Approved by the Executive Committee

August 15, 2024

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 Executive Committee Meeting

 August 15, 2024

Approve execution of University-RElated Organization governing DOCUMENTS for Illinois Quantum and Microelectronics Park, LLC

**Action:** Approve Execution of University-Related Organization Governing Documents for Illinois Quantum and Microelectronics Park, LLC

**Funding:** Institutional Funds Operating Budget

On July 19, 2024, the Board of Trustees Executive Committee established a University-Related Organization (URO) to operate and manage the Quantum Science Facilities, as described below, and made certain delegations of authority to the president of the University of Illinois System related to the formation of the URO. A planned Illinois Quantum and Microelectronics Park (the “Quantum Science Facilities”) has been announced for the Chicago area and will serve as a quantum computing proving ground. The proposed name for the URO is Illinois Quantum and Microelectronics Park, LLC. Pursuant to the approval by the Board of Trustees Executive Committee on July 19, 2024, the president of the University of Illinois System has taken actions to further establish and form the URO and establish a limited liability corporation (LLC). Specifically, the president delegated to certain University units the preparation of the governing documents for the URO, including the LLC Articles of Organization, the Operating Agreement, and the Services and Management Agreement between the University and the LLC.

Therefore, the chancellor, University of Illinois Urbana-Champaign, and vice president, University of Illinois System, recommends delegation of authority to the president to review, approve, and execute governing documents to facilitate formation of the URO.

The LLC Articles of Organization, the Operating Agreement, and the Services and Management Agreement establish the URO as a legal entity and describe the relationship, rights, and obligations between the URO and the University. Pursuant to the Operating Agreement, the powers reserved to the Board of Trustees as the sole member of the URO include appointing voting members to the LLC Board of Managers, approval of amendments to the Articles of Organization and Operating Agreement, incurrence of long-term debt, approval of the sale of substantially all of the assets of the LLC, and other significant contractual agreements, among others. The Services and Management Agreement defines the obligations of the URO to manage and operate the Quantum Science Facilities in exchange for certain University services and resources.

These documents comply with applicable State of Illinois Legislative Audit Commission Guidelines (LAC Guidelines), which were adopted in 1982 and amended in 1997, 2020, and 2023, and other applicable regulatory requirements. The Operating Agreement and Services and Management Agreement are substantially completed, and drafts of these documents will be reviewed by the president, University Counsel, and other relevant University personnel prior to approval and execution. The Board of Trustees, through the powers granted to its Executive Committee, now delegates authority to approve and execute the Operating Agreement and Services and Management Agreement to the president and appropriate University officers.

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 of Illinois System concurs.