Library/Information Technology Fee, and health insurance fees; proposed tuition and fee increases for certain cost recovery graduate programs and the Institute for Aviation; a review of economic and financial matters at the University as background for the tuition setting process for Fiscal Year 2012; and a preview of the Board item requesting approval to initiate an auxiliary facilities system revenue bond issue to finance the next phase of renovation at Ikenberry Commons and the demolition of Forbes Hall at Urbana. Mr. McMillan said that additional presentations were also provided: Mr. Michael B. Bass, senior associate vice president for capital programs and real estate services, reviewed capital projects and real estate services, building renaming, and lease items; Dr. Haberaecker reported on purchase and renewal recommendations; Ms Julia A. Zemaitis, executive director of university audits, reported on second quarter internal audit activity; Mr. Daniel Mortland, assistant director for enterprise risk management, updated the committee on the University's enterprise risk management efforts and progress to date; Dr. Peter Newman, assistant vice president for treasury operations, reported on off-site medical malpractice insurance; Ms. Elyne Cole, associate provost for human resources at Urbana, reported on the results of the voluntary separation incentive program at the Urbana campus; Mr. Patrick Patterson, controller and assistant vice president for business and finance, reported on the results of the FY 2010 financial audit; and Mr. Knorr provided brief comments on the State's finances and certain pension and

benefit legislation. Mr. McMillan stated that the committee discussed Board agenda items within the purview of the committee, and he reported that the next meeting of the committee will be held on May 31, 2011.

Mr. McMillan then asked Mr. Knorr to report on financial indicators for the University.

Financial Indicators

Mr. Knorr began his presentation (materials on file with the secretary) by showing a projection of estimated unpaid vouchers by the State totaling nearly \$7.0 billion and reviewed some aspects of the governor's budget, noting that great concern exists regarding pension funding. He reported that the governor's budget proposes flat funding for all areas of higher education except in State financial aid for students, for which an increase is recommended, and cautioned that members of the Senate Appropriations Committee have advised the University to be prepared for reductions in funding. He showed that the general revenue fund appropriation has declined by almost 20 percent from Fiscal Years 2001 through 2011, while the number of students attending the University has increased. He reviewed the governor's recommendations for the Illinois Student Assistance Commission (ISAC), which he said could result in an estimated \$61.0 million of Monetary Award Program (MAP) payments to the University.

Next, Mr. Knorr reviewed expenses for "payments on behalf" (payments by the State for health care and pensions on behalf of University employees) from FY 2000

through FY 2011, and he provided a chart depicting the unfunded pension obligation for the State Universities Retirement System (SURS) with a funded ratio of 40.0 percent. He showed the SURS cash flow and asset liquidation, reflecting a shortfall, and President Hogan added that this is cause for great worry and concern among faculty and staff, noting that the Institute of Government and Public Affairs is organizing a series of panels on this topic to be presented at the campuses. Mr. Knorr responded to questions from Mr. Kennedy regarding participation in SURS, stating that most faculty and staff participate in the SURS traditional program, with a small percentage enrolled in the self-managed plan. Mr. Knorr then presented the State appropriation revenue unrestricted funds that have been billed and collected through March 21, 2011, and showed that \$447.0 million have not been received, in addition to the \$43.5 million for MAP funding. He reviewed the month-end general revenue fund receivable from FY 2007 through FY 2011 and stated that the receivable at the end of this fiscal year will likely be higher than it was last year, and he reminded trustees of the lack of financial aid payments thus far.

Mr. Knorr then presented tuition revenue data, showed that collections are consistent with last year, and reviewed expenditures for personal services from FY 2007 through FY 2011. He provided data showing how State and tuition dollars support the instructional mission of the University, and he concluded this presentation with a slide depicting revenue, expense, and net income for the hospital. Trustees briefly discussed

the presentation and the lack of MAP payments, and Mr. Knorr told the Board that these payments would be added to the receivable from the State.

Next, Mr. McMillan asked Mr. Knorr to begin his presentation on tuition (materials on file with the secretary) for Fiscal Year 2012.

Tuition

Mr. Knorr described the guaranteed tuition program and reviewed the goals of the policy that was passed by the Board at its meeting in January 2011 to stabilize tuition and keep tuition flat on an inflation adjusted basis, and he emphasized the goal of maintaining academic quality while maintaining affordability. He said that State support is now equal to \$.80 per tuition dollar, presented the direct State tax appropriations from FY 2001 through FY 2011, and stated that there has been a 37.0 percent decline in State support per student in that time. He then showed an increase in first-time freshman applicants from 1991 through 2010 and in enrollment from 2000 through 2010, and he presented data reflecting the percentage of students that pay the full cost of tuition on each campus: 54.0 percent at Urbana, 40.0 percent at Chicago, and 30.0 percent at Springfield.

Mr. Knorr then reviewed the proposed per semester tuition on each campus, which would remain constant for four years for the incoming class under the guaranteed tuition program, and showed the preliminary FY 2012 cost of tuition, fees, room, and board for new undergraduate students who are residents of Illinois. He reviewed the increased supplemental financial aid expenditures from FY 2005 through FY 2012, presented the

levels of Pell (Federal), MAP (State), and supplemental aid from the University, and concluded with a summary of key points, stating that: State support continues to diminish; competition for faculty and staff continues; half of all undergraduates receive some type of need-based or merit-based assistance; and institutional need-based supplemental aid has increased from less than \$1.0 million to well over \$45.0 million in the past ten years. He stressed the potential impact of the State's financial situation, advised to expect a reduction in funding, and reminded the Board of the loss of American Recovery and Reinvestment Act funding. He also emphasized the importance of preserving academic quality and providing a compensation package for faculty and staff.

Trustees discussed the presentation, and Mr. Knorr explained that faculty and staff have not had a salary increase since August 2008 and were required to take a number of furlough days the previous year. He said reductions in expenses, rather than a tuition increase, would make a compensation package possible, and Mr. Kennedy noted that the tuition increase would maintain, and not increase, the University's spending power. Additional discussion continued regarding the cost of tuition, the underfunded pension, increasing healthcare costs, the need for a compensation package for faculty and staff, the importance of access and affordability, and the role of a land-grant institution. Dr. Koritz urged trustees to take these issues seriously, and Mr. Kennedy added that the University is not an elite institution only for elite families. President Hogan mentioned the efforts of the University of Illinois Foundation to raise funding for scholarships, and said he believes the University is doing what the State will not by providing additional

financial aid. Mr. McMillan provided comments on the perspective of residents in communities near his residence, and said many there have expressed concern about sustaining the quality of education at the University.

With no further questions or comments, this concluded the report from the Audit, Budget, Finance, and Facilities Committee.

REPORT FROM CHAIR, HOSPITAL COMMITTEE

Mr. Kennedy then asked Dr. Koritz, chair of the Hospital Committee, to provide a report. He stated that Dr. Koritz serves on the committee with Mr. Estrada, Mr. Oliver, and Ms. Khan. Dr. Koritz thanked the committee members who attended the most recent meeting, which was held on March 22, 2011, and recognized the new members of the committee, Mr. Estrada and Mr. Oliver. He said that at this meeting, the committee approved the minutes from the meeting that was held on November 17, 2010, and that the committee received an update on the hospital's financial performance and facilities' construction plans, adding that construction to rectify issues reported in the Illinois Department of Public Health inspection are on track and that the Certificate of Need was recently approved to begin the improvements to the hospital's infrastructure. He reported that the hospital passed its inspection for accreditation with the Joint Commission, noting that this is a positive reflection on the employees at the hospital. He said Chancellor Allen-Meares provided an overview of the search process for the dean of the College of Medicine at Chicago, and he expressed appreciation for the work of the

current dean, Dr. Joseph A. Flaherty. He said committee members also discussed items on today's agenda that are within the purview of the committee. Mr. Kennedy and Dr. Koritz briefly discussed the reporting of the hospital's finances to reflect depreciation, and Dr. Koritz said he would report back at a later date.

This concluded the report from the Hospital Committee.

MOTION FOR EXECUTIVE SESSION

At 12:53 p.m., Chair Kennedy asked for a motion for an executive session and stated: "A motion is now in order to hold an executive session to consider University employment or appointment-related matters; pending, probable, or imminent litigation against, affecting, or on behalf of the University; and collective bargaining."

The motion was made by Ms. Holmes, seconded by Mr. Montgomery, and approved.

EXECUTIVE SESSION

Chair Kennedy convened this session at 1:05 p.m. Present for this session were all of the members of the Board of Trustees with the exception of Governor Quinn and Ms. Strobel, President Hogan, University Counsel Bearrows, Dr. Troyer, and Secretary Thompson. In addition, Mr. Steven Veazie, executive director of labor relations, was present for the first portion of this session.

University Employment and Appointment-Related Matters

Mr. Kennedy announced that Dr. Michele Thompson, secretary of the Board of Trustees and of the University, had informed him that she wished to retire from the University by the end of the year. He told the Board that he had asked Mr. Montgomery to chair a search committee that would include Mr. McMillan, Ms. Strobel, and others the president would appoint to identify a successor to Dr. Thompson, allowing time for training of a new secretary before Dr. Thompson retires.

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

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned at 2:25 p.m.

REGULAR MEETING RESUMED

At 2:35 p.m., Mr. Kennedy announced that the regular meeting would resume. All Board members recorded as present at the start of the meeting were in attendance.

REPORT FROM CHAIR, GOVERNANCE, PERSONNEL, AND ETHICS COMMITTEE

Mr. Kennedy then asked Mr. Montgomery to provide a report from the Governance, Personnel, and Ethics Committee in Ms. Strobel's absence, and stated that Ms. Hasara and Mr. Soso also serve on the committee with Ms. Strobel and Mr. Montgomery.

Mr. Montgomery stated that the committee last met on February 21, 2011, at 1:00 p.m., with Trustees Hasara, Montgomery, and Strobel in attendance. He reported that they approved the minutes from the meeting that was held on January 18, 2011, and met briefly in an executive session to consider University employment or appointment-related matters. He said that the agenda for the meeting included several reports and presentations, including the University Ethics Office Annual Report, which was provided by Ms. Donna McNeely, university ethics officer, and an update on amendments to the operating agreement of the University of Illinois Research Park, which was provided by Dr. Avijit Ghosh, special assistant to the president, and Mr. Steven Veazie, deputy university counsel. He said that Dr. Michele Thompson provided materials in preparation for a discussion on expectations of Board members, in addition to the next segment of responses from questions and comments raised during the session titled “Building the Agenda for the Year Ahead” at the Board of Trustees retreat in July 2010. He said that she indicated that additional responses are forthcoming, and that she also discussed the collection of benchmark data that could be used to compare the University to peer institutions. He said that the next meeting of the Governance, Personnel, and Ethics Committee is scheduled for April 26, 2011, at 1:00 p.m.

Mr. Montgomery then asked Ms. Donna McNeely to provide an annual report from the University Ethics Office.

University Ethics Officer’s Annual Report

Ms. McNeely began her report (materials on file with the secretary) with highlights from 2010, including the successful delivery of annual ethics training, the electronic publication of the 6th edition of the *Handbook for Good Ethical Practice*, communication of reporting requirements resulting from Senate Bill 51, and a presentation she made at a national conference for ethics and compliance officers. She stated that over 99 percent of University employees have completed the required training, referred to the reduction in ethics office staff due to budget constraints, and described plans for 2011. She stated that the office has an advisory role for University employees and responds to concerns via phone, email, or in person, often directing employees to appropriate offices for questions and concerns beyond the ethics office. She outlined plans for fulfilling the procurement reporting requirements resulting from Senate Bill 51 and emphasized the impact of these changes, and she provided an overview of the process for ensuring that appropriate individuals complete and submit Statement of Economic Interests forms to the State, adding that the ethics office will review over 8,000 forms before they are filed.

Ms. McNeely then presented plans for conducting ethics training in 2011 and described steps that will be taken to address revolving door prohibitions. She presented the compliance requirements for trustees, including the completion of Statement of Economic Interests forms, annual ethics training, revolving door prohibitions, and the reporting of procurement communications that are material, and provided examples of situations that might require trustees to report communication with potential vendors under Senate Bill 51. She emphasized the great amount of time needed to assist

employees with forms and processes related to Senate Bill 51, and she told trustees that they are welcome to call the ethics office with any questions.

With no additional comments or questions, this concluded the report from the Governance, Personnel, and Ethics Committee.

REPORT FROM CHAIR, ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Mr. Kennedy then asked Ms. Hasara, chair of the Academic and Student Affairs Committee, to provide a report. He stated that she serves on the committee with Mr. Estrada, Ms. Holmes, Dr. Koritz, Mr. Oliver, Mr. Soso, Ms. Khan, and Mr. Olivier. Ms. Hasara stated that the committee last met on March 22, 2010, and she welcomed new committee members, Mr. Estrada and Ms. Holmes. She said that at this meeting, committee members approved the minutes of the meeting that was held on November 17, 2010, and received a presentation that was organized by Dr. Mrinalini Rao, vice president for academic affairs, that focused on the multiple facets of teaching. She reported that presenters included Dr. Patricia L. Pardie, interim vice chancellor for academic affairs at Springfield; Dr. Peter . Mortensen, associate provost for academic affairs at Urbana; and Dr. Mo-Yin A. Tam, vice provost for faculty affairs at Chicago, and addressed topics such as mentoring, class size, metrics, the honors program, teacher development, evaluation, reward programs for good teaching, and certain challenges. She also mentioned videos that were included in the presentation, including one that featured a popular professor at Chicago. She said the committee also discussed items on the agenda

at today's meeting that are within the purview of the committee. Mr. Kennedy asked if the committee is reviewing the impact of the State's finances, and the issues surrounding pensions in particular, on the University's ability to recruit and retain faculty, and Ms. Hasara stated that it would be an appropriate topic for the next meeting of this committee. Ms. Hasara and Mr. Kennedy agreed it would be useful to consider current pension regulations, as well as those that may be passed before the next committee meeting, and President Hogan said that he has asked Dr. Ghosh and Mr. Knorr to assemble a group to investigate potential implications of new pension legislation and responses that would make it possible for the University to continue to hire and retain the best faculty.

With no further discussion, this concluded the report from the Academic and Student Affairs Committee.

REPORT ON UNIVERSITY OF ILLINOIS EXTENSION

Next, Mr. Kennedy invited Dr. Robert A. Easter; vice president, University of Illinois and chancellor of the Urbana-Champaign campus, to provide a presentation on the University of Illinois Extension. Dr. Easter provided a brief overview of the history of the University Extension, which he said was established in 1914 as the Cooperative Extension Service to transfer knowledge from universities to a broader audience. He explained that Extension program offerings vary by county based on the needs of the area, and stated that the University Extension program is viewed as a model for the

world. He highlighted a five-year project titled “Modernizing Extension and Advisory Systems Project” that is funded by the U.S. Agency for International Development and is a consortium led by the College of Agricultural, Consumer, and Environmental Sciences at Urbana to improve the livelihoods of rural farmers in twenty of the poorest developing countries. He then showed a video that emphasized relationships within communities, economic and human development, and life changing education serving as a catalyst for change. It also included examples of the Extension’s ability to meet societal needs, and featured a section on jail gardens and master gardener programs for nonviolent offenders, as well as education provided through “Scientific Animations without Borders,” which provides for conveying two minute educational animations to mobile devices throughout the world. The video demonstrated the worldwide impact of Extension programs and its ability to meet the needs of local residents, and concluded with a statement that the future of the University of Illinois Extension is in jeopardy, due mainly to funding.

Dr. Easter then introduced Dr. Robert J. Hauser, dean of the College of Agricultural, Consumer, and Environmental Sciences; Dr. Robert G. Hoeft, interim associate dean of Extension and Outreach; and Dr. James D. Oliver, associate chancellor and assistant dean, Urban and Metropolitan Affairs, Office of Extension and Outreach. These faculty and staff members made brief comments, and trustees discussed the presentation. Mr. McMillan told the Board that the Extension offices had been reorganized due to financial issues and expressed concern regarding the ability for the University Extension to continue functioning. Dr. Hauser stated that the University

Extension does not have a revenue stream, and Mr. Kennedy encouraged Dr. Hauser and his Extension colleagues to develop a plan to present to the Board.

PUBLIC COMMENT SESSION

Next, Mr. Kennedy announced a public comment session and explained that the *Procedures Governing Appearances Before the Board of Trustees* allow for a maximum of six individuals to speak for five minutes each. He then introduced the first of five speakers, Professor Stephen R. Platt.

Professor Platt stated that he was speaking as a member of the community living near the location of the proposed wind turbine in Urbana, and that he wanted to share the concerns of those living in the community. He thanked trustees for not considering installation of a wind turbine at this meeting, and he also thanked members of the Audit, Budget, Finance, and Facilities Committee for their consideration of the project. He said that recent studies have revealed negative effects related to wind turbines, that they are not appropriate for a residential community, and urged the Board to discard the project in its entirety. He concluded his comments by asking the Board to communicate its position on this issue and to encourage student engagement while protecting residents.

Mr. Kennedy then introduced the second commenter, Mr. David S. Olsen. Mr. Olsen stated that he is the current student body president of the University of Illinois at Urbana-Champaign. He thanked the Board for delaying its decision to approve the

Library/Information Technology Fee and the Academic Facilities Maintenance Fund Assessment at the last Board meeting, expressed appreciation for the work of his colleagues who created a report with an analysis of these fees in a short period of time, and said this experience represents an example of positive student engagement. He also discussed tuition, and stated that while some students are against any tuition increase, others recognize the necessity to raise tuition to maintain quality, adding that he personally believes it is essential to maintain quality and retain the best faculty and staff. He asked the Board to make difficult decisions in light of the lack of State support to protect the University. He stated that this is his last Board meeting as student body president, and he reviewed the accomplishments of the student senate throughout the year. He said he hopes his leadership has helped further the voice of the student body, and told the Board it had been an honor and privilege to serve with them.

Next, Mr. Kennedy introduced the third commenter, Mr. Rick Atterberry. Mr. Atterberry stated that he chairs the Council of Academic Professionals at Urbana, and he described the role of academic professionals at the University, which he said includes teaching, research, advising, directing programs, and providing administrative and technical services. He referred to the recent review, audit, and reclassification of academic professional positions to the State Universities Civil Service System and proposals by the director of that system to remove the ability of the University to exempt positions from the civil service system, stating that while the Council of Academic Professionals supports the appropriate classification of positions, a need for these types of

positions still exist. He discussed the negative impact of having restrictions on recruiting and hiring and the consequences of converting academic professional positions to the civil service system, and he urged the Board to oppose the reclassification of academic professional positions, as well as any activity intended to remove exemption authority for establishing academic professional positions from each campus.

Mr. Kennedy then announced the next commenter, Mr. Mark Thompson.

Mr. Thompson asked the Board to define the boundaries of academic freedom and academic misconduct, stating that professors violate the public trust through lies of omission and half-truths. He said that political preaching constitutes misconduct and reflects poorly on the University, and said that faculty are not free to undermine the republic. He stated that Dr. William Ayers should have been tried for academic misconduct instead of being allowed to retire, and asserted that the classroom is being used to brainwash students and is anti-American. He concluded his comments by expressing appreciation for the University Extension, and said that wind turbines do not provide an adequate economic return.

Next, Mr. Kennedy called on the last commenter, Ms. Amy Allen.

Ms. Allen stated that she is a junior studying civil engineering at Urbana, and expressed disappointment that the proposed wind turbine project was not on the agenda for today's meeting. She urged the Board to either approve or cancel the project, and said that it is a high student priority with great support. She stated that it is a cost effective project and that the commitment to it was outlined in the Climate Action Plan, adding that

President Hogan previously stated that he was committed to its completion. She stated that receiving an extension would not be a viable solution, and said that available grant funding for this type of project has been reduced since this project began.

AGENDA

At 4:05 p.m., Mr. Kennedy announced consideration of the agenda for this meeting. All Board members recorded as present at the start of the meeting were in attendance. He explained the items for which a voice vote of the Board is requested would be first, and that the secretary would read the titles of these items. He noted that several Board members had previously discussed concerns with President Hogan and other staff members regarding these items, and he said that he would welcome further discussion at this time.

Mr. Soso commented on tuition and asked that votes on today's recommended tuition increase be carefully considered. He expressed concern regarding the large amount of debt students may have to bear in order to attend the University, and stated that while many students receive some financial aid, the amount of aid is often low, and may be as little as \$500 per year. He indicated that an increase in tuition may negatively impact diversity, and referred to the decrease of African American students enrolled at Urbana in recent years. He disagreed that the proposed increase is inflationary, as stated, citing last year's tuition increase of 9.5 percent, and questioned the increase of tuition to maintain quality despite the lack of State support. He stated that

decreased State funding is a message from the public that the University is not expected to maintain the quality it has in the past, and suggested that an increase in tuition allows the University to maintain quality for the privileged few who can afford to attend. He asked the Board and others throughout the State to work with legislators to increase State support, rather than burdening students with a tuition increase.

Ms. Khan also commented on tuition, and said that while it is a difficult decision, she will vote to approve the tuition increase for Fiscal Year 2012. She said she hopes that administrators do not see tuition increases as the only solution to decreased State support, and stated that she hopes the opportunities she has had will be available to others.

Mr. Olivier also commented, and said that as a first-generation college student, tuition is an important issue. He said he would be opposed to a tuition increase above the rate of inflation, and acknowledged the fiduciary responsibilities as a student trustee. He urged the Board, administrators, those in the audience, and all citizens of the State to advocate for the University and fight for an increase in State support, noting that this is a long-term problem. He stated that he could not oppose the tuition increase and would vote to approve the item reluctantly.

Mr. Kennedy thanked the student trustees for their comments and recommended a short break to allow the student trustees to consider their votes on the tuition item.

At 4:32 p.m., the meeting resumed, with all trustees recorded as present at the start of the meeting in attendance. Mr. Kennedy referred to the “Resolution concerning University Administrative Staffing” listed on the agenda, which he said demonstrates broad support for the many changes that have been initiated or completed under President Hogan’s leadership. He thanked faculty leaders for their helpful input, and said he looks forward to building on the strong relationships that have been created. He commended President Hogan for moving recent changes forward, and stated that many were initiated by the Board with input from a range of interested parties or were begun under Dr. Stanley O. Ikenberry, president emeritus, noting that many were recommended in the Administrative Restructuring and Review report. He said that the reporting relationships between the Board, president, and executive team were clarified before President Hogan’s arrival, and that the Board increased the authority of the president and the president’s team to enter into contracts in an effort to remove trustees from involvement in these areas. He stated that recent changes have resulted from attempts to clarify and strengthen the University’s leadership structure, eliminate redundancies, enhance collaboration, emphasize the importance of research, and generate cost savings, with the goal of trimming and consolidating administration at its thickest points. He provided examples of these changes and expressed support for the creation of the position of vice president for health affairs, for changing the title of vice president for technology and economic development to vice president for research, and the addition of a new lobbyist position in Washington, D.C. He also expressed support for the change in

title of chancellor to vice president and chancellor to better reflect the responsibilities of the position, and also for the creation of the positions of executive director of human resources, executive director of labor relations, and executive chief information officer, all of which have been filled by current University employees. He stated that the Board has also encouraged the creation of a position for a director of enrollment management. He again expressed appreciation for the input and support of the faculty as these changes are implemented, and Mr. McMillan reinforced these comments and said the intent of the Board is to move forward. Mr. Oliver expressed appreciation for the president's efforts and said he has confirmed the wisdom of the search committee.

By consensus, the Board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 22 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Mr. Soso stated that he, Ms. Khan, and Mr. Olivier agreed that since he is the voting student trustee, he would vote in favor of the item concerning tuition to reflect the majority opinion of the student trustees. Mr. Olivier then stated that he would cast his advisory vote as "no" on this item to reflect the fact that this was not unanimous and asked to be so recorded.

President Hogan asked Dr. Lawrence B. Schook, Dr. Joe G.N. Garcia, Ms. Maureen M. Parks, Mr. Steven A. Veazie, and Dr. Michael H. Hites to stand and be

recognized for their appointments as interim vice president for research, interim vice president for health affairs, executive director for human resources, executive director for labor relations, and executive chief information officer, respectively. This was followed by a round of applause.

Approve Minutes of Board of Trustees Meeting

(1) The Secretary presents for approval the minutes of the Board of Trustees meeting of January 20, 2011.

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

Approve Resolution for Frances G. Carroll

(2) To: Frances G. Carroll

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

Throughout your service as a trustee you have been a strong advocate for the University's obligation to increase diversity in all aspects and parts of the University. You have also assisted with efforts to develop relationships with the community outside the University, especially underrepresented groups.

You will be remembered for your concern for students, which you expressed so eloquently in your role as Co-Chair of the Academic Affairs Committee for

several years. Similarly, your advocacy for patient care and the need for excellent facilities and staff to ensure this was voiced effectively and often in your service as a member of the Hospital Committee. In addition, your conscientious attention to the University's budget and related financial concerns demonstrated how fully you attended to the many challenges the Board was called upon to address.

A special benefit to all of us has been the human touch you have brought to all the Board's deliberations. Your graciousness, warmth, and engaging sense of humor have been appreciated and will be remembered fondly. You and your family have shown an admirable dedication to the University of Illinois, and have enriched the fellowship of this Board. You are truly members of the extended University of Illinois family.

At this time, the Board members, joined by President Hogan, as well as the University officers, faculty, students, and staff of the University wish to pay tribute to you for your valuable service and extend best wishes to you and your children, Dr. Floyd G. Carroll and Miss Francesca Carroll.

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

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

Approve Resolution for Carlos Tortolero

(3) To: Carlos Tortolero

You answered a call from Governor Quinn to serve as a member of the Board of Trustees at a time in the history of the Board that was like no other and marked by the appointment of seven new trustees. Thus began a new chapter in your extensive service to the University of Illinois. As an alumnus of the Chicago campus you had already established a record of devoted and generous assistance to that campus.

You quickly set out to match your deep knowledge of the Chicago campus by acquiring an understanding of the rest of the University. Through day-long visits to the campuses at Urbana-Champaign and Springfield you soon became well informed about the most important aspects of these campuses. This energetic and relentless quest for understanding the needs of the campuses and the concerns of students, faculty, and staff has been a hallmark of your service as a trustee.

Armed with a substantial amount of knowledge from your background as an educator, and your visits around the University, your tenure as a trustee, albeit brief, has been outstanding.

This background has been appreciated by other trustees serving with you on committees of the Board. Owing to your deep knowledge of several Chicago communities and of the Chicago public schools, your service to the Hospital Committee and the Academic and Student Affairs Committee has been notable for the insights and perspectives you have brought to deliberations.

In your short tenure as a member of the Board of Trustees you have demonstrated an awareness of the scope of the challenges facing the University. As a member of the Search Committee to Advise the Board of Trustees on the Selection of a President, your dedicated preparation for all related tasks and your enthusiastic participation were assets to this important undertaking.

Through your graciousness and generosity in offering hospitality to members of the Board and the administration at the incomparable National Museum of Mexican Art that you conceived, built, and now nurture and direct, you have brought us together as friends as well as colleagues. We are grateful to the warmth you and your wife, Maria, have shown us and will remember these with affection.

The members of the Board are joined by President Hogan, the faculty, students, and staff of the University in this tribute of respect and admiration and in extending best wishes to you and Mrs. Tortolero.

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

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

Resolution Concerning University Administrative Staffing

(4) Whereas, the Board of Trustees is entrusted with oversight of the University of Illinois, has fiduciary responsibility for the University, is committed to ensuring prudent use of all University resources, and, given the current dire economic status of the University and the State, must exercise care in allocation of all resources available to the University.

Whereas, the Board of Trustees has delegated and assigned to the President of the University responsibility for administration of the University and all its parts, and expects that the President will provide for the best use of limited resources available to the University and organize the work of the University accordingly.

BE IT RESOLVED:

1. THAT the Board of Trustees wishes to record again its endorsement of the changes to staffing certain responsibilities within the University that have been recommended and implemented by President Hogan. While the Board will consider individual recommendations in the Agenda for this meeting, it takes this opportunity to express its continued support of the President's authority in these matters, including changing the title of the Vice President for Technology and Economic Development to Vice President for Research and introducing the new position, Vice President for Health Affairs. In addition, the Board supports the President's recommendations for other staffing changes that will better integrate administrative services across the University in order to improve the quality of those services, and contribute to cost savings.
2. At this time, the Board of Trustees expresses appreciation to President Hogan for his leadership in this period of crisis, including his diligence in analyzing the needs of the University and for the staffing changes he proposes in order to improve services, reduce costs, and strengthen our great University. The Board also wishes to recognize that President Hogan has accomplished a great deal in his first eight months to prepare the University to be stronger and better able to compete in the years ahead.

3. Similarly, the Board of Trustees wishes to express its gratitude to the Vice Presidents and Chancellors, to the three campus senates and the University Senates Conference, to the Administrative Review and Restructuring Steering and Implementation Committees, and to others for their participation in the process of administrative review and restructuring, which has added to the already considerable workload of those who serve our great University.

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

University of Illinois Board of Trustees
Schedule of Meetings
2011-2012

- (5) The president presented the following schedule:

<u>Date</u>	<u>Location</u>
2011	
Thursday, September 8	Springfield
Friday, December 2	Urbana
2012	
Wednesday/Thursday, January 18-19 (Board Retreat and Meeting)	Chicago
Thursday, March 15	Urbana
Thursday, May 31	Chicago
Wednesday/Thursday, July 18-19 (Board Retreat and Meeting)	Chicago

Meetings begin at 8:00 a.m. unless announced otherwise.

The Audit, Budget, Finance, and Facilities Committee will meet approximately ten days prior to each Board meeting.

The Hospital Committee and the Academic and Student Affairs Committee will normally meet the day before each Board meeting.

The Governance, Personnel, and Ethics Committee will meet a few days before each Board meeting unless announced otherwise.

On motion of Mr. Montgomery, seconded by Mr. McMillan, this schedule was approved.

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

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

The Vice President/Chancellor at Chicago recommends the following reappointments to the DSCC Advisory Board for the term July 1, 2011, through June 30, 2014:

Reid H. Hansen, M.D., Clinical Associate Professor of Surgery, Department of Surgery, University of Illinois at Chicago, College of Medicine at Peoria

Marilyn T. Miller, M.D., Professor of Ophthalmology, Pediatric Ophthalmology, University of Illinois at Chicago, College of Medicine

Tetsu Uejima, M.D., Active Attending Anesthesiologist, Department of Anesthesia, Children's Memorial Medical Center in Chicago

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

The President of the University concurs.

On motion of Mr. Montgomery, seconded by Mr. McMillan, these appointments were approved.

Appoint Interim Vice President for Health Affairs

(7) I recommend the appointment of Joe G.N. Garcia, presently Vice Chancellor for Research, Chicago; Earl M. Bane Professor of Medicine and Professor of Pharmacology, College of Medicine at Chicago; and Professor of Bioengineering, College of Engineering, Chicago, to serve as Interim Vice President for Health Affairs, University Administration, non-tenured, on a twelve-month service basis, on 55 percent time, at an annual salary of \$290,700, and an administrative increment of \$50,000, beginning March 28, 2011.

Dr. Garcia will continue to hold the rank of Earl M. Bane Professor of Medicine, College of Medicine at Chicago, on indefinite tenure, on a twelve-month

service basis, on 40 percent time, at an annual salary of \$204,000, effective February 16, 2011; and Vice Chancellor for Research, Chicago, non-tenured, on a twelve-month service basis, on 5 percent time, at an annual salary of \$15,300, effective February 16, 2011, for a total annual salary of \$560,000.

He was appointed to serve as Interim Vice President for Health Affairs, Designate, under the same conditions and salary arrangement beginning February 16, 2011.

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.

I seek your approval.

On motion of Mr. Montgomery, seconded by Mr. McMillan, this appointment was approved.

Appoint Interim Vice President for Research

(8) I recommend the appointment of Lawrence B. Schook, presently Director, Division of Biomedical Sciences, Office of the Vice Chancellor for Research, Urbana-Champaign; Professor of Animal Sciences, Edward William and Jane Marr Gutgsell Professor of Animal Sciences, and Professor, Division of Nutritional Sciences, College of Agricultural, Consumer and Environmental Sciences; Professor, Institute for Genomic

Biology; Professor of Pathology, College of Medicine at Urbana-Champaign; Professor of Pathobiology, College of Veterinary Medicine; Research Professor, Micro and Nanotechnology Laboratory, and Departmental Affiliate in Bioengineering, College of Engineering; and Institute Affiliate, Beckman Institute for Advanced Science and Technology, Urbana-Champaign, to serve as Interim Vice President for Research, University Administration, non-tenured, on a twelve-month service basis, on 75 percent time, at an annual salary of \$191,000, and an administrative increment of \$50,000, beginning March 28, 2011.

Dr. Schook will continue to hold the rank of Professor of Animal Sciences, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure, on an academic year service basis, on 25 percent time, at an annual salary of \$44,988, effective August 16, 2010; Edward William and Jane Marr Gutgsell Professor of Animal Sciences, College of Agricultural, Consumer and Environmental Sciences, non-tenured, on an academic year service basis, with an annual increment of \$10,000, effective August 16, 2010; and the following faculty appointments which all have the same conditions and salary arrangement of non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010: Professor, Institute for Genomic Biology; Research Professor, Micro and Nanotechnology Laboratory, and Departmental Affiliate in Bioengineering, College of Engineering; Institute Affiliate, Beckman Institute for Advanced Science and Technology; Professor, Division of Nutritional Sciences, College of Agricultural, Consumer and Environmental Sciences; Professor of Pathobiology,

College of Veterinary Medicine; and Professor of Pathology, College of Medicine at Urbana-Champaign, for a total annual salary of \$295,988.

He was appointed to serve as Interim Vice President for Research, Designate, under the same conditions and salary arrangement beginning March 1, 2011.

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.

I seek your approval.

On motion of Mr. Montgomery, seconded by Mr. McMillan, this appointment was approved.

Appoint Interim Dean, College of Medicine, Chicago

(9) The Vice President/Chancellor at Chicago has recommended the appointment of Dimitri T. Azar, presently Billie Alex Field Endowed Chair; Physician Surgeon, Professor and Head, Department of Ophthalmology and Visual Sciences; and Professor of Pharmacology, College of Medicine at Chicago; and Chief of Service, University of Illinois Hospital and Clinics, as Interim Dean of the College of Medicine at Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$150,000, beginning May 1, 2011.

Dr. Azar will continue to hold the rank of Professor of Ophthalmology and Visual Sciences, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 51 percent time, at an annual salary of \$102,500, effective August 16, 2010; Physician Surgeon in Ophthalmology and Visual Sciences, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$205,000, effective August 16, 2010; Head of the Department of Ophthalmology and Visual Sciences, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$76,875, effective August 16, 2010; Chief of Service, University of Illinois Hospital and Clinics, non-tenured, on a twelve-month service basis, with an administrative increment of \$75,000, effective August 16, 2010; Billie Alex Field Endowed Chair, Department of Ophthalmology and Visual Sciences, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$51,250, effective August 16, 2010; and Professor of Pharmacology, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total annual salary of \$660,625.

Dr. Azar succeeds Dean Joseph Allen Flaherty who will retire from the University on April 30, 2011.

In order to facilitate the leadership transition, Dr. Azar will be appointed to serve as Acting Dean, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, beginning April 1, 2011.

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

The Vice President for Academic Affairs concurs with this recommendation.

The President of the University recommends approval.

On motion of Mr. Montgomery, seconded by Mr. McMillan, this appointment was approved.

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

Appointments to the Faculty

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

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

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

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

Urbana-Champaign

College of Agricultural, Consumer and Environmental Sciences

Juan Andrade, Assistant Professor of Food Science and Human Nutrition, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$70,000, beginning December 16, 2010.

College of Education

***Linda Herrera**, Associate Professor of Educational Policy Studies, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$85,000, beginning January 16, 2011.

College of Engineering

Daniel Work, Assistant Professor of Civil and Environmental Engineering, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$84,000, beginning December 16, 2010.

Emeriti Appointments

Rajwant Singh Chilana, Associate Professor Emeritus of Library Administration, University Library, August 16, 2011

James Economy, Professor Emeritus of Materials Science and Engineering, February 1, 2011

George C. Fahey, Jr., Kraft Foods Human Nutrition Professor Emeritus, Division of Nutritional Sciences, September 1, 2010 (This is in addition to Professor Emeritus of Animal Sciences previously approved by the Board November 18, 2010.)

Chester S. Gardner, Professor Emeritus of Electrical and Computer Engineering, January 1, 2011

David E. Goldberg, Jerry S. Dobrovolny Distinguished Professor of Entrepreneurial Engineering in the Department of Industrial and Enterprise Systems Engineering, January 1, 2011

Gail P. Hueting, Professor Emerita of Library Administration, University Library, June 1, 2011

Douglas A. Kibbee, Professor Emeritus of French, January 1, 2011

Gregory R. Noel, Professor Emeritus of Crop Sciences, January 1, 2011

Elizabeth H. Pleck, Professor Emerita of History, June 1, 2011

Janet Mildred Reis, Professor Emerita of Family Medicine, College of Medicine at Urbana-Champaign, August 16, 2011

Miranda Beaven Remnek, Professor Emerita of Library Administration, University Library, February 1, 2011

C. Gray Swicegood, Associate Professor Emeritus of Sociology, July 16, 2011

Karen T. Wei, Professor Emerita of Library Administration, University Library, August 16, 2011

Chicago

College of Architecture and the Arts

Alexander Eisenschmidt, Assistant Professor, School of Architecture, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$60,000, beginning January 1, 2011.

College of Education

Torica L. Webb, Assistant Professor of Curriculum and Instruction, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$70,000, beginning January 1, 2011.

College of Engineering

Lin Li, Assistant Professor of Mechanical and Industrial Engineering, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$81,000, beginning January 4, 2011.

College of Medicine at Chicago

Ahlke Heydemann, Assistant Professor of Physiology and Biophysics, College of Medicine at Chicago, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$120,000, beginning December 22, 2010.

Guochang Hu, Assistant Professor of Anesthesiology, College of Medicine at Chicago, probationary faculty on tenure track year one, on a twelve-month service basis, on 41 percent time, at an annual salary of \$37,500, beginning September 16, 2010; and Assistant Professor of Pharmacology, College of Medicine at Chicago, probationary faculty on tenure track year one, on a twelve-month service basis, on 41 percent time, at an annual salary of \$37,500, beginning September 16, 2010. Dr. Hu will continue to hold the rank of Research Scientist in Anesthesiology, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 9 percent time, at an annual salary of \$8,333, effective September 16, 2010; and Research Scientist in Pharmacology, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 9 percent time, at an annual salary of \$8,333, effective September 16, 2010, for a total salary of \$91,666.

Eric Robert Kallwitz, Assistant Professor of Medicine, College of Medicine at Chicago, probationary faculty on tenure track year one, on a twelve-month service basis, on 51 percent time, at an annual salary of \$98,532, beginning November 1, 2010. Dr. Kallwitz will continue to serve as Physician Surgeon, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$94,668, effective November 1, 2010, for a total salary of \$193,200.

Jennifer Layden, Assistant Professor of Medicine, College of Medicine at Chicago, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 51 percent time, at an annual salary of \$68,034, beginning November 16, 2010; Physician Surgeon in Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$65,366, beginning November 16, 2010; and Departmental Affiliate, Division of Epidemiology and Biostatistics, School of Public Health, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, beginning November 16, 2010, for a total salary of \$133,400.

College of Pharmacy

Zain Paroo, Assistant Professor of Pharmacology, Department of Biopharmaceutical Sciences, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$100,000, beginning December 16, 2010; and Center Affiliate, Center for Pharmaceutical Biotechnology, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning December 16, 2010, for a total salary of \$100,000.

School of Public Health

Rachael Mary Jones, Assistant Professor, Division of Environmental and Occupational Health Sciences, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$90,000, beginning January 1, 2011.

University Library

Margaret H. Burnette, Assistant Professor and Assistant Health Sciences Librarian, Library of Health Sciences, Peoria, probationary faculty on tenure track year one, on a twelve-month service basis, on 100 percent time, at an annual salary of \$49,000, beginning January 16, 2011.

Emeriti Appointments

Thomas Howard Bestul, Professor Emeritus of English, January 1, 2011

Rama Bhat, Professor Emeritus of Pediatrics, College of Medicine at Chicago, March 16, 2010

Barry R. Chiswick, Professor Emeritus of Economics, January 1, 2011

Martin F.J. Flower, Professor Emeritus of Earth and Environmental Sciences, August 16, 2010

Robert D. Gibbons, Professor Emeritus of Biostatistics, College of Medicine at Chicago, August 16, 2010

Daniel O. Hryhorczuk, Professor Emeritus of Epidemiology, November 2, 2010

James R. Larson, Professor Emeritus of Psychology, August 16, 2010

Springfield

College of Public Affairs and Administration

Gary Reinbold, Assistant Professor of Public Administration, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$55,000, beginning August 16, 2011.

Emeriti Appointments

Nancy Steinhauer Perkins, Associate Professor Emerita of English, August 16, 2010

Administrative/Professional Staff

Urbana-Champaign

Rajagopal Echambadi, Academic Director of the Illinois Executive Masters in Business Administration (EMBA) Program, College of Business, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$10,000, beginning March 28, 2011. In addition, Dr. Echambadi will receive an amount equal to one-ninth of his total academic year salary for one month of service during each summer of his appointment as Academic Director (\$19,167 for Summer 2011). He was appointed to serve as Interim Academic Director under the same conditions and salary arrangement beginning December 16, 2010. Dr. Echambadi will continue to hold the rank of Associate Professor of Business Administration, College of Business, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$155,000, effective August 16, 2010; and James F. Towey Faculty Fellow, College of Business, non-tenured, on an academic year service basis, with an annual increment of \$7,500, effective August 16, 2010, for a total salary of \$191,677.

Michael E. Gray, Assistant Dean for Agriculture and Natural Resources, Cooperative Extension Service, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$37,492, beginning March 28, 2011. In addition, Dr. Gray will receive an amount equal to one-ninth of his faculty base salary for one month of faculty service during each summer of his appointment as Assistant Dean for Agriculture and Natural Resources (\$10,751 during Summer 2011). He was appointed to serve as Interim Assistant Dean for Agriculture and Natural Resources under the same conditions and salary arrangement beginning March 1, 2011. Dr. Gray will continue to hold the rank of Professor of Crop Sciences, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$96,757, effective August 16, 2010; Crop Sciences Extension Coordinator, Department of Crop Sciences, College of Agricultural, Consumer and Environmental Sciences, non-tenured, on a twelve-month service basis, with an administrative increment of \$5,000, effective August 16, 2010; and Professor of Entomology, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total salary of \$150,000.

David Malcolm Nicol, Director of the Information Trust Institute, College of Engineering, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$2,500, beginning March 28, 2011. Dr. Nicol was appointed to serve as Interim Director under the same conditions and salary arrangement beginning January 16, 2011. He will continue to hold the rank of Professor of Electrical and Computer Engineering, College of Engineering, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$168,000, effective January 16,

2011; Research Professor, Coordinated Science Laboratory, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; Departmental Affiliate in Computer Science, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; and Research Professor, Information Trust Institute, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total salary of \$170,500.

Rafael Salvani, Director of Advancement, Department of Computer Science, College of Engineering, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$96,000, beginning March 28, 2011. Mr. Salvani was appointed to serve as Interim Director of Advancement under the same conditions and salary arrangement beginning January 31, 2011.

Jean M. Seibold, Executive Director of Administration, Department of Accountancy, College of Business, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$97,000, beginning March 28, 2011. Ms. Seibold was appointed to serve as Interim Executive Director of Administration under the same conditions and salary arrangement beginning February 16, 2011.

Kenneth Lloyd Watkin, Director of the Center for Health, Aging, and Disability, College of Applied Health Sciences, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$5,000, beginning March 28, 2011. Dr. Watkin was appointed to serve as Interim Director under the same conditions and salary arrangement beginning February 16, 2011. He will continue to hold the rank of Professor of Speech and Hearing Science, College of Applied Health Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$133,760, effective August 16, 2010; Adjunct Professor of Obstetrics and Gynecology, College of Medicine at Urbana-Champaign, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; Professor, Beckman Institute for Advanced Science and Technology, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; Research Professor, Information Trust Institute, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; Research Professor, Coordinated Science Laboratory, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; and Departmental Affiliate, Micro and Nanotechnology Laboratory, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total salary of \$138,760.

Chicago

Sheila Mary Allen, Director, Introductory Pharmacy Practice Experience (IPPE), Department of Pharmacy Practice, College of Pharmacy, Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$3,500, beginning

March 28, 2011. Dr. Allen was appointed to serve as Visiting Director, Introductory Pharmacy Practice Experience (IPPE), under the same conditions and salary arrangement beginning September 16, 2010. She will continue to hold the rank of Clinical Assistant Professor of Pharmacy Practice, College of Pharmacy, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$98,000, effective August 16, 2010; and Clinical Pharmacist in Pharmacy Practice, College of Pharmacy, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total salary of \$101,500.

Julius Wesley Becton, Director of Administrative Operations, Department of Otolaryngology-Head and Neck Surgery, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$150,000, beginning March 28, 2011. Mr. Becton was appointed to serve as Visiting Director of Administrative Operations under the same conditions and salary arrangement beginning December 16, 2010.

Clarence E. Bridges, Executive Director of Facilities Management, Physical Plant, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$141,514, beginning March 28, 2011.

Education Degree Waived by Campus HR in 2003

Arnaud Buttin, Executive Director of Development, College of Liberal Arts and Sciences, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$110,000, beginning March 28, 2011. Mr. Buttin was appointed to serve as Visiting Executive Director of Development under the same conditions and salary arrangement beginning October 25, 2010.

Paul Cobia, Director of Marketing, School of Continuing Studies, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$115,000, beginning March 28, 2011. Mr. Cobia was appointed to serve as Visiting Director of Marketing under the same conditions and salary arrangement beginning January 24, 2011.

Ilene B. Harris, Head of the Department of Medical Education, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$25,000, beginning March 28, 2011; and Director of Graduate Studies, Department of Medical Education, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, beginning March 28, 2011. Dr. Harris was appointed to serve as Interim Head of the Department of Medical Education, non-tenured, on an academic year service basis, with an administrative increment of \$12,500, beginning August 16, 2010. She will continue to hold the rank of Professor of Medical Education, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 54 percent time, at an annual salary of \$91,012, effective March 28, 2011; and Professor of Pathology, College of Medicine at Chicago, Q probationary

faculty, on a twelve-month service basis, on 46 percent time, at an annual salary of \$78,808, for six years beginning March 28, 2011, for a total salary of \$194,820.

Dean Richard Justmann, Associate Dean for Administration, College of Dentistry, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$155,000, beginning March 28, 2011. Dr. Justmann was appointed to serve as Visiting Associate Dean for Administration under the same conditions and salary arrangement beginning January 1, 2011.

Edward Douglas Lewandowski, Director, Center for Cardiovascular Research (CCVR), College of Medicine at Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$30,000, beginning March 28, 2011. Dr. Lewandowski was appointed to serve as Visiting Director, Center for Cardiovascular Research, under the same conditions and salary arrangement beginning September 16, 2010. He will continue to hold the rank of Professor of Physiology and Biophysics, College of Medicine at Chicago, on indefinite tenure, on an academic year service basis, on 39 percent time, at an annual salary of \$74,400, effective September 16, 2010; Center Affiliate, Center for Cardiovascular Research, College of Medicine at Chicago, non-tenured, on an academic year service basis, on 61 percent time, at an annual salary of \$103,600, effective September 16, 2010; and Director, Program in Integrative Cardiac Metabolism, College of Medicine at Chicago, non-tenured, on an academic year service basis, on zero percent time, with an administrative increment of \$9,000, effective September 16, 2010, for a total salary of \$217,000.

Joanne Malinowski, Director of Finance and Administration, School of Continuing Studies, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$115,000, beginning March 28, 2011. Ms. Malinowski was appointed to serve as Visiting Director of Finance and Administration under the same conditions and salary arrangement beginning December 20, 2010.

Mirta Mendez, Director of Employment Services, Office of Human Resources, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$125,000, beginning March 28, 2011. Ms. Mendez was appointed to serve as Visiting Director of Employment Services, non-tenured, on a twelve-month service basis, with an administrative increment of \$29,864, beginning February 16, 2011.

Ram T.S. Ramakrishnan, Director of Graduate Studies, Department of Accounting, College of Business Administration, Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$5,000, beginning March 28, 2011. Dr. Ramakrishnan was appointed to serve as Visiting Director of Graduate Studies under the same conditions and salary arrangement beginning January 1, 2011. He will continue to hold the rank of Professor of Accounting, College of Business Administration, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$146,316, effective August 16, 2010; and Honors College Faculty, Honors College, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total salary of \$151,316.

Keir L. Ringquist, Director, Physical Medicine and Rehabilitation Services, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$115,000, beginning March 28, 2011. Ms. Ringquist was appointed to serve as Interim Director, Physical Medicine and Rehabilitation Services, non-tenured, on a twelve-month service basis, with an administrative increment of \$28,089, beginning January 31, 2011.

Suresh Sharma, Director of Administrative Operations, Department of Pediatrics, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$115,000, beginning March 28, 2011.

Crystal P. Vasquez, Director of Patient Logistics, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$127,500, beginning March 28, 2011. Ms. Vasquez will continue to serve as Adjunct Clinical Instructor in Health Systems Science, College of Nursing, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total salary of \$127,500.

University Administration

Avijit Ghosh, Special Assistant to the President, Office of the President, University of Illinois, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$345,000, beginning March 28, 2011. Dr. Ghosh was appointed to serve as Interim Special Assistant to the President under the same conditions and salary arrangement beginning March 1, 2011.

Michael Hubert Hites, Executive Chief Information Officer, University of Illinois, non-tenured, on a twelve-month service basis, with an administrative increment of \$21,600, beginning March 28, 2011. Dr. Hites was appointed to serve as Executive Chief Information Officer, Designate, under the same conditions and salary arrangement beginning February 16, 2011. He will continue to serve as Associate Vice President, Office of Administrative Information Technology Services, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$246,015, effective August 16, 2010, for a total salary of \$267,615.

Virginia G. Hudak-David, Senior Associate Director for University Relations, Office for University Relations, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$105,060, beginning March 28, 2011. Ms. Hudak-David was appointed to serve as Interim Senior Associate Director for University Relations under the same conditions and salary arrangement beginning March 16, 2011.

Beth Ellen Ladd, Assistant Director of Business Information, Office of Administrative Information Technology Services, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$97,000, beginning March 28, 2011. Ms. Lass was appointed to serve as Interim Assistant Director of Business Information under the same conditions and salary arrangement beginning January 16, 2011.

Terrance B. McLennand, Associate Director of Governmental Relations, Office of Governmental Relations, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$103,786, beginning March 28, 2011. Mr. McLennand was appointed to serve as Interim Associate Director of Governmental Relations under the same conditions and salary arrangement beginning January 16, 2011.

Maureen M. Parks, Executive Director of Human Resources, University of Illinois, non-tenured, on a twelve-month service basis, with an administrative increment of \$21,600, beginning March 28, 2011; and Associate Vice President for Human Resources, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$176,500, beginning March 28, 2011, for a total salary of \$198,100. Ms. Parks was appointed to serve as Executive Director of Human Resources, Designate, University of Illinois, and Associate Vice President for Human Resources, Designate, under the same conditions and salary arrangement beginning February 16, 2011.

Jonathan Simonds Pyatt, Director of Federal Relations, Office of Governmental Relations, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$165,000, beginning April 18, 2011.

Scott Edward Rice, Campus Legal Counsel, Office of University Counsel, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$150,000, beginning March 28, 2011.

Barbara G. Roemer, Associate Director of Business Information Systems, Office of Business Information Systems, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$93,000, beginning March 28, 2011. Ms. Roemer was appointed to serve as Interim Associate Director of Business Information Systems under the same conditions and salary arrangement beginning February 16, 2011.

Steven A. Veazie, Executive Director of Labor and Employee Relations, University of Illinois, non-tenured, on a twelve-month service basis, with an administrative increment of \$21,600, beginning March 28, 2011. Mr. Veazie was appointed to serve as Executive

Director of Labor and Employee Relations, Designate, under the same conditions and salary arrangement beginning January 16, 2011. He will continue to serve as Deputy University Counsel, Office of University Counsel, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$207,210, effective January 16, 2011; and Campus Legal Counsel, Office of University Counsel, University Administration, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective January 16, 2011, for a total salary of \$228,810.

Intercollegiate Athletic Staff

Urbana-Champaign

Mike Gillhamer, Assistant Varsity Coach, Football, Division of Intercollegiate Athletics, Urbana-Champaign, non-tenured, on a ten months' service paid over twelve months service basis, with a multi-year agreement, on 100 percent time, at an annual salary of \$250,000, beginning February 25, 2011 through January 31, 2012. A performance review will be held in January of each contract year to determine any compensation increases after January 31, 2012. This Agreement shall automatically renew on February 1, 2012, and on February 1 of each year thereafter, for a period of one year, provided that the University reserves the right to issue a one year termination notice and is only obligated to pay salary for one year following notice.

Kevin William Norris Hambly, Head Varsity Coach, Women's Volleyball, Division of Intercollegiate Athletics, Urbana-Champaign, a first amendment to extend the current multi-year agreement an additional two years, non-tenured, on a ten months' service paid over twelve months service basis, on 100 percent time, effective February 1, 2011, through January 31, 2014. Coach's base salary will be \$100,000, effective February 1, 2011. In addition, Coach Hambly's increment for television and radio appearances will increase from \$7,000 to \$10,000, on a ten months' service paid over twelve months service basis effective February 1, 2011, and his increment for educational, public relations, and promotional activities will remain at \$10,000, on a ten months' service paid over twelve months service basis. Coach Hambly's total annual salary is \$120,000, effective February 1, 2011. This first amendment supersedes Coach Hambly's current employment contract effective March 16, 2009. A performance review will be held in December of each contract year to determine any compensation increases after January 31, 2012.

Addendum

Amendments to Previously Confirmed Faculty Appointments

Urbana-Champaign

Erie Erik J. Sacks, Assistant Professor of Crop Sciences, summer appointment, on 100 percent time, at a monthly rate of \$9,111, June 16-August 15, 2010; and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$82,000, effective August 16, 2010.

Ali Tafti, Assistant Professor of Business Administration, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$125,000, beginning October 16, 2009; ~~and continuing as probationary faculty on tenure track year one, effective August 16, 2010, at an annual salary of \$129,500.~~

Administrative/Professional Staff

Thomas W. Hughes, Director of Operations, Institute of Patient Safety Excellence, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of ~~\$140,000~~ **\$125,000**, beginning July 26, 2010. Mr. Hughes was appointed to serve as Visiting Director of Operations under the same conditions and salary arrangement beginning July 6, 2010.

~~**Michel Pawal**~~ **Michal Pawel Markowski**, Head, Department of Slavic and Baltic Languages and Literatures, College of Liberal Arts and Sciences, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$3,500, beginning August 16, 2010. Dr. Markowski will also be appointed to the rank of Professor of Slavic and Baltic Languages and Literatures, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$150,000, beginning August 16, 2010; and Stephen and Lucy Hejna Family Chair in Polish Language and Literature, Department of Slavic and Baltic Languages and Literatures, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2010, for a total salary of \$153,500.

Jose Mestre, Associate Dean for Research, College of Education, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$20,000, beginning ~~August 16, 2010~~ **July 26, 2010**. Dr. Mestre was appointed to serve as Interim Associate Dean for Research under the same conditions and salary arrangement beginning July 1, 2010. He will continue to hold the rank of Professor of Educational Psychology, College of Education, on indefinite tenure, on an academic year service basis, on 50 percent time, at an annual salary of \$68,017, effective August 16, 2010; Professor of Physics, College of Engineering, on indefinite tenure, on an academic year service basis, on 50 percent time, at an annual salary of \$69,500, effective August 16, 2010; and Professor, Beckman Institute for Advanced Science and Technology, non-

tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total salary of \$157,517.

Margaret M. O'Donoghue, Associate Chancellor, Office of the Chancellor, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$165,600, beginning September 27, 2010. Ms. O'Donoghue was appointed to serve as Interim Associate Chancellor under the same conditions and salary arrangement beginning July 19, 2010. **She will continue to serve as Special Assistant to the Chancellor, Office of the Chancellor, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2010.**

Former Position: Assistant to the President, Office of the President, University Administration, University of Illinois (since 2010); **and Special Assistant to the Chancellor, Office of the Chancellor, University of Illinois at Urbana-Champaign (since 2010)**

William H. Sanders, Director of the Coordinated Science Laboratory, College of Engineering, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$5,000, beginning August 16, 2010. Dr. Sanders will receive an amount equal to one-ninth of his total academic year salary for one month of service during each summer of his appointment as Director (\$22,722 during Summer 2011). He will continue to hold the rank of Professor of Electrical and Computer Engineering, College of Engineering, on indefinite tenure, on an academic year service basis, on ~~100~~ **50** percent time, at an annual salary of ~~\$192,000~~ **\$96,000**, effective August 16, 2010; **Professor, Coordinated Science Laboratory, College of Engineering, non-tenured, on an academic year service basis, on 50 percent time, at an annual salary of \$96,000, effective August 16, 2010;** Donald Biggar Willett Professor of Electrical and Computer Engineering, College of Engineering, non-tenured, on an academic year service basis, with an annual increment of \$7,500, effective August 16, 2010; Research Professor, Coordinated Science Laboratory, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; Departmental Affiliate in Computer Science, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; Research Professor, Information Trust Institute, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; and Director, Information Trust Institute, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total salary of \$227,222.

Former Position: Departmental Affiliate in Computer Science (since 1996), Professor of Electrical and Computer Engineering (since 1998), Research Professor, Coordinated Science Laboratory (since 1998), Director, Information Trust Institute (since 2004), Research Professor, Information Trust Institute (since 2004), Donald Biggar Willett Professor, Department of Electrical and Computer Engineering (since 2005), ~~and~~ Acting Director of the Coordinator Science Laboratory (since 2008), **and Professor,**

Coordinated Science Laboratory (since 2010), College of Engineering, University of Illinois at Urbana-Champaign

Bruce R. Schatz, Head of the Department of Medical Information ~~Sciences~~ **Science**, College of Medicine at Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$5,000, beginning August 16, 2010. Dr. Schatz will continue to hold the rank of Professor of Medical Information Science, College of Medicine at Urbana-Champaign, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$115,548, effective August 16, 2010; Professor, Graduate School of Library and Information Science, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; Professor of Computer Science, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010; and Professor, Institute for Genomic Biology, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010. In addition to these appointments at the University of Illinois at Urbana-Champaign, Dr. Schatz will continue to hold the rank of Professor of Biomedical and Health Information Sciences, College of Applied Health Sciences, University of Illinois at Chicago, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2010, for a total salary of \$120,548.

On motion of Mr. Montgomery, seconded by Mr. McMillan, these appointments were approved.

Approve Amendments to the Operating Agreement of the
University of Illinois Research Park, LLC

(11) In January 2000, the Board of Trustees of the University of Illinois (Board of Trustees) authorized the formation of the University of Illinois Research Park, LLC (UIRP), as a University Related Organization to assist the University in developing and operating research parks. The UIRP is a limited liability company (LLC) governed by an Operating Agreement. The Board of Trustees is the “sole member” of the UIRP, which is a *manager*-managed type LLC. This means that the sole member appoints a Board of Managers (BOM) which is responsible for the day-to-day operation of the UIRP. The

Operating Agreement of the UIRP sets forth the duties and responsibilities of the BOM, while specifically identifying those powers that are reserved only to the sole member.

The Office of University Counsel recently consulted with outside counsel to assist in performing a comprehensive review of the Operating Agreement in light of the current operations and practices of the UIRP and the needs of the expanding Research Park. As a result of this review, it is recommended that the Operating Agreement be amended and restated to conform to best practices and to create greater efficiencies and more flexibility for the Board of Trustees in its governance authority over the Research Park. The following are the principal changes proposed to be made:

1. **Composition and Appointment of Board of Managers**

Current Provision: Operating Agreement specifies fixed size of Board of

Managers and composition and qualifications of voting and non-voting

Managers; this section of Operating Agreement has been amended multiple times.

Recommendation: Restate relevant section of Operating Agreement with general

provision: "The Board of Managers of the Company shall consist of such number of individuals and with such qualifications, and may include voting and non-voting Managers, as may be determined from time to time by resolution adopted by the Board of Trustees of the University of Illinois, as sole Member of the Company. Managers shall be appointed, and may be

removed at any time, by resolution adopted by the Board of Trustees of the University of Illinois." Section 5.2.

Rationale: Provide greater flexibility for the Board of Trustees to change the composition of the Board of Managers without necessitating future amendments to the Operating Agreement.

2. **Term of Managers**

Current Provision: No specified term, except that three-year staggered terms are specified for the representative of the Research and Technology Transfer Council and the representative of Chicago Technology Park/Illinois Medical District Commission.

Recommendation: No specified term for any Manager; each Manager continues to serve until his/her resignation or removal. Section 5.7.

3. **Action by Board of Managers**

Current Provisions:

- No specification as to required vote (e.g., majority or majority of quorum).
- Operating Agreement specifies a quorum of 3 Managers (based on original 5 member Board of Managers).
- Proxies permitted.
- Action by written consent only if signed by all Managers.

Recommendations (Sections 5.11 and 5.12):

- Action by Board requires affirmative vote of a majority of voting Managers then holding office.
- Specify required quorum of a majority of voting Managers then holding office.
- Proxies are not permitted (but teleconference, videoconference, etc., are permitted).
- Action by written consent requires execution by a majority of the voting Managers then holding office.

4. Executive Committee
Current Provisions:

- Executive Committee is a standing committee consisting of the Chair, Vice Chair and one other Manager elected by the Board of Managers.
- Executive Committee has such powers as may be delegated by the Board of Managers.

Recommendations (Section 7.2):

- Maintain Executive Committee as standing committee as currently provided.
- Executive Committee shall have such powers as may be delegated by the Board of Managers and, in addition, shall exercise the authority of the Board of Managers at such times that action is necessary and it is impractical to convene a meeting of the Board of Managers or to seek written consent of the Board of Managers.

Rationale:

- Provide ability of Board of Managers, when necessary, to act quickly when it is impractical to convene the Board of Managers or to seek written consent.

5. **Reserved Powers of the Member**

Current Provision: Reserved powers (requiring action by Member and not by

Board of Managers) include: "Approval of any transactions outside the ordinary course of the Company's business or any transaction in which a Manager has an interest."

Recommendation: Add clarification to this reserved power: "Approval of any transactions outside the ordinary course of the Company's business (including, without limitation, the approval of any long-term development agreement) or any transaction in which a Manager has an interest." Section 4.6.10.

6. **Authority to Sign Contracts and Leases**

Current Provisions: Overlapping provisions, and not entirely clear. Any Manager

may have authority to sign documents. Operating Agreement also states that all contracts and leases must be signed by the Treasurer and the Director.

Recommendation: All contracts, leases, documents and instruments must be signed (i) by the Treasurer and either the Chair or the Director, or (ii) pursuant to authorization by the Board of Managers. Section 5.3, last paragraph.

7. **Director of UIRP**

Current Provision: Specifies that the Vice President of Technology and Economic Development will serve as Director unless otherwise decided by the Board of Managers.

Recommendation: Change the provision to state that the Vice President for Research or his/her designee will serve as Director unless otherwise determined by the Board of Trustees of the University. Section 6.2.

Rationale: Updates the title of the officer previously known as the Vice President for Technology and Economic Development. Gives the Vice President for Research the ability to name a designee. Also clarifies that the Board of Trustees, and not the Board of Managers, may otherwise determine who is to serve as Director.

8. **Services and Management Agreement** For simplicity, revised Section 5.1 acknowledges the Services and Management Agreement that was previously entered into by the Company and the Member and eliminates the further description of its operation.

Attached to this Board item is a comparison copy of the proposed Amended and Restated Operating Agreement in format to reflect all the above proposed amendments. (A copy of this document is filed with the secretary of the Board for record.)

The Interim Vice President for Research and the University Counsel recommend that the Board of Trustees approve the amended Operating Agreement as described above. In addition, it is recommended that the six current managers of the Company be confirmed as voting members of the Board of Managers: one Board of Trustees representative (Edward L. McMillan); three business and industry leaders (Patrick Daly, Roderick Johnson, and Rick Stephens); and the Vice Chancellors for Research at the Urbana and Chicago campuses. The Vice President/Chief Financial Officer and Comptroller and Vice President for Research will continue to serve as non-voting members. It is contemplated that two academic representatives (one each from the Urbana and Chicago campuses) will be recommended for appointment as voting members of the Board of Managers at a future meeting, following consultation with the Vice Presidents/Chancellors, to complete a board composition of eight voting managers and two non-voting managers.

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

The President of the University concurs.

On motion of Mr. Montgomery, seconded by Mr. McMillan, these recommendations were approved.

Appoint Associates to the Center for Advanced Study, Urbana

(12) 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 Interim Vice President/Chancellor at Urbana recommends the following list of Associates selected for the 2011-12 academic year, and offers a brief description of their projects:

Dolores Albarracin, Professor, Psychology, *Action and Inaction Goals and Change in Socially Relevant Attitudes*

Implicit in many informal and formal principles of psychological change is the understudied assumption that change requires either an active approach or an inactive approach. This work will provide some answers to this question in the domain of attitudes toward social issues and protection from HIV.

Harry Dankowicz, Professor, Mechanical Science and Engineering, *On the Tendency of Complex Systems to Evolve Toward Collapse*

This project focuses on complex adaptive systems manifested as social networks that evolve through cooperation, competition, and conflict among a large number of participants. The goals are to characterize the conditions that promote evolution toward collapse; to diagnose existing networks in terms of their systemic risk; and to propose regulatory frameworks for the design of robust complex systems that can be implemented to promote sustainable, and mutually beneficial cooperation in critical areas of human and national security.

David Hyman, Professor, Law and Medicine, *Medical Malpractice Claiming in Illinois, 1980 - 2008*

Professor Hyman will analyze claiming patterns in medical malpractice litigation in Illinois during the period 1980 through 2008. Analysis will focus on whether the dramatic spikes in malpractice premiums that hit Illinois were the result of changes in claiming behavior (e.g., number of claims and dollars per claim); whether some

physicians or specialties are particularly claim-prone; whether the tort system in several important Illinois counties (Cook, Madison, and St. Clair) is “out of control”; and the gender and social justice implications of tort reform.

Praveen Kumar, Professor, Civil and Environmental Engineering, *Water Cycle: Predicting the Consequences of Change*

The project will develop a theoretical foundation, inference system, and simulation tool for identifying, modeling, and predicting how perturbations propagate through the hierarchy of feedback loops (hypercycles) embedded within the network of interaction of ecologic and hydrologic processes. This study will use data from a variety of observational systems to develop fundamental knowledge about how the hydrosphere and biosphere interact and how this network of interaction may be changing due to anthropogenic impacts and climate change.

John Randolph, Professor, History, *The Singing Coachmen and the Society of the Road in the Early Russian Empire*

This project analyzes the making of Imperial Russian culture (1650-1815) on the basis of a history of the post-horse relay system that held the Empire together. It is based on extensive archival research in Russia.

Bruce Reznick, Professor, Mathematics, *Sums of powers of polynomials*

This proposal will lead to many representations of polynomials as a sum of powers of other polynomials. These representations are useful in many different areas of pure and applied mathematics and can be unusually beautiful to those attuned to mathematical aesthetics.

Kenneth S. Suslick, Professor, Chemistry, *Smell-Seeing: An Optoelectronic Nose*

Professor Suslick has invented a very simple, but extremely powerful, new technology for detection and identification of odors and volatile organic compounds (VOCs); simple in concept, our optoelectronic nose is essentially a multidimensional, digital extension of litmus paper. During the proposed Center for Advanced Study Associate appointment, he intends to pursue biomedical applications of this technology through collaborations at the Stanford University Medical Center Clinical Microbiology Laboratory and at the Respiratory Institute of the Cleveland Clinic.

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

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

The President of the University concurs.

On motion of Mr. Montgomery, seconded by Mr. McMillan, these appointments were approved.

Appoint Fellows to the Center for Advanced Study, Urbana

(13) 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 asterisk denotes faculty members who 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 Interim Vice President/Chancellor at Urbana recommends the following list of Fellows selected for the 2011-12 academic year, and offers a brief description of their projects:

Fatima T. Husain, Assistant Professor, Speech and Hearing Science, *Connectivity of Brain Regions Affected by Hearing Loss and Tinnitus*

Hearing loss is one of the most common conditions affecting older adults and a large percentage of adults with hearing loss develop tinnitus or “ringing in the ears.” Findings from this project will increase our knowledge of the brain regions

affected by tinnitus and hearing loss and may lead to better evaluation of current therapies and development of novel treatment methods.

Daniel Zvi Korman, Assistant Professor, Philosophy, *Strange Kinds and Familiar Kinds*

A variety of intractable philosophical puzzles—turning on such diverse issues as vagueness, identity, causation, and arbitrariness—have led many philosophers to surprising views about the nature and identity of material objects. The goal of this project is to vindicate our ordinary conception of material objects by supplying alternative solutions to the puzzles, by responding to the arguments that have been marshaled in defense of competing conceptions, and by arguing that the ordinary conception should be preferred to these competing conceptions.

Andrew David Bazett Leakey, Assistant Professor, Plant Biology, *Opening the Black Box of Plant Responses to Global Environmental Change with Genomic Tools

This project aims to resolve the mechanism driving increased sensitivity of soybean to drought under future atmospheric carbon dioxide concentrations. The findings will advance fundamental knowledge of plant-environment interactions at the molecular and physiological scales, while also providing a foundation for efforts to develop new soybean varieties whose performance is optimized for future growth conditions.

Benjamin Leonard Lev, Assistant Professor, Physics, *Exploring Exotic Soft Quantum Matter Using Emergent Atom-Light Crystals

Using lasers to cool atoms to within a millionth of a degree above absolute zero and trapping them within an optical resonator, the researcher will generate, detect, and manipulate exotic soft quantum matter, seeking to produce and explore the elusive supersolid, superstripe, and superglass phases of matter.

Adrienne Shiu-Ming Lo, Assistant Professor, Anthropology, *Neoliberal anxieties: Racialization, citizenship, and the construction of the moral self*

This project is a discourse analytic study about how fears about neoliberalism were projected upon the figure of the Asian American immigrant. Based upon fieldwork in a California suburb, it examines representations of Asian Americans as grasping, hypercompetitive, uncaring individuals in the local media and describes how teachers and students at community-based schools responded to these positionings through discourses of moral personhood.

Nadya Mason, Assistant Professor, Physics, *Studies of Novel Electronic States in Hybrid Material Systems*

This project involves experimental studies of novel electronic states in hybrid material systems. In particular, this project will search for the first evidence of unusual “Majorana” states in superconductor-semiconductor-ferromagnetic systems, states which may eventually be useful in creating error-free quantum computers.

Eric Pop, Assistant Professor, Electrical and Computer Engineering, *Energy Dissipation in Electronics (atoms to data centers)*

This Center for Advanced Study project will have dual goals: 1) to complete a study of energy consumed by electronics in our daily lives, from personal devices like cell phones to large data centers; and 2) to begin writing a book titled *Energy Dissipation in Electronics (atoms to data centers)* that will be the first of its kind in its treatment of energy use from fundamental aspects to applications.

Manoj M. Prabhakaran, Assistant Professor, Computer Science, *Theory and Practice of Secure Multi-party Computation

Secure Multi-party Computation is a powerful concept in theoretical cryptography that allows mutually distrusting parties to collaborate. This project develops very efficient Secure Multi-party Computation schemes with theoretically sound security guarantees.

Eleonora Stoppino, Assistant Professor, Spanish/Italian/Portuguese, *Ugly Beasts, Talking Monkeys: Animals in Medieval and Renaissance Culture*

Ugly Beasts, Talking Monkeys is a book-length project that explores the unstable boundaries between humans and animals in literary texts of the European Middle Ages and Early Modernity. Contagion and education are the two defining categories that will be used in this analysis: these texts represent animals either as ugly beasts that spread illnesses or as humanlike creatures who can teach lessons on vices and virtues.

Annie Tremblay, Assistant Professor, French, *Segmenting Speech into Words: What Eye Movements Can Tell Us about Foreign-Language Learning

This project uses eye tracking to investigate how adults go from hearing a continuous flow of sounds to recognizing individual words in a foreign language. It examines how English speakers learn to use different types of linguistic cues in the speech signal to recognize vowel-initial words in French, and it assesses the efficiency of

state-of-the-art word-recognition training in which they learn to use these cues systematically.

Yingxiao Wang, Assistant Professor, Bioengineering, *A High-throughput Screening Approach for the Development of FRET biosensor*

This project will develop a high-throughput screening approach for the development of biosensors and advance our understanding of signaling transduction in live cells and provide tools for disease detection.

Alexander Yong, Assistant Professor, Mathematics, *The Grassmannian

This project examines the Grassmannian, a fundamental object appearing in mathematics, science, and engineering. The Center for Advanced Study appointment will result in a monograph on this topic that would advance both research and training at the University of Illinois and elsewhere.

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

The President of the University concurs.

On motion of Mr. Montgomery, seconded by Mr. McMillan, these appointments were approved.

Sabbatical Leaves of Absence, 2011-2012

(14) The vice presidents/chancellors at the Urbana-Champaign, Chicago, Springfield campuses have recommended that the following members of the faculty be given sabbatical leaves of absence in accordance with the provisions of the University of Illinois *Statutes* and on the terms and for the periods indicated.

The programs of research and study for which leaves are requested have been examined on the respective campuses. The vice president for academic affairs has reviewed the applications for the leaves and recommends approval of 114 leaves for Urbana-Champaign; 50 leaves for Chicago; and 6 leaves for Springfield. (A list of those recommended has been filed with the secretary of the Board for record.)

(For the record and to provide an annual compilation, in 2010-2011, 114 leaves were taken at Urbana-Champaign; 56 leaves were taken at Chicago; and 6 leaves were taken at Springfield.)

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

Rename the Department of Performing Arts,
College of Architecture and the Arts, Chicago

(15) The Vice President/Chancellor at Chicago with the advice of the Chicago Senate and the College of Architecture and the Arts recommends the renaming of the Department of Performing Arts as the Department of Theatre and Music.

The Department of Performing Arts name change to the Department of Theatre and Music reflects more accurately the educational, research, and creative programs within the department. The current name "Performing Arts" was chosen when the department was created in 1994. At that time, the department also housed a dance program, which was later discontinued. The umbrella term of "Performing Arts" has been problematic because it masks the strengths of the department in the areas of theatre

and music. It also evokes an array of connotations (i.e., opera, dance, performance art, moving image) to the campus and the public. These presumptions are misleading and obscure, in search engines, signage, etc., the existence of its degree programs.

The music curricula are distinct from the theatre curricula; neither overlaps. Interdisciplinary productions and activities occasionally occur between the two programs, but no courses are currently shared as requirements or as electives between the disciplines. The new title would do nothing to restrict interdisciplinary work between the two areas. Ultimately, “Theatre and Music” will succinctly bring greater visibility to the actual activities of the department, making the degree offerings more apparent.

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

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

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

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

Rename the Institute of Natural Resource Sustainability,

Office of the Vice Chancellor for Research, Urbana

(16) The Interim Vice President/Chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends approval of a proposal from the Office of the Vice Chancellor for Research to rename the Institute of Natural Resource Sustainability as the Prairie Research Institute.

The proposed name is parallel to similar institutes such as the Great Lakes Research Institute and the Desert Research Institute. The name gives the diverse, collective research activities represented in this institute an appropriate geographical context and is unique within the University but with a connection to the State.

The rationale is varied and broadly supports a change to assure the long term visibility and recognition of the home of the State Scientific Surveys at the University of Illinois. In addition, the new name more accurately reflects the Institute's responsibility for cultural resources as overseen by the Illinois State Archeological Survey.

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

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

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

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

Rename the Clay Hydrology Laboratory (#305), the Shop and Equipment Building (#315), and the Core Storage Building (#1039), Urbana

(17) The Interim Vice President/Chancellor at Urbana recommends approval of the Illinois State Geological Survey (ISGS) request to rename the Clay Hydrology Laboratory (#305) as the ISGS Core Storage Building #2; the Shop and Equipment Building (#315) as the ISGS Core Lab; and the Core Storage Building (#1039) as the ISGS Core Storage Building #1.

These changes are recommended to clarify location of these facilities which recent experience has shown is necessary to enable first responders to serve the facilities in emergencies. The addresses have also been updated on each of these buildings. Further, the Geological Survey would like to formally rename the buildings to better reflect functions and references to the buildings. These changes would provide for accurate identification and minimize confusion for emergency responders or visitors.

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

The President of the University concurs.

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

Tuition Rates, Academic Year 2012

(18) In September 2010, members of the Board of Trustees discussed in detail the University's resource needs for Academic Year 2012 and approved the University's Budget Request for Fiscal Year 2012. The request focused on three major areas: (1) sustaining academic quality; (2) addressing crucial operational needs; and (3) meeting inflationary and other essential cost increases.

While direct appropriations from the State have been in decline for a decade, over the past 24 months State of Illinois cash flows have deteriorated dramatically, with concerns over cash flow emerging as almost as important as appropriation levels, with tuition revenue being a critical part of the University's cash flow efforts. The University continues to reallocate from lower to higher priorities and has accelerated efforts to reduce costs. In November 2009, an Administrative Review and Restructuring Committee was appointed by the Interim President-designate to search for ways to improve service and to lower administrative costs. In early 2010, the University's leadership instituted mid-year spending reductions, enacted mandatory furlough days for faculty and staff, lowered State staffing levels, and took a number of other unprecedented measures to conserve resources.

In considering tuition recommendations for 2012, the University must confront current fiscal realities while at the same time protecting academic quality and access for students. Critical high-priority expenditures include paying for continuing cost increases, increasing financial aid to ensure access for low-income students, and retaining our most productive faculty and staff. At its January 2011 meeting, the Board approved a resolution whereby tuition changes going forward were to be held flat to inflation. Tuition adjustments based on a rate of inflation are meant to preserve the purchasing power of the University.

Following extensive reviews and recommendations from the Provosts and the Vice Presidents/Chancellors at each campus with the concurrence of the Vice President for Academic Affairs and the Vice President/Chief Financial Officer and Comptroller, the President recommends approval of the following tuition charges adjusted based on inflation. The increase in the guaranteed levels for undergraduate students is as follows: \$359 per semester at the Urbana-Champaign campus; \$315 per semester at the Chicago campus; and \$18.75 per credit hour at the Springfield campus. These tuition increases apply to students who will be enrolling for the first time in the general undergraduate degree programs. These rates for new students will not increase for four years to comply with the tuition guarantee legislation, Public Act 93-0228, legislation which ensures that an incoming student will pay a fixed tuition rate for four years. Thus, continuing undergraduate students will be covered by the guaranteed tuition policy and will be subject to tuition charges appropriate for their cohort of matriculation.

The guaranteed tuition program provides predictability and this recommendation amounts to a one-time change for the incoming freshmen class rate of 6.9 percent, or the equivalent of an annual increase of approximately 2.7 percent. The new tuition rates apply to the cohort of undergraduate students who enter in May of 2011 or after.

Concurrent with the recommended tuition increase, as per Board policy, the University will allocate additional funds to need-based student aid. Currently more than one-half of all University of Illinois undergraduate students receive some form of student aid. In addition to meeting other essential costs, a portion of the revenues from the recommended tuition increase will be allocated to need-based grant aid.

The President also recommends tuition increases for several specific programs at the graduate and professional levels. All tuition recommendations are summarized in the attached table.

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.

Tuition Increases Per Semester Undergraduate Students (Residents) ¹

	Urbana-Champaign ^{2,3,4}			Chicago ⁵			Springfield ⁶		
	Fall	Fall	Dollar	Fall	Fall	Dollar	Fall	Fall	Dollar
	2010	2011	Increase	2010	2011	Increase	2010	2011	Increase
Guaranteed Tuition for New Undergraduates *									
College of Engineering	\$7,557	\$7,964	\$407	\$5,601	\$5,988	\$387			
Engineering Related	7,557	7,964	407						
Chem/Life Sciences	7,557	7,964	407						
Fine and Applied Arts	5,943	6,317	374						
Business	7,557	7,964	407						
ACES (ANSC, FSHN, TSM/ABE) ⁷	6,440	6,824	384						
ACES (CPSC, NRES) ⁸	5,817	6,189	372						
ACES (ACE) ⁹	5,943	6,317	374						
Dept. of Journalism	5,557	5,924	367						
Dept. of Advertising	5,557	5,924	367						
Architecture & the Arts				5,767	6,142	375			
Business Administration				5,317	5,632	315			
Nursing				6,485	6,800	315			
Movement Sciences				5,067	5,382	315			
Health Information Mgmt				5,567	5,882	315			
LAS Sciences				5,442	5,757	315			
Human Nutrition				4,882	5,197	315			
"e" Tuition							\$309.25	\$330.50	\$21.25
General Undergraduate	5,193	5,552	359	4,567	4,882	315	270.25	289.00	18.75
Undergraduates Entering FY2008: Tuition guarantee expires and students will move to the "Undergraduates Entering FY2009" rates									
College of Engineering	\$6,116	\$6,697	\$581	\$4,533	\$4,964	\$431			
Engineering Related	6,116	6,697	581						
Chem/Life Sciences	6,116	6,697	581						
Fine and Applied Arts	4,637	5,221	584						
Business	6,116	6,697	581						
ACES (ANSC, FSHN, TSM/ABE) ⁷	5,220	5,716	496						
ACES (CPSC, NRES) ⁸	4,720	5,169	449						
Dept. of Journalism	4,220	4,971	751						
Architecture & the Arts				4,212	4,613	401			
Business Administration				3,986	4,565	579			
Nursing				4,588	5,817	1,229			
Movement Sciences				4,027	4,565	538			
Health Information Management				4,260	4,613	353			
LAS Sciences				4,212	4,565	353			
Human Nutrition				4,027	4,380	353			
"e" Tuition							\$232.00	\$275.00	\$43.00
General Undergraduate	4,220	4,621	401	3,712	4,065	353	212.00	240.50	28.50
Undergraduates Entering in FY2009, FY2010 and FY2011: Tuition Is Unchanged									

Notes:

*Guaranteed tuition rates will also apply to new undergraduate students admitted in Summer 2011.

- Comparable increases are proposed for extramural, GIS, UIC Online, part-time, non-resident and students not eligible for the tuition guarantee, including phase in of rates, consistent with existing policies. Entering international students at UIUC will be assessed an additional \$375 per semester tuition surcharge in all colleges except engineering where the assessment will be \$1,375 per semester. Beginning in Fall 2011, non-degree undergraduate exchange students will be assessed an International Student fee of \$35 per semester.
- College of Education at UIUC: \$762 clinical experience fee for students enrolled in programs leading to P-12 certification. Seniors in the Bachelor of Social Work degree program at UIUC will be assessed an additional \$1,000 internship supervision fee.
- Juniors in the Human Development and Family Studies program in the College of ACES at UIUC will be assessed a \$1,095 practical experience supervision fee.
- Students at UIUC entering Fall 2010 or later will be assessed an additional \$300 per course tuition for a series of courses within the School of Molecular and Cellular Biology (MCB), unless they are already paying differential tuition during the term of course enrollment. These courses are often taken to meet pre-medicine requirements and include MCB 250, MCB 251, MCB 252, MCB 253 and MCB 450.

- 5) Undergraduate E-Tuition rate of \$479 per credit hour at UIC will be assessed to all students admitted to degree and non-degree on-line programs excluding UIC Online.
- 6) Per credit hour charge at UIS. Additional Capital Scholars Honors fee of \$250 per semester for full-time students.
- 7) The College of ACES tuition differential applies to the department of Animal Sciences (ANSC), the department of Food Science and Human Nutrition (FSHN) and the Technical Systems Management program in the department of Agricultural and Biological Engineering (TSM/ABE).
- 8) The College of ACES tuition differential applies to the department of Crop Sciences (CPSC) and the department of Natural Resources and Environmental Sciences (NRES).
- 9) The College of ACES tuition differential applies to the department of Agriculture and Consumer Economics (ACE).
- 10) This section of rates is for informational purposes only. Rates were previously approved by the Board of Trustees in compliance with Public Act 93-0228.

Tuition Increases Per Semester Graduate Students (Residents) ¹

	Urbana-Champaign ^{2,3}			Chicago ⁴			Springfield ⁵		
	Fall	Fall	Dollar	Fall	Fall	Dollar	Fall	Fall	Dollar
	2010	2011	Increase	2010	2011	Increase	2010	2011	Increase
Post-Bac Certificate in Accountancy⁶	\$6,000	\$6,000	\$0						
Graduate									
College of Engineering	7,466	7,866	400	\$5,897	\$6,232	\$335			
Engineering Related	7,466	7,866	400						
Chem/Life Sciences	6,854	7,241	387						
Fine and Applied Arts	5,627	5,990	363						
Library and Information Science	6,109	6,481	372						
Business	5,927	6,296	369						
Master of Accounting Science (MAS)	10,500	11,000	500						
MS in Accountancy - Tax	10,500	11,000	500						
Masters HRIR	8,350	8,875	525						
Dept. of Journalism	5,466	5,826	360						
Dept. of Advertising	5,466	5,826	360						
MBA ⁶	8,750	9,988	1,238						
Master of Social Work	5,615	5,978	363						
MS in Financial Engineering ⁶	13,333	15,000	1,667						
Grad. Degree Prgrms with a concentration in Professional Science Masters ⁷	6,000	6,650	650						
Master of Laws (LLM)	22,500	22,500	0						
Master of Studies in Law (MSL) ⁸	12,500	22,500	10,000						
Doctor of Science of Law (JSD)		22,500							
Nursing				8,723	9,058	335			
Biomedical Visualization				8,109	8,669	560			
Business Admin - Liautaud Grad. School of Business Programs				8,957	9,292	335			
Architecture & the Arts - Arch, Art & Design				7,047	7,491	444			
Architecture & the Arts - Art History				6,500	6,917	417			
MS in Architecture in Health Design				8,857	9,192	335			
MA in Arch Design Criticism				6,857	7,292	435			
MA in Museum & Exhibition Studies				7,595	8,066	471			
MS Medical Biotechnology				8,306	8,641	335			
MS and OTD in Occupational Therapy				6,757	7,244	487			
Graduate Public Health (all students)				6,581	7,002	421			
Master of Health Care Administration				9,478	10,044	566			
Master/PhD Public Administration				6,857	7,192	335			
Master/PhD Urban Planning & Policy				7,357	7,692	335			
Master/PhD Social Work				5,240	5,575	335			
Master of Energy Engineering				8,025	8,360	335			
LAS Grad Sciences				5,732	6,067	335			
Off-Campus MBA							\$562.25	\$570.75	\$8.50
"e" Tuition							312.50	322.00	9.50
General Graduate	5,102	5,454	352	4,857	5,192	335	282.25	290.75	8.50

Notes:

- 1) Comparable increases for extramural, UIC Online, part-time and non-resident students are proposed, including phase in of rates, consistent with existing policies. Beginning in Fall 2011, international graduate students at UIUC will be assessed an International Student fee of \$35 per semester.
- 2) College of Education at UIUC: \$762 clinical experience fee for students enrolled in programs leading to P-12 certification.
- 3) Students in Food Science and Human Nutrition (FSHN) in the college of ACES enrolled in the Graduate Dietetic Internship will be assessed an additional Practical Experience Fee of \$1,000 per semester when enrolling in FSHN 590 and FSHN 591.
- 4) Graduate E-Tuition rate of \$740 per credit hour at UIC will be assessed to all students admitted to degree and non-degree on-line programs excluding UIC Online.
- 5) Per credit hour charge at UIS.
- 6) Post Bac Certificate Program in Accountancy students are also assessed an additional \$1,000 per semester for program fees. Master of Science in Financial Engineering (MSFE) rate applies to entering students. MSFE are also assessed an additional \$2,000 per semester for program fees. Continuing MSFE students will be assessed at FY11 tuition and program fee rates for Fall 2011.
- 7) Professional Science Masters (PSM) students are also assessed an additional \$1,200 per semester for program fees, excluding summer term. PSM students also are required to enroll in a zero credit internship course at a tuition rate of \$1,050 for residents. Should a student enroll in credit bearing summer courses, the tuition charged for those credits will be in addition to the tuition required for the internship course.
- 8) Master of Studies in Law (MSL) initial tuition rate approved in June 2009 (for Fall 2009) as a placeholder while research was being conducted on the market for such programs. No students were enrolled in the program in FY 2010 or FY 2011. The tuition rate for Fall 2011 has been set based on the results of the market analysis and is competitive with similar programs at other institutions.

University of Illinois
Tuition Increases Per Semester
Professional Students (Residents) ¹

	Urbana-Champaign			Chicago		
	Fall	Fall	Dollar	Fall	Fall	Dollar
	2010	2011	Increase	2010	2011	Increase
Professional						
Veterinary Medicine ²	\$10,870	\$11,370	\$500			
Law (entered prior to Summer 2007) ³	11,696	11,930	234			
Law (entered Summer 2007) ³	12,922	13,181	259			
Law (entering Summer 2008) ³	14,840	15,137	297			
Law (entering Summer 2009) ³	16,500	16,830	330			
Law (entering Summer 2010) ³	16,500	16,830	330			
Law (entering Summer 2011) ³		17,500				
Doctor of Audiology ⁴	5,102	5,454	352			
Doctor of Physical Therapy				\$6,843	\$7,185	\$342
Dentistry - DDS ⁵				14,568	15,879	1,311
Dentistry - Adv Certificate Programs ⁶				8,952	10,206	1,254
Dentistry - DDS International Dentist Program ^{5,7}				29,000	29,580	580
Medicine				16,020	16,500	480
Pharm-D				10,217	10,881	664

Notes:

- 1) Comparable increases for extramural, part-time and non-resident students are proposed, including phase in of rates, consistent with existing policies. Beginning in Fall 2011, international professional students at UIUC will be assessed an International Student fee of \$35 per semester.
- 2) All Veterinary Medicine students will be assessed a \$100 per semester activity fee.
- 3) Includes graduate programs in the College of Law, except the JSD, LLM and MSL programs separately listed in the graduate tuition table.
- 4) Doctor of Audiology was reclassified to a professional program in 2010.
- 5) DDS students will be assessed an additional Clinic Infrastructure Assessment of \$10,360 for new students. Existing students would continue to pay their current DDS fee assessment.
- 6) Advanced Certificate Programs in Endo, Ortho, Peri and Prosthodontics. One year program which includes Fall, Spring and Summer sessions. The summer rate will be assessed at approximately 67% of the Fall/Spring semester rate.
- 7) The DDS International Dentist Program is a one year program which includes a Fall, Spring and Summer session. The summer rate will be assessed at approximately 67% of the Fall/Spring semester rate.

On motion of Mr. Montgomery, seconded by Mr. McMillan, these recommendations were approved.

Approve Tuition and Fee Increases, Cost Recovery,
Off-Campus, and Aviation Programs, Fiscal Year 2012

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(19) 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 2012, the following actions are proposed for Cost Recovery Programs:

PROPOSED ANNUAL TUITION AND FEES FY 2012			
<u>EXECUTIVE MBA PROGRAM*</u>			
	<u>FY 2011</u>	<u>Proposed FY 2012</u>	<u>FY 2012 Increase</u>
Tuition	\$54,500	\$55,500	
Program	35,000	38,500	
Fees			
TOTAL	<u>\$89,500</u>	<u>\$94,000</u>	<u>\$4,500</u>
*Program cost for five-term program			
<u>MASTER OF SCIENCE IN FINANCE</u>			
	<u>FY 2011</u>	<u>Proposed FY 2012</u>	<u>FY 2012 Increase</u>
Tuition	\$36,975	\$38,269	
Program	4,500	4,500	
Fees			
TOTAL	<u>\$41,475</u>	<u>\$42,769</u>	<u>\$1,294</u>

<u>MASTER OF SCIENCE IN TECHNOLOGY MANAGEMENT</u>			
	<u>FY 2011</u>	<u>Proposed FY 2012</u>	<u>FY 2012 Increase</u>
Tuition	\$32,700	\$33,350	
Program Fees	6,150	6,650	
TOTAL	\$38,850	\$40,000	\$1,150
<u>MASTER OF SCIENCE IN POLICY ECONOMICS*</u>			
	<u>FY 2011</u>	<u>Proposed FY 2012</u>	<u>FY 2012 Increase</u>
Tuition	\$25,800	\$27,000	
Program Fees	8,400	8,500	
TOTAL	\$34,200	\$35,500	\$1,300
*Total program cost includes Fall, Spring, and Summer terms.			
<u>MASTER OF SCIENCE IN ACCOUNTANCY</u>			
	<u>FY 2011</u>	<u>Proposed FY 2012</u>	<u>FY 2012 Increase</u>
Tuition	\$32,750	\$33,000	
Program Fees	5,000	5,000	
TOTAL	\$37,750	\$38,000	\$250
<u>MASTER OF SCIENCE IN TAXATION (Chicago)</u> (UIUC in Chicago)			
	<u>FY 2011</u>	<u>Proposed FY 2012</u>	<u>FY 2012 Increase</u>
Tuition	\$30,000	\$30,000	
Program Fees	5,000	5,500	
TOTAL	\$35,000	\$35,500	\$500

The **Executive MBA Program** is a five-semester program including one summer. Thus the tuition increase recommended for FY 2012 will affect only the

students in the entering class of 2012. Total tuition revenue available for FY 2012 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 2012 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 Fiscal Year 2012, current rates have been adjusted for materials, labor, insurance, fuel prices, and flight time.

Aviation course charges proposed for FY 2012 are specified below:

Course	FY 2011	Proposed FY 2012	FY 2012 Increase
Avi 090	\$3,420	\$3,553	\$133
Avi 101	4,036	4,191	155
Avi 120	5,214	5,416	202
Avi 121	2,510	2,606	96
Avi 130	4,692	4,876	184
Avi 140	4,966	5,160	194
Avi 200	6,741	6,996	255
Avi 210	6,692	6,944	252
Avi 320	4,256	4,418	162
Avi 322	2,291	2,379	88
Avi 324	3,517	3,656	139
Avi 380	5,420	5,632	212
Avi 381	1,305	1,358	53
Avi 391	4,573	4,751	178
Avi 392	8,065	8,377	312
Avi 393	1,058	1,101	43

These changes have been reviewed and are recommended for approval by the Vice Presidents/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 Mr. Montgomery, seconded by Mr. McMillan, these recommendations were approved.

Approve Student Health Insurance Fees for Urbana, Chicago, and
Springfield Campuses, Fiscal Year 2012

(20) The Vice Presidents/Chancellors at Urbana, Chicago, and Springfield recommend approval of student health insurance fees for Fiscal Year 2012. 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.

In 2005, the Urbana campus issued a RFP for student health insurance selecting Student Resources, through the insurance carrier Mega Life as the plan provider. During 2007, Student Resources/Mega was purchased by United Healthcare. The United Healthcare Student Resources program at Urbana provides basic coverage for undergraduate students and expanded benefits for graduate students. For Fiscal Year 2012 there will be a six percent increase in insurance costs for the graduate and undergraduate plans. Renewal options exist through 2015.

Beginning in 2004, the Chicago campus proposed and initiated a self-funded student health benefit plan, *CampusCare*, to help increase student health benefits and contain costs. All medical care is provided at the University of Illinois Medical Center and/or approved regional facilities; severe life threatening emergencies are also covered when necessary at other medical facilities. All enrolled students are eligible for

the same benefit package. The University of Illinois at Chicago Physician Group focuses on wellness and improvement of management of chronic diseases. For Fiscal Year 2012 there will be another zero percent increase as has been the case the previous three years. This is a feat unheard of in the insurance industry. Working with the University of Illinois Physician Group, *CampusCare* has developed and followed proven and accepted quality care protocols, and achieved optimal and cost effective outcomes for the Chicago student population.

Beginning Fiscal Year 2008, Springfield campus leaders determined their changing mix of students required not only a competitively priced program, but also enhanced coverages in order to better align the Springfield campus with the Urbana and Chicago student health insurance plans. Higher than expected utilization as well as medical inflation necessitates a three percent increase for Fiscal Year 2012.

The recommended student health insurance fees are as follows:

LOCATION	PROPOSED PREMIUM, FALL 2011	PERCENT INCREASE
<i>Urbana</i>	Undergraduate--\$219	6%
	Graduate--\$310	6%
<i>Chicago</i>	All students--\$401	0%
<i>Springfield</i>	All students--\$284	3%

The rates displayed are for the typical undergraduate and graduate student. Rates may vary for summer session, family dependent coverage, etc. Students needing coverage for their spouse and dependents voluntarily pay a separate charge.

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

The Vice President/Chief Financial Officer and Comptroller concurs in these recommendations.

The President of the University recommends approval.

On motion of Mr. Montgomery, seconded by Mr. McMillan, these recommendations were approved.

Approve Academic Facilities Maintenance Fund Assessment and Library Information Technology Fee for Urbana, Chicago, and Springfield Campuses, Fiscal Year 2012

(21) To ensure full consultation with student groups, the Board deferred acting on recommended rates for the student Academic Facilities Maintenance Fund Assessment (AFMFA) and Library Information Technology Fee levels for Fiscal Year 2012. The Academic Facilities Maintenance Fund Assessment is used for facility renovation projects at the campus generating the fee. As per Board policy, the AFMFA increases 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 construction index.

The Library Information Technology Fee at the campuses provides funding for a transition towards electronic media, digitalization, increase in library hours,

improvements in information technology services, creates and improves tools for online learning/research, and to enhance access to both electronic and print material collections. Student groups are involved in the level and use of the funds.

The Vice Presidents/Chancellors at the campuses have proposed the following rates:

SUMMARY OF FISCAL YEAR 2012 SEMESTER STUDENT FEES

		Proposed	Percent
<u>Urbana-Champaign</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>Increase</u>
Aca. Fac. Maint. Assessment	293	300	
Library/IT Assessment*	<u>244</u>	<u>244</u>	
Total Per Semester	537	544	1.3%
* The Law Library/IT fee will be \$274.			
 <u>Chicago</u>			
Aca. Fac. Maint. Assessment	293	300	
Library/IT Assessment	<u>200</u>	<u>200</u>	
Total Per Semester	493	500	1.4%
 <u>Springfield</u>			
Aca. Fac. Maint. Assessment*	146.3	150.0	
Library/IT Assessment**	<u>82.5</u>	<u>82.5</u>	
Total Per Semester	228.8	232.5	1.6%
*Academic Facility Maintenance Assessment is a \$10.00 per credit hour assessment.			
**Library/IT is a \$5.50 per credit hour assessment.			

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

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

The Vice President/Chief Financial Officer and Comptroller concurs with the levels proposed.

The President of the University recommends approval.

On motion of Mr. Montgomery, seconded by Mr. McMillan, these recommendations were approved.

Approve Development Agreement for the
University of Illinois Research Park

(22) Brief History of Research Park

In January 2000, the Board of Trustees authorized the formation of the University of Illinois Research Park, LLC (UIRP), a limited liability company, to assist the University in developing and operating the Research Park with the goal of fostering new start-up companies to bring innovative research to the marketplace, retain top University talent, attract research units of major corporations, create jobs, and spur economic development. The Board of Trustees of the University of Illinois is the sole member of the UIRP. A Services and Management Agreement was entered into between the University and the UIRP to define the responsibilities of the UIRP for operation of the Research Park and the incubator (EnterpriseWorks). Among other things, the Services and Management Agreement authorized the UIRP to enter into a development agreement with a developer and to establish a declaration of covenants for the Research

Park in Champaign. A ten-year development agreement was entered into with Fox/Atkins Development, LLC on May 3, 2000.

The Research Park is located on the west and east sides of First Street between St. Mary's Road and Windsor Road. As land was developed in the Research Park, the University leased to the UIRP tracts of University land which in turn was subleased by the UIRP to the Developer. These ground leases are typically for a term of 50 years with one 25-year renewal option. The Developer constructed buildings on these tracts which it leases to tenants. Upon termination of the ground leases, ownership of these buildings will revert to the University. The first building was opened in the Research Park in January 2001. Currently, there are 90 companies housed in ten buildings in the Research Park. Tenants include start-up companies and research units of large companies. Presently, there are approximately 1,381 employees in the Research Park. Many companies have research relationships with the University through its faculty and students. Students gain experience and job opportunities while a number of start-up companies graduate from the EnterpriseWorks incubator and remain in the Research Park. The original development agreement expired on May 3, 2010.

Selection Process for Next Developer

The process for selecting the developer of the Research Park started in June 2009 with the publication of a Request for Information (RFI). From that RFI, the UIRP received 16 information requests and three submittals from potential developers. The UIRP and the University subsequently engaged in outreach efforts in an attempt to attract interest from additional developers. In September 2009, a Request for Proposal (RFP)

was jointly published by the UIRP and the University. In November 2009, the UIRP and the University received 34 information requests and three proposals as a result of the RFP publication. A technical evaluation committee was established in January 2010, to review the proposals. The committee was chaired by the Senior Associate Vice President for Capital Programs and Real Estate Services. In February 2010, the technical evaluation committee recommended two finalists. The Board of Managers of UIRP conducted interviews of the two finalists in March 2010. In June 2010, the UIRP posed additional questions to the two finalists. After consideration of the terms of the respective proposals at its meeting in October 2010, the Board of Managers of the UIRP selected Fox/Atkins Development, LLC (Fox/Atkins) as the preferred Developer. The UIRP Director subsequently engaged in discussions with Fox/Atkins to arrive at mutually agreeable key terms and conditions of a new development agreement, subject to subsequent approval by the UIRP Board of Managers and the University Board of Trustees. On February 7, 2011, the UIRP Board of Managers approved recommending to the Board of Trustees of the University of Illinois a proposed development agreement between the UIRP and Fox/Atkins.

Proposed Development Agreement – Key Terms and Conditions

The proposed development agreement recommended to the Board of Trustees would be in force for ten years. As Developer, Fox/Atkins will be able to lease individual parcels of land from the UIRP for development in the project area. The key terms and conditions of the proposed development agreement between UIRP and Fox/Atkins are attached in the document titled “Summary of Proposed Terms of

Development Agreement between University of Illinois Research Park, LLC and Fox/Atkins Development, LLC.” (A copy of the document is filed with the secretary of the Board for record.)

Recommended Action

The Interim Vice President for Research recommends the Board of Trustees of the University of Illinois approve the proposed development agreement between the University of Illinois Research Park, LLC and Fox/Atkins Development.

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

The President of the University concurs.

On motion of Mr. Montgomery, seconded by Mr. McMillan, 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. 23 through 32 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Auxiliary Facilities System Revenue Bonds, Series 2011A

(23) At its May 21, 2009, meeting, the Board approved the project for Stanley O. Ikenberry Commons--Residence Hall No. 2, Phase E, and Forbes Hall Demolition, Phase G, Urbana. The funding source for the project was restricted funds operating budget with anticipated reimbursement from the proceeds of a subsequent sale of Auxiliary Facilities System revenue bonds. The Vice President/Chief Financial Officer and Comptroller now recommends approving the actions leading to the issuance of Auxiliary Facilities System Revenue Bonds, Series 2011A (the "Series 2011A Bonds") to fund approximately \$78.0 million of project costs, to pay costs of issuance and fund capitalized interest. He further recommends that both traditional and synthetic structures be considered. The structure chosen will be within the parameters contained in the Board's Debt Policy adopted in March 2004.

There are several series of outstanding Auxiliary Facilities System (AFS) bonds that are currently eligible for refunding, including all or portions of the AFS Series 2001B and AFS Series 2001C (Taxable) bonds. The selective refunding of these bonds could produce present value savings. It may be advantageous to supplement the new project issue by an amount required to accomplish such refunding. It is recommended that the Board approve the issuance of additional bonds for such purpose if the refunding savings reach at least three percent of the principal amount of the callable bonds refunded and the Comptroller deems such refunding to be economically beneficial following consultation with the financial advisor and managing underwriter. The amount of bonds that are so refunded would be approximately \$21.0 million under current market conditions.

Accordingly, in order to proceed with the preparation of documents and to take other actions needed prior to the issuance of the Series 2011A Bonds, the Vice President/Chief Financial Officer and Comptroller and the University Counsel recommend that the Board take the following actions:

1. Retain Pugh, Jones, Johnson & Quandt, P.C., 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. Retain Barclays Capital, Inc., 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 the bonds.
4. Retain Perkins Coie LLP, to serve as special issuer's counsel and as swap counsel to the University, to the extent required.
5. Retain The Bank of New York Mellon Trust Company, N.A., to serve as bond registrar and trustee.
6. Retain Grant Thornton LLP, to serve as verification agent, to the extent required.
7. Prepare the Preliminary Official Statement and/or the 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 bonds.
11. Prepare the Bond Purchase Agreement.
12. Prepare additional documents including the Supplemental Bond Resolution, the Continuing Disclosure Agreement (if needed) and any related documents.
13. Prepare, to the extent required, standard ISDA agreements including the Master Agreement, Schedule, Credit Support Annex and Confirmation, and any related documents.

The recommended firms are on the approved list of providers maintained by the University. The managing underwriter also will be instructed to select its counsel from the University's approved list. Prior to the sale and delivery of the Series 2011A 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.

Funding will be available from the proceeds of the Series 2011A Bonds.

The President of the University concurs.

On motion of Mr. Olivier, seconded by Mr. Soso, these recommendations were approved by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso; no, none; absent, Governor Quinn, Ms. Strobel.

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

Approve Project for Exterior Repairs, Davenport Hall, Urbana

(24) This project will address multiple deficiencies associated with the exterior of Davenport Hall, including replacement of windows and masonry restoration. Various components of the project include re-pointing the exterior envelope to increase building performance, installing new windows with aluminum clad wood with thermally sealed double pane glazing, replacing deteriorated gutters and downspouts, as well as various types of roofing replacement. Overall, this project will have an impact on building integrity and appearance while increasing energy efficiency. The \$5.0 million proposed building repair will have high visibility as it will affect the exterior appearance of Davenport Hall, a prominent structure on the Quad. Repairing the water damaged areas in many of the rooms will also be a great improvement for building users.

Accordingly, the Vice President/Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the Exterior Repair project for Davenport Hall be approved with a budget of \$5.0 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 Academic Facilities Maintenance Fund Assessment.

The President of the University concurs.

On motion of Mr. Olivier, seconded by Mr. Soso, this recommendation was approved by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso; no, none; absent, Governor Quinn, Ms. Strobel.

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

Approve Project for Infrastructure Repairs,
Smith Memorial Hall, Urbana

(25) Smith Memorial Hall was completed in 1921. This was the first building on campus funded by a private donor, Captain Thomas J. Smith, a trustee of the University. With 76,307 gross square feet, it is the thirteenth most frequently used building in terms of student contact hours per week. The building is officially listed on the National Register of Historic Places.

This project will repair the building's exterior envelope by replacing the existing roof over the main recital hall, tuck point prioritized walls, and replace all of its 189 windows with new aluminum clad wood with thermally sealed double pane glazing. It will also replace practice room ventilation systems to maintain critical environmental

requirements to prevent further damage to musical instruments and interior spaces. This, as well as new lighting upgrades and other related miscellaneous repair items, will result in substantial energy savings.

Accordingly, the Vice President/Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the Smith Memorial Hall Infrastructure Repairs project be approved with a budget of \$5.0 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 the Academic Facilities Maintenance Fund Assessment.

The President of the University concurs.

On motion of Mr. Olivier, seconded by Mr. Soso, this recommendation was approved by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso; no, none; absent, Governor Quinn, Ms. Strobel.

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

Approve Project for Electrical and Mechanical Upgrade and Renovation,
College of Pharmacy Building, Chicago

(26) This project will update substantially outdated primary building electrical service and secondary distribution wiring. The primary building chilled water pump will be upgraded and the air handling systems for the east wing of the facility will also be replaced. The building infrastructure has reached its expected lifespan and systems have been expanded beyond capacity. Laboratories on the third, fourth, and fifth floors will be upgraded to current standards.

Accordingly, the Vice President/Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the College of Pharmacy Building Electrical and Mechanical Upgrade and Renovation project be approved with a budget of \$10.0 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 the Academic Facilities Maintenance Fund Assessment and the institutional funds operating budget of the Chicago campus.

The President of the University concurs.

On motion of Mr. Olivier, seconded by Mr. Soso, this recommendation was approved by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso; no, none; absent, Governor Quinn, Ms. Strobel.

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

Approve Project for Utilities Master Plan, Chicago

(27) The University of Illinois at Chicago seeks the development of a Utilities Master Plan. The Utilities Master Plan is intended to provide a comprehensive plan regarding short and long term projects to resolve utility asset configuration, operation, and management. The plan will provide a recommendation for the optimal level of service to be provided by campus utility assets, a condition assessment of existing utility assets, and a detailed capital plan. In addition, the plan will offer recommendations of best practices regarding the management, operation, and maintenance of utility assets and associated programs, as well as, provide specific recommendations for achieving energy efficiency and energy reduction goals.

The Utilities Master Plan will identify and document immediate shortfalls that require remediation in order to enhance safety, reliability, and energy efficiency and insure compliance with regulatory requirements. The Utilities Master Plan will include the preparation of bid documents required to correct these immediate shortfalls. Specific projects might include the replacement of decommissioned boilers with dual-fuel boilers in order to meet Illinois Department of Public Health requirements or the addition of chillers to provide adequate cooling capacity and safe building environments.

An objective of this project is to initiate immediate improvements to the utility assets. It will also ensure service to the campus, in compliance with all federal,

State, and local regulatory requirements, and in an efficient manner that allows for the implementation of significant energy reduction measures.

Accordingly, the Vice President/Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the Utilities Master Plan project be approved with a budget of \$15.0 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 the institutional funds operating budget of the Chicago campus.

The President of the University concurs.

On motion of Mr. Olivier, seconded by Mr. Soso, this recommendation was approved by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso; no, none; absent, Governor Quinn, Ms. Strobel.

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

Award Contracts for Stanley O. Ikenberry Commons – Residence Hall No. 2, Phase E, and Forbes Hall Demolition, Phase G, Urbana

(28) In May 2009, the Board approved the Stanley O. Ikenberry Commons - Residence Hall No. 2, Phase E, and Forbes Hall Demolition, Phase G project with a

budget of \$78.1 million. This new LEED Silver building would offer approximately 450 suites or semi-suites configured rooms. In addition to student living spaces, floor lounges, public meeting spaces, professional staff apartments, laundry, mailroom facilities with appropriate storage, and staff offices would also be provided. Once the new Residence Hall No. 2 is complete, Forbes Hall will be demolished which will allow for continued development of Stanley O. Ikenberry Commons. The \$78.1 million proposed project will provide approximately 180,000 gross square feet (\$296 construction cost per gross square foot) of residence hall.

Bids for the construction work have been solicited and in order for the project to proceed, the Vice President/Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the following contracts³ be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the awards are to the lowest responsible bidder for each division on the basis of its base bid:

Division 1–General Work

Williams Brothers Construction, Inc., Peoria, IL	Base Bid	\$9,670,000
TOTAL		\$9,670,000

Division 2–Plumbing Work

Davis-Houk Mechanical Contracting, Inc., Urbana, IL	Base Bid	\$2,541,811
TOTAL		\$2,541,811

³Contracts for other divisions were awarded that are within the delegated approval levels: Division 4–Ventilation Work, Industrial Services of Illinois, Inc., Mattoon, IL, \$1,700,000; Division 6–Sprinkler Work, Automatic Fire Sprinkler, LLC, Normal, IL, \$468,420; Division 16–Demolition Work, American Demolition Corporation, Elgin, IL, \$543,550; Division 34–Utilities Site Work, A&R Services, Urbana, IL, \$504,000.

Division 3–Heating Work

A&R Mechanical, Urbana, IL	Base Bid	\$4,600,000
TOTAL		\$4,600,000

Division 5–Electrical Work

Glesco Electric, Inc., Urbana, IL	Base Bid	\$6,330,030
TOTAL		\$6,330,030

Division 15–Concrete Work

Poettker Construction Company, Breese, IL	Base Bid	\$7,245,000
TOTAL		\$7,245,000

Division 17–Drywall Work

Williams Brothers Construction, Inc., Peoria, IL	Base Bid	\$5,575,000
TOTAL		\$5,575,000

Division 23–Masonry Work

Otto Baum Company, Morton, IL	Base Bid	\$3,494,000
TOTAL		\$3,494,000

Division 35–Window/Entrances Work

Williams Brothers Construction, Inc., Peoria, IL	Base Bid	\$2,700,000
TOTAL		\$2,700,000

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 the project are available from the operating budget of the Urbana Housing Division with anticipated reimbursement from the proceeds of a future sale of auxiliary facilities system revenue bonds.

The President of the University concurs.

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

On motion of Mr. Olivier, seconded by Mr. Soso, these contracts were awarded by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso; no, none; absent, Governor Quinn, Ms. Strobel.

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

Employ Architect/Engineer for Exterior Repairs and Ground Floor Room Renovations,
Education Building, Urbana
(Capital Development Board Project)

(29) Funding for the exterior repairs and ground floor room renovations project for the Education Building was approved as part of the Fiscal Year 2010 State Capital Budget Request. This project will focus on a renovation of the plaza deck on the east side of the Education Building. Other work will include restoration of masonry screen walls, replacement of the west accessible entrance door, and lighting/finish upgrades to selected ground level classrooms. As budget will allow, this project may include modifications to the existing building fire alarm system and the installation of digital signage devices. The Capital Development Board has released \$1,200,400 for the planning, design, and construction work for this project.

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

architect/engineer for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).⁴

Accordingly, the Interim Vice President/Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the Board of Trustees request the Capital Development Board to employ Bailey Edward Architecture, Champaign, IL, for the professional services required for this project. The professional fees for the firm employed will be negotiated by the Capital Development Board in accordance with its procedures.

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 the project are available from the institutional funds operating budget and funds appropriated to the Capital Development Board.

The President of the University concurs.

On motion of Mr. Olivier, seconded by Mr. Soso, this recommendation was approved by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes,

⁴A selection committee consisting of Ted Christy (Facilities and Services), Donna McClure (Facilities and Services), Tim Patrick (Illinois Capital Development Board), and Joan Tousey (Associate Dean, Education) interviewed the following firms (listed in ranking order): Bailey Edward Architecture, Champaign, IL; 4240 Architecture, Chicago, IL; Farnsworth Group, Champaign, IL; and Carl Walker, Lombard, IL. The committee recommends Bailey Edward Architecture, Champaign, IL, as best meeting the criteria for the project.

Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso; no, none; absent, Governor Quinn, Ms. Strobel.

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

Approve Lease of Space, National Center for Supercomputing Applications, Urbana

(30) The Interim Vice President/Chancellor at Urbana recommends, subject to the availability of funds and satisfactory resolution of final lease terms, that the Vice President/Chief Financial Officer and Comptroller be authorized to renew and extend the lease of office space for the National Center for Supercomputing Applications (NCSA) in the Ballston Metro Center Building, 901 North Stuart Street, Arlington, Virginia, for the period September 1, 2011, through August 31, 2014. The subject building and space is located directly adjacent to the National Science Foundation (NSF) headquarters. The lease is needed to support NCSA and its major NSF awards, Leadership-Class System Acquisition - Creating a Petascale Computing Environment for Science and Engineering (Blue Waters), and the TeraGrid, as well as other NCSA activities including international collaborations, other federal grants, and privately funded projects.

The University's leased space consists of approximately 8,154 rentable square feet of office, demonstration, and meeting space. The renewal/extension term is for three years at an annual full service base rental of \$313,929 (\$38.50 per sq. ft.), escalating annually at three percent. The University will also reimburse the landlord for a proportionate share of real estate taxes and operating expenses that exceed the 2011 base

levels. The rental costs are competitive with the cost of comparable rental space in the Ballston submarket area.

Funds for Fiscal Year 2012 will be made available from the Institutional Funds Operating Budget of the National Center for Supercomputing Applications at Urbana. For future fiscal years, funds for the agreement will be in the National Center for Supercomputing Applications Institutional Funds Operating Budget request.

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

The Vice President/Chief Financial Officer and Comptroller concurs.

The President of the University recommends approval.

On motion of Mr. Olivier, seconded by Mr. Soso, this recommendation was approved by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso; no, none; absent, Governor Quinn, Ms. Strobel.

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

Approve Lease of Space, 1817 South Neil Street, Champaign, Illinois, for
University Administration

(31) The President of the University with concurrence of the appropriate University officers recommends, subject to the availability of funds and the resolution of

final lease terms satisfactory to the University, that the Vice President/Chief Financial Officer and Comptroller be authorized to execute a lease of approximately 22,000 square feet of office space on the second floor of the building located at 1817 South Neil Street, Champaign, Illinois, for the period of July 1, 2011, through June 30, 2016. The landlord is Illini Plaza LLC and the property is managed by Ramshaw Real Estate. The leased space would accommodate the Purchasing, Account Payables, and Strategic Procurement departments. The proposed lease space is more than 10,000 square feet and the annual rent is more than \$100,000, consequently, the lease necessitated the publication of a Request for Information (RFI) and review of market opportunities pursuant to the Illinois Procurement Code. A RFI was published on September 14, 2010; and three landlords responded. A selection committee evaluated the three responses. The proposed location at 1817 South Neil Street, Champaign, represents the lowest cost and the most suitable space for the three departments at a considerable savings compared to the present lease.

The term of the proposed lease is five years, with an option to renew for an additional five-year period. Annual base rental costs will start at \$13.76 per square foot, escalating by \$.30 per square foot annually on July 1 of each year. The annual first year base cost is \$302,720. The lease rate is full service and includes rubbish removal, common area maintenance, free parking, and insurance costs. The University will be responsible for its own electrical, telephone, and internet charges.

Funds for Fiscal Year 2012 will be made available from the Institutional Funds Operating Budget of the University Administration. For future fiscal years, funds

for the lease agreement will be included in the University Administration's Institutional Funds Operating Budget authorization 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.

On motion of Mr. Olivier, seconded by Mr. Soso, this recommendation was approved by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso; no, none; absent, Governor Quinn, Ms. Strobel.

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

Purchase and Renewal Recommendations

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

These were presented in one category--purchases and renewals 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 renewals were:

From Institutional Funds

Purchases	\$59,000,000
Renewals.....	1,710,000

A complete list of the purchases and renewals 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. Olivier, seconded by Mr. Soso, the purchases and renewals recommended were authorized by the following vote: Aye, Mr. Estrada, Ms. Hasara, Ms. Holmes, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Mr. Soso, Ms. Strobel; no, none; absent, Governor Quinn, Ms. Strobel.

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

President's Report on Actions of the Senates

(33) The president presented the following report:

Revise the Requirements for the Bachelor of Landscape Architecture, College of Fine and Applied Arts, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Fine and Applied Arts to revise the requirements for the Bachelor of Landscape Architecture.

The revision is prompted by the lack of one-year professional internships resulting from current economic conditions. A four-year program (plus a minimum one-semester summer internship) for the Bachelor's degree in Landscape Architecture

adequately prepares students for professional practice while allowing maximum flexibility. Credit hours required for the degree will decrease from 152 to 124.

Establish the Graduate Certificate in Human Resource Management,
College of Business and Management, Springfield

The Springfield Senate with the recommendation of the College of Business and Management has approved the establishment of a Graduate Certificate in Human Resource Management.

The purpose of the Graduate Certificate in Human Resource Management is to equip students with the knowledge and background for the human resource management strategic roles of the future. Students will study the body of human resource management knowledge including staffing, training and development, total compensation, employee relations, and labor relations. This 12 hour certificate can be completed as a stand-alone certificate, as an entry to the Master of Business Administration (MBA), or can be completed as a component of the MBA. The certificate will be offered on-ground with plans to expand the certificate to online delivery as additional resources become available.

This report was received for record.

University of Illinois Investment Inventory Report,
December 31, 2010

(34) The comptroller presented this report as of December 31, 2010. 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, 2010

(35) The comptroller presented this report as of December 31, 2010. A copy has been filed with the secretary of the Board.

This report was received for record.

Reports Concerning Participation of Minority and Female Business Enterprises (MAFBE) to the Board of Trustees of the University of Illinois

(36) These reports respond to the Board of Trustees' request for periodic information on MAFBE expenditures. The reports list the number of MAFBE vendors in total and by category and expenditures by category for the period July 1, 2010, through December 31, 2010. Copies have been filed with the secretary of the Board.

These reports were received for record.

Report on Safety Program,
University of Illinois Medical Center at Chicago,
March 23, 2011

(37) This report prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations was presented to the Board for record. A copy has been filed with the secretary of the Board.

Report to the Board on the HIPAA Covered Entity

(38) The Health Information Portability and Accountability Act (HIPAA) of 1996 assures the privacy and security of health information. The Privacy Rule protects the privacy of individually identifiable health information while the Security Rule sets national standards for the security of electronic protected health information. Additionally it establishes confidentiality provisions of the Patient Safety Rule which protect identifiable information being used to analyze patient safety events and improve patient safety.

Under the Act, the institution must from time to time identify the components of its organizations which become part of the 'covered entity'. Within the covered entity, patient information may pass freely back and forth between units for the purpose of caring for the patient. The covered entity has several responsibilities under the law, including but not limited to:

The protection and privacy of the patient's health care information, including the discipline of employees who knowingly violate the law.

The education of its employees to national privacy standards. Privacy rules extend to paper as well as electronically stored information.

The maintenance of a secure electronic environment.

The investigation and reporting of breeches of the law to federal authorities.

The reporting of breeches to the affected patient.

The Chief Compliance Officer, in conjunction with the Deans of the Health Science Colleges and the Provost of the UIC campus has identified the following Units within the University as constituting our covered entity:

- The Medical Center
- The College of Applied Health
- The College of Dentistry
- The College of Medicine
- The College of Nursing
- The College of Pharmacy
- The School of Public Health

This report was received for record.

SECRETARY'S REPORT

The secretary presented for record changes to academic appointments for contract year 2010-11, new hires, reappointed retirees, resignations, and notices of nonreappointment. A copy has been filed with the secretary of the Board.

COMMENTS FROM THE UNIVERSITY SENATES CONFERENCE

Next, Mr. Kennedy asked Dr. Matthew Wheeler, chair of the University Senates Conference, to comment on the work of the Conference.

Dr. Wheeler provided a presentation (materials on file with the secretary) on the regulatory burdens for faculty when conducting research, and stated that while research activity at the University has increased dramatically, regulations and the costs of compliance have also risen, which has resulted in faculty spending more time meeting regulatory requirements than conducting research. He provided examples of the types of

regulation related to faculty research and described some of the processes and forms for completion that are required for compliance. He presented data from the National Council of University Research Administrators showing that 42 percent of time is spent on administering projects when conducting federally sponsored research, and he provided a list of the top administrative burdens in the research process. He advocated for the assistance of administrative personnel who have expertise in the area of research and could assist with project management and said that the coordination of procedures or requirements from different agencies and within the University could benefit faculty conducting research and potentially result in cost savings.

Dr. Wheeler indicated that students are less interested in pursuing academic research careers now than they were in the past, and he also briefly addressed concerns related to pensions, stating that the underfunded pension system has resulted from the State's lack of payments, while those enrolled in the program have continued to contribute their portion. He said that some current legislation would make it impossible to recruit and retain faculty at the Chicago and Urbana campuses. Trustees discussed the presentation, and Mr. Kennedy asked Dr. Wheeler how many regulatory bodies exist within the University. Dr. Wheeler responded that there are few, and said that the use of online forms within the University could save time. He also said that the interpretation of compliance and analysis of risk at the University affects how some regulations are implemented, and Dr. Schook added that while the University cannot control the reporting requirements, there is an opportunity to provide greater support. Mr. Kennedy added that the new position of vice president for research will be an asset in this area, and

Dr. Easter stated that the addition of a lobbyist in Washington, D.C., may also help alleviate some regulations. Dr. Rao agreed, and Dr. Schook stated that there is an opportunity to gain efficiencies and increase productivity in this area.

With no additional discussion, this concluded the report from the University Senates Conference.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

There was no business presented under this aegis.

COMMENTS FROM THE CHAIR

Mr. Kennedy asked trustees to review the current agenda and provide a rating to indicate their satisfaction with the amount of time spent on each area, and said the results would be taken into consideration when planning future meetings. He then referred to the meeting schedule for next year and said that an attempt was made to create a meeting schedule with quarterly Board meetings to provide an opportunity to review quarterly results in several areas and two retreats to allow time to delve deeper into certain issues, adding that this format can be discussed at greater length at the retreat on July 21, 2011.

Mr. Kennedy then thanked Dr. Thompson and her staff for their work in preparation for this meeting, and he thanked Dr. Berman and his staff for their hospitality.

MOTION TO ADJOURN BOARD MEETING

On motion of Mr. Montgomery, seconded by Mr. McMillan, the Board adjourned at 5:15 p.m.

MICHELE M. THOMPSON
Secretary

CHRISTOPHER G. KENNEDY
Chair