

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

November 12, 2009

This meeting of the Board of Trustees of the University of Illinois was held in the Sangamon Auditorium Lobby, 2nd Floor, Public Affairs Center, One University Plaza, Springfield campus, Springfield, Illinois, on Thursday, November 12, 2009, beginning at 9:05 a.m.

Chair Christopher G. Kennedy welcomed members of the Graduate Employees' Organization (GEO) that had conducted a demonstration outside the meeting area prior to the beginning of the meeting to communicate messages related to ongoing negotiations and thanked them for attending the meeting. He said the University wants to have a competitive advantage and having well-paid graduate and research assistants is part of that.

Chair Kennedy called the meeting to order and asked the secretary to call the roll. The following members of the Board were present: Dr. Frances G. Carroll, Ms. Karen Hasara, Mr. Christopher G. Kennedy, Dr. Timothy N. Koritz, Mr. Edward L. McMillan, Mr. James D. Montgomery, Mr. Lawrence Oliver II, Ms. Pamela B. Strobel, Mr. Carlos Tortolero. Governor Pat Quinn was absent. Mr. Bogdan V. Zavorotny,

voting student trustee from the Chicago campus, was present. The following nonvoting student trustees were present: Mr. Derek R. Felix, Springfield campus; Mr. Matthew M. Reschke, Urbana campus.

INTRODUCTION OF UNIVERSITY OFFICERS AND SENATE OBSERVERS

Mr. Kennedy asked President White to introduce the University officers and senate observers present at the meeting. President White introduced the following:

Dr. Robert A. Easter, interim provost, University of Illinois at Urbana-Champaign; Dr. Paula Allen-Meares, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; Dr. Mrinalini Rao, vice president for academic affairs; Dr. Avijit Ghosh, vice president for technology and economic development; and the officers of the Board, Mr. Walter K. Knorr, comptroller (and vice president/chief financial officer); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer, and Dr. Michele M. Thompson, secretary. The president also introduced: Mr. Michael B. Bass, interim executive director designate for governmental relations; Mr. Thomas P. Hardy, executive director for university relations; and interim president designate Dr. Stanley O. Ikenberry. In addition, the following persons were also in attendance: Ms. Marna K. Fuesting and Ms. C. Ellen Foran, both assistant secretaries. President White then stated that the following persons were joining the meeting today: John C. Martin, assistant professor of astronomy-physics, Springfield campus, representing the University Senates Conference; Kim Graber, associate professor of kinesiology and community health, representing the Urbana-Champaign

Senate; Philip Patston, associate professor of oral medicine and diagnostic sciences, representing the Chicago Senate; Kathryn Eisenhart, associate professor of legal studies, and chair of the University Senates Conference, representing the Springfield Senate.

Also in attendance were James P. Hall, associate professor of management information systems, Springfield campus; Tih-Fen Ting, associate professor of environmental studies, chair of the Springfield Senate Executive Committee, and chair of the Springfield Senate; and Joyce Tolliver, associate professor of Spanish, and chair of the Urbana Senate Executive Committee.

OPENING REMARKS FROM THE CHAIR OF THE BOARD

In honor of Veterans Day, Mr. Kennedy asked for a moment of silence and thanked Mr. McMillan, Mr. Koritz, and Mr. McKeever for their military service. After this, Mr. Kennedy recognized a few individuals who had received recognition since the last Board meeting. He announced that Ms. Strobel received an award from the Illinois Arts Alliance for her service to the arts in Illinois at an event that he and others were able to attend. He also stated that Mr. Tortolero was honored by the University of Illinois Alumni Association for his achievements. Further, he said that Chancellor Allen-Meares has been nominated to join the board of directors of the Coalition of Urban Serving Universities. Mr. Kennedy offered his congratulations to all.

Mr. Kennedy then invited President White to make remarks.

President White made a short statement, noting that this was his final Board meeting. He stated that it had been a privilege for him to serve the University of Illinois, and he

thanked all of the trustees for their commitment to serve as stewards of the University. He said that while there are difficult times ahead, he is confident that the trustees will guide the University through the challenges, as previous trustees have done in the past. He thanked his colleagues and the University's senior leaders for their efforts, Governor Quinn for appointing an outstanding Board of Trustees, and Dr. Ikenberry for stepping in to assist the University at a difficult time. President White said that he is sorry about the problems regarding admissions that occurred at the Urbana campus, and said that the last five months had been a "searing experience." He said he appreciates the fact that those who matter to him have stood by him, and he expressed gratitude to Judge Abner Mikva for writing in a personal letter that the findings of the investigation of the Admission Review Commission indicated that President White always had the best interests of the University as the basis for his action. President White said that he will continue to work toward the goal of ensuring that people receive the education they need from birth through adulthood. He noted that for the fifth time in thirty years he will return to faculty work after spending time in a leadership position. He ended his remarks by saying thank you. This was followed by a standing ovation with prolonged applause.

Next, President White introduced the following presentations, all under the rubric, University Performance, and noted which administrator would make the presentation: Financial Update for 2010-2011 to be presented by Vice President Walter Knorr; Faculty Issues to be presented by Vice President Mrinalini Rao; Technology and Economic Development Update to be presented by Vice President Avijit Ghosh; and Financial Performance of the University Hospital, to be presented by Mr. John DeNardo,

CEO, HealthCare System, Chicago, and Dr. Joseph A. Flaherty, dean, College of Medicine.

UNIVERSITY PERFORMANCE

Financial Update for 2010-2011

Mr. Knorr opened this presentation by stating that he would provide an update on the financial performance of the University for the first quarter of Fiscal Year 2010 and explain some of the challenges for the FY 2010 and FY 2011 budgets. He distributed materials describing financial indicators, which included a summary of the University's finances (on file with the secretary). Mr. Knorr told the Board that the FY 2010 budget is \$4.6 to \$4.7 billion, 40 percent of which is in unrestricted funds. He said that the unrestricted funds include direct State appropriations, tuition, and indirect cost recovery from research. He said that restricted funds comprise the remaining 60 percent, which he referred to as the "enterprises" of the University, that include services that are paid by fees, including the auxiliary facilities, housing, and the medical service plans. He noted that restricted funds also include funds for research, payments on behalf of the University, and funds from University Hospital operations. He stated that the University's payroll accounts for a significant portion of the University's expenses.

Mr. Knorr then discussed the State appropriation, which in 2010 was approved at \$743.0 million. He said that this is not an increase over the initial appropriation for 2009, before that year's \$19.0 million rescission. He said that the 2010

State appropriation includes \$45.5 million in federal economic stimulus funds, which were made available for this year only. He stated that the total increase over FY 2006 funding is 6 percent. He told the Board that including the economic stimulus dollars, the University has billed the State over \$317.0 million for the first four months of 2010. Mr. Knorr stated that \$400,000 has been received from the State thus far in this fiscal year, compared to \$72.0 million received in October last year.

Next, Mr. Knorr reviewed receivables over a three-year time period. He said receivables due from the State did not exceed \$60.0 million throughout FY 2007. He also explained that the full appropriation was paid to the University by the end of FY 2007. He also stated that in FY 2008 the full appropriation was paid by the end of the fiscal year. He then stated that in FY 2009 the State was significantly in arrears in making payments to the University and that the full amount of the appropriation was not paid to the University in that fiscal year. Mr. Knorr said that final payment from FY 2009 was made September 15, 2009, in the 2010 fiscal year. He stated that at this time approximately \$317.0 million are listed as receivables from the State.

Mr. Knorr said that the income fund is based on tuition, which is calculated based on price and volume. He stated that enrollment for Fiscal Year 2010 is more than 73,000 students on the three campuses. He also said that the tuition increase is 50 percent of the increase in FY 2006. He indicated that \$344.0 million was billed students for tuition this fall, and that tuition bills are being paid. He stated that payments from the State's Monetary Award Program (MAP) in the amount of \$14.0 million were received last Friday.

Mr. Knorr stated that between fiscal years 2009 and 2010, research revenue has increased about \$85.0 million, driven in part by the economic stimulus funding. He stated that these funds are competitive, and that the faculty members excel at obtaining these dollars. In the past four years, he said, research funding had remained flat for universities overall, and that compared to the first quarter of FY 2009, the University is ahead.

Mr. Knorr briefly discussed the University Hospital, stating that Mr. DeNardo and Dean Flaherty would provide a fuller presentation later in the day. He said hospital income is displayed on a cash basis, with the first quarter of 2010 generating \$10.0 million cash, compared to about \$6.0 million last year. He also stated that the impact of the economy has led to an increase in charity care, with the amount of outpatient care remaining flat and inpatient care increasing.

For expenses, Mr. Knorr said that the University is apace with the economy in terms of spending on personal services, with a 5 percent increase over a five-year period. He also said that utilities have always been a concern due to the expense. He noted that from 2005-2008, utility costs exceeded the budget, which created an accounting deficit that is currently being managed. Mr. Knorr said that utilities are now purchased on a forward basis, and 90 percent of the natural gas for 2010 has already been purchased. He explained that this provides for budget certainty, and he added that the expenditures for the first quarter are not a good indicator of consumption costs because of the change in seasons.

Next, Mr. Knorr reviewed University debt, which currently totals \$1.7 billion. He stated that half of this is related to revenue bonds or auxiliaries. Another major portion, he said, is in Certificates of Participation, most of which have a variable rate of less than 1 percent. Mr. Knorr stated that the University is currently at practical capacity for borrowing, with the caveat that the capacity is based on the University's current credit rating of AA3 for University debt and A2 for University Hospital debt. He used the example of needed hospital renovations to stress that decisions related to additional borrowing are complex, especially in terms of maintaining credit ratings.

Mr. Knorr continued with the second part of his presentation, the outlook and concerns for the 2010 and 2011 budgets. Mr. Kennedy pointed out that many of the Board members are still adjusting to the public nature of Board meetings, are still getting used to one another, and may be hesitant to ask questions in front of an audience and press. He said that reviewing materials in advance was helpful, and said that some questions had been addressed ahead of time.

Mr. Knorr then reviewed budget challenges, including the \$317.0 million State appropriation receivable. He said that the State publishes a vendor payments queue, available on the State Comptroller's website, which currently lists a total amount payable of \$3.6 billion. Mr. Knorr said the University has a challenge in terms of determining how to react to this information. In reviewing the 2011 budget, he listed the loss of federal stimulus funds, an uncertain State appropriation, the need for a compensation package for faculty and staff, and inflationary costs as potential issues. He said that when examining budget challenges, it is important to protect the academic quality of the

University, serve students, and serve the patients seeking care at the University's medical facilities.

Turning to the FY 2010 budget, Mr. Knorr explained that \$20.0 million was set aside at the beginning of the year to cover shortfalls. He noted that units have been asked to hold back an additional 6 percent of their budgets. He said departments will need to restrict filling vacancies and other hiring, manage attrition and non-personal expenditures, such as travel and equipment. He stated that the 2011 budget implications include a reasonable salary program, with \$32.0 million for faculty and staff salary increases, \$7.0 million for other costs, loss of \$45.5 million federal stimulus funds, and the rollover effect of tuition. He added that the shortfall may be \$65.0 million, which may be a best case scenario. Mr. Knorr explained that the University would need to build upon the cost reductions from 2010 and concentrate on structural adjustments for 2011. He said that a \$15.0 million administrative cost reduction over three years has been initiated, but restructuring, eliminations, and consolidations of programs will also be considered. He noted that tuition for FY 2011 has not been determined. Mr. Knorr concluded his presentation and thanked the Board. President White added that while the University faces an extremely serious cash flow problem in FY 2010, there are also extremely serious budget problems in FY 2011.

Report on Faculty Issues

President White then introduced Vice President Rao's presentation concerning faculty matters. Before asking Dr. Rao to begin the presentation, President White thanked

Mr. Kennedy for requesting information about the University's ability to attract and retain faculty.

At the start of this presentation, Dr. Rao briefly reviewed information about admissions, explaining that in Fall 2009, the University saw a robust applicant pool, with approximately 60 percent of freshman applicants admitted, and 21 to 27 percent of those students enrolled at one of the three campuses of the University. Dr. Rao explained that 17 percent of the Urbana campus' enrollment this fall was made up of transfer students, with 31 percent at Chicago and 69 percent at Springfield. She observed that overall interest in attending the University is strong, with an increase in the number of applicants and admitted students. Dr. Rao said that additional information is available in the handout she provided (on file with the secretary), and she proceeded with a presentation on faculty compensation.

Dr. Rao stated that faculty members are the bedrock of the University, and that tenure system faculty commit to achieving a triple goal of accomplishment in research, teaching, and service. She explained that the column in the materials labeled "other faculty" designates those faculty that dedicate themselves to one or two emphases of the academic enterprise (materials on file with the secretary). Dr. Rao presented a comparison of faculty compensation between the University of Illinois and its peer group, as defined by the Illinois Board of Higher Education (IBHE). She explained that the comparison was restricted to salary, since benefits seemed to be comparable to peer institutions. She indicated that Urbana ranked 21st among its peers, with Chicago ranking 14th and Springfield ranking 13th among their peers. She stated that the peer groups were

identified by the IBHE and included both public and private institutions. Dr. Rao pointed out that while Urbana's peers include both public and private institutions, it is not on par with all other public universities. She cited the example of the University of California at Berkley as one university that compensates its faculty members at higher rates than the University of Illinois at Urbana-Champaign, though the research records of both universities are comparable. Dr. Rao said that in addition to the IBHE peer competitors for faculty at the Chicago campus, the University of Chicago and Northwestern University are listed because those universities are successful at attracting underrepresented and junior faculty members originally recruited by the Chicago campus. Dr. Rao demonstrated that over time, the University has not kept up with salaries of peer universities, and the gap has grown to an average of more than \$30,000 to \$40,000 per salary in 2009. She also said that public universities are losing their competitive edge to private institutions. Next, Dr. Rao considered the resources that are used to pay faculty salaries, including the general revenue fund and tuition, and she explained that an increase in tuition alone is not a tenable solution to the problem of the salary gap for faculty. She said that grants and contracts secured by faculty are an asset, but they also make faculty more attractive to other institutions and grants and contracts are not available in every discipline. Dr. Rao expressed her appreciation for endowments and observed that improvements to compensation from endowment income require a multi-year approach. Dr. Rao reported that the University's tenure system faculty receive about 142 firm offers each year. She said that in 2008, 79 offers were received by Urbana faculty, 59 by Chicago faculty, and 4 by faculty at Springfield. Of those to whom offers

were made, she said that 37 percent resigned from the University of Illinois, and that many of these faculty members moved on to private institutions. She noted that 57 percent of those who received offers from other universities stayed with the University, and many of them were enticed to do so with counter offers from the University. She said that while 50 to 70 percent of counter offers are accepted, they are expensive for the University. She explained that preventing outside offers is important and that faculty members need to feel that they are better off at the University of Illinois, in a supportive environment for scholarship, with cutting edge research facilities, outstanding students, competitive salaries, and a collegial climate. She also stressed the importance of hiring faculty from underrepresented groups, including women in the science, technology, engineering, and mathematics (STEM) disciplines.

Report on Technology and Economic Development Efforts

Next, President White introduced Vice President Ghosh to provide the third presentation, which was an update on technology and economic development efforts. He explained that economic development was added to the University's mission by the Board of Trustees about a decade ago. Dr. Ghosh said that the aspects of this mission include: determining a way to leverage the innovative research of faculty, providing economic growth to the State, benefiting society, and improving lives. He presented two examples to illustrate the types of innovative research that have emerged recently at the University of Illinois. The first was Prezista, a leading HIV medication that is now sold by Johnson & Johnson. He explained that the research behind it was created in the

chemistry labs at Chicago, and current estimates are that the sale of Prezista will generate \$500.0 million in 2010, from which the University will receive royalties. Dr. Ghosh emphasized that this medication is used worldwide to save lives. The second example Dr. Ghosh provided was a description of a patented apple that is scab-resistant which was developed at the College of Agriculture, Consumer and Environmental Sciences in Urbana. He explained that this apple retains taste in cold storage and will be available in stores in the United States in a couple years, and that the University would receive a royalty for the sale of the apple trees.

Dr. Ghosh then discussed the intersection of research and commercial opportunity, emphasizing the need to protect the University's intellectual property. He explained that there is a team of individuals that monitors research at the University, assesses its commercial applicability, and determines the ability to protect the University's intellectual property through patents or other measures. He stated that another program also licenses intellectual property through well-established companies. He also discussed the development of small entrepreneurial start-up companies in the incubators at Chicago and Urbana-Champaign, the research park at the Urbana campus, Illinois VENTURES, and the Offices of Technology Management. He noted that between 2005-2009, the University received 266 patents, 297 licenses, and has helped develop 43 start-up businesses. He said that the University also received \$50.0 million in royalties in the last five years. Dr. Ghosh reported that in Fiscal Year 2009, the University studied 333 disclosures, of which 57 were patented, 49 licenses were received, and 8 start-ups were formed. He explained that 60 percent of royalties are used to fund research and he

stated that one of the biggest challenges for this area is a lack of early stage investments. He added that the University planned five years ago to fund the effort through a variety of sources, including the University, the State, external grants, the Illinois Department of Commerce and Economic Opportunity (DCEO) and by partnering with other groups in private industry. He said \$25.0 million has been invested, and explained that money has been used to fund new technologies and companies originating at the University. Dr. Ghosh stated that this has led to economic vibrancy and increased jobs throughout the State. He said that these initiatives also serve as a service bureau throughout the State to provide consultation for small start-up companies. Further, he stated that funds are leveraged with other investments, which help support growth of new companies in Illinois.

Dr. Ghosh gave three examples of products that have been created as a result of the technology and economic development initiative at the University. One was of a company that creates lights made from 100 percent recyclable materials that can also be recycled. He presented an example of one of the lights, explaining that it produces light for 50,000 hours and does not get hot. Second, he displayed a water tester that can produce results in 60 seconds. Dr. Ghosh said that most water tests take hours to produce results or require a lab component and that this instrument would be useful in both the United States and in developing countries with water quality issues. The third example was of a phase one FDA trial of a prescription therapy for Sleep Apnea, called Steady Sleep Rx. He said that it was created at the Chicago campus, and if approved, it will be the first therapy for sleep apnea that does not rely on devices.

Dr. Ghosh noted that these are all sustainable and innovative technologies, and many of the companies he described were formed in incubator facilities in conjunction with the University at Urbana and at Chicago. He said that the Chicago campus tends to develop companies that focus on biotechnologies, while the Urbana campus tends to develop companies that focus on biofuels, clean energy, and information technology. He noted that many of the incubator companies in Urbana have graduated to the research park at the campus.

Dr. Ghosh went on to describe the research park at the Urbana campus, which was formed in 2002 and encompasses about 450,000 square feet. He stated that tenants include start-ups and Fortune 100 and 500 companies, such as Yahoo, Qualcomm, ADM, and Abbott Labs. Dr. Ghosh explained that every tenant has some kind of relationship with the University, and while other universities may have something similar, he believes the University of Illinois is unique in its intellectual connections. He said these connections include licensing, collaborative research, and hiring graduate students. Dr. Ghosh said the research park employs over 1,200 people, some of whom are graduate students. He added that the economic development mission extends and reinforces the University's academic mission, and helps attract the best students and faculty. Dr. Ghosh stated that this is the 21st century expression of the land grant mission.

President White said he wanted to provide more background for those who are just beginning to learn about the fourth mission of the University, since he finds it is often misunderstood. He stated that the University is now properly aggressive in dealing

with infringements on the University's intellectual property, and he spoke of the growth of knowledge-based jobs, using Motorola as an example. He said that when Motorola closed its operation in the research park, almost all of its employees were hired by Yahoo, the company that moved into the space previously occupied by Motorola. President White also spoke to the controversial aspect of economic development, explaining that there is a friction between the idea that discoveries that are made by the University for the public good should be free and open, and the fact that this is economically valuable. Ms. Strobel commented on the contrast between the presentations made by Dr. Ghosh and Dr. Rao and asked if economic development activities could be considered a competitive advantage in attracting faculty. Dr. Ghosh said that he believed that commercial aspirations, in combination with a desire to affect the public good, would attract faculty, noting that the water testing equipment displayed earlier was created by Professor John A. Rogers, a top faculty member who just received a Macarthur Genius Grant.

Mr. McMillan said that there is a need to do the same type of work at the Chicago campus, partnering with companies there and collaborating with the City of Chicago and the State. Dr. Rao noted that it can be difficult to create a welcoming environment for research and development, due to the regulatory environment of a State university. She said that private industry is less regulated. President White responded to Ms. Strobel's earlier question regarding faculty competitiveness, stating that every incremental resource is a plus. He explained that there is a paradox between success in obtaining grants, contracts, and licenses, and the pursuit of the education mission of the

University. He also warned about the University becoming too research dominant, and said it is important that teaching students remains important and fundamental.

Report on the University Hospital

Next, President White introduced Mr. John DeNardo and Dean Joseph Flaherty to make a presentation on the performance of the University of Illinois Hospital. President White said that the University is very proud of the University of Illinois Hospital, and stated that it provides University quality clinical care to people of the State, regardless of ability to pay, which also presents a financial challenge. He stated that he was proud that the hospital provides University quality care to the poor, and added that the hospital does present a financial challenge for the University. He stressed that the importance of the hospital to the poor of the State cannot be underestimated, and said that the University must make at least a \$40.0 million investment in the hospital soon in order for it to continue functioning. He emphasized that the hospital must be watched closely, since problems with urban university hospitals can drain a university.

Mr. DeNardo thanked President White for the introduction and summary. He reported that in addition to the hospital, the College of Medicine, College of Nursing, and College of Dentistry provide care for patients in 12 community-based clinics that are not on campus. He stated that 40 percent of inpatient days at the hospital are attributable to reimbursement from Medicaid, which makes the hospital the largest inpatient provider of Medicaid days of the academic medical centers in Chicago. He also said that those who identify as self-pay are usually not able to pay their hospital bills, and he said that

the hospital provided \$25.0 million in charity care in the last fiscal year. He stressed that this is not the same as bad debt, and said that the hospital provided care knowing that the patients would not be able to pay. He told the Board that 25 percent of the patients at the hospital speak English as a second language. Mr. DeNardo stated that while 45 percent of patients are Medicaid or no pay, 55 percent of the patients have insurance coverage, and that the hospital has to compete with other hospitals in Chicago for those patients. He stated that he and his staff have worked to keep money in the bank, and are strategically investing in capital. He stressed that it is important to maintain the infrastructure of the hospital to ensure that people will choose the University of Illinois Hospital for care.

Mr. DeNardo announced that based on an audit, another \$3.7 million will be added to the bottom line of the hospital for Fiscal Year 2009, which means that the hospital will end FY 2009 with \$7.7 million. Mr. DeNardo stressed that the hospital administration is working to be the place that people want to go for care. He then turned the presentation over to Dr. Flaherty.

Dean Flaherty continued the presentation, explaining that the fate and mission of the College of Medicine is intertwined with the hospital. He said that the College of Medicine network covers almost every county in Illinois. Also, he stated that one of the overarching goals of the College of Medicine is diversity, and that the medical school on the Chicago campus has been rated the most diverse medical school in the country. Dr. Flaherty said that in addition each site of the college has its own mission, and noted that the Chicago campus focuses on urban medicine. He reported that at the

College of Medicine program at Rockford, the National Center for Rural Health is the dominant program. He stated that a second overarching goal is patient safety, and noted that the College of Medicine offered the first online Master's Degree program in patient safety.

Dean Flaherty said that the college and the medical center are focused on the following initiatives: women and children's health; surgical transplants and robotics; neurosciences; cancer; diabetes, and obesity. He added that the University of Illinois is the only university in Illinois that includes treatment and research on diabetes and obesity in its mission. He then explained that university hospitals make up only 6 percent of the hospitals in the country, and care for 41 percent of charity care, 25 percent of Medicaid patients, and nearly half the surgical transplants in the country. He told the Board that research and clinical operations are funding the college's academic mission. Dean Flaherty reported that for FY 2009 expenditures, the State contribution was about 9 percent, which is low, and is comparable to the amount the State invested at Southern Illinois University. He noted that retaining faculty is an issue for the College of Medicine and said that a dilemma is created in trying to be competitive for faculty and carrying out a social mission.

Dean Flaherty concluded by asking if there were any questions.

President White stated that the care he has received at the hospital has been quite good, and Dean Flaherty noted that the percentage of faculty members receiving care through the hospital is on the rise.

BREAK IN MEETING

Mr. Kennedy suggested a short break before continuing with the meeting.

COMMENTS FROM TRUSTEES

Following the break, the Board meeting resumed in open session at 10:55 a.m.

Mr. Kennedy asked Mr. Oliver if he would comment on his tour of the Chicago campus.

Mr. Oliver said it was a “phenomenal experience,” that he was treated well, and that it was time well spent. Mr. Kennedy asked if a tour should be incorporated into the next Board meeting in Chicago, and both Messrs. Kennedy and Oliver concluded that this would be a good idea. Mr. Tortolero added that he also had an “amazing time” touring the Chicago campus. He said that both he and Mr. Oliver spent four to five hours on the tour. Mr. Tortolero said he also enjoyed his tour of the Springfield campus the day before.

BUDGET AND AUDIT MATTERS

Operating Budget, Fiscal year 2010 and Budget Request, Fiscal Year 2011

Next, President White asked Mr. Knorr to present the operating budget for this current fiscal year, and the budget request for FY 2011, in preparation for the Board’s actions.

He explained that recommended Board actions included the final approval for the operating budget for Fiscal Year 2010, and a budget request for Fiscal Year 2011.

Mr. Knorr noted that the 2010 budget was sent to the Board with materials for this

meeting (materials on file with the secretary). He said this includes a total request of \$4.662 billion, and stated that it reflects an increase of 11.9 percent over the 2009 budget, with an overall increase of 32 percent over the last five years. He said restricted funds have increased 40 percent over the last five years, and unrestricted funds have increased 22 to 23 percent over that five year period. He stated that while the overall increase in unrestricted funds resulted from tuition, the State appropriation, and institutional funds, there has been no increase in the State appropriation in the last two years. Mr. Knorr said that the budget for FY 2010 reflects an 8.8 percent increase in unrestricted funds. He stated that restricted funds reflected a 14.1 percent increase between 2009-2010, resulting from State payments on behalf of the University, research funds, income from auxiliaries, and the hospital and medical services plan. He explained that a \$500.0 million increase was requested, and that this is a roll call item in today's agenda, for which he respectfully requested approval from the Board.

Mr. Knorr also presented the FY 2011 budget request, which is also a roll call item in today's agenda. He said approval of this request is a requirement of the IBHE, and that following Board approval, it would be sent to the IBHE and to the governor's office. He said that the total operating request equals \$97.0 million, with three-quarters of that designated for strengthening academic quality. He said \$48.0 million is proposed in order to offer a 3 percent increase in salaries for University employees, and that \$30.0 million is designated for strategic initiatives. Mr. Knorr noted that this is detailed in another document distributed to the Board before this meeting (materials on file with the secretary). He stated that \$14.0 million is for operation and

maintenance costs, which include new facilities and infrastructure needs. He said that inflationary costs, such as payroll, library materials, and technology are also included. He also noted that a separate request in the document includes the hospital and medical center, as well as medical professional liability insurance.

Mr. Knorr then reviewed the capital budget request for FY 2011. He explained that some items have been moved from last year's request to the capital bill that was recently approved by the governor. He also said the request includes deferred maintenance in the amount of \$60.0 million. He also stated that the request is robust and more than twice the amount of previous requests, and explained that this is due to significant needs for facilities' renovation. Mr. Knorr said that he respectfully requested approval from the Board.

President White asked if there were any questions and Dr. Carroll asked where the \$15.5 million for the Illinois Bill of Health was to be found in the budget request. Mr. Knorr replied that this is a separate request in the budget request document. Mr. Montgomery asked what is included in the request for Hospital Modernization Phase I and Mr. Knorr explained this was for engineering and design costs. Mr. Knorr said there is a separate effort underway for funding \$40.0 to \$45.0 million for "emergency needs" at the hospital. Mr. Tortolero asked how much money is generally received versus the amount that is requested. Mr. Knorr said that in recent years, the capital request has been about twice what was received. In addition, he said the University was to receive \$250.0 million from the recently approved capital bill.

Dr. Ikenberry added that while the capital bill has been approved, the University has not received any money.

Mr. McMillan stated that everyone realizes the financial situation facing the University, and stressed the need to think pragmatically, ensuring that the overall mission of the University is kept in mind. He said it may be necessary to consider what cannot continue, and what is most important as first priorities. Mr. Knorr replied that the University will still need to request that the State fund the University's needs.

President White commented that Mr. McMillan is correct and that the University will need to make an effort to reduce costs. He said he and Dr. Ikenberry recently issued a directive to the units in the University to hold back a total of \$45.0 million and referred to Dr. Ikenberry's initiative to substantially reduce administrative costs over the next few years. President White said that more costs reduction and larger tuition and fee increases must occur. He stressed the importance of ensuring academic quality while reducing costs, and added that the requests for operating and capital budgets were once an important exercise in the process of obtaining State support, and also noted that this has changed over time. He said the University knows that the State will not grant the full requests for budgets.

MOTION FOR EXECUTIVE SESSION

Chair Kennedy said that there were several topics to discuss in executive session. He then stated: "A motion is now in order to hold an executive session to consider the following: University employee matters; collective negotiating matters; discussion of

minutes of meetings lawfully closed under the Open Meetings Act; pending, probable, or immanent litigation against, affecting, or on behalf of the University; and security procedures and the use of personnel and equipment to respond to an actual, a threatened, or a reasonably potential danger to the safety of employees, students, staff, the public, or public property.”

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

Mr. Kennedy then announced a 15 minute break and said that the Board would meet in executive session in Conference Rooms C and D in the Public Affairs Center.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session was adjourned at 2:10 p.m. and the Board returned to meeting in regular session.

PRESENTATION FROM THE UNIVERSITY SENATES CONFERENCE

When the Board meeting resumed in regular session, Mr. Kennedy introduced Dr. Kathryn Eisenhart, chair of the University Senates Conference. She presented President White a plaque from the Senates Conference, expressing appreciation for his service as president of the University. Dr. Eisenhart then thanked President White for his service to the University, and for the grace he demonstrated over his years as president. President White thanked Dr. Eisenhart and the faculty and told the Board that shared

governance and faculty governance are a great tradition at the University, adding that the process it is not always easy but very worthwhile.

REPORT: DIVERSITY AT THE UNIVERSITY, FACULTY, AND STUDENTS

Next, Mr. Kennedy invited Dr. Rao to present this report. Mr. Kennedy digressed briefly to acknowledge that the Board is made up of various opinions and backgrounds, which, like faculty governance, does not always make things easy, but is beneficial. Dr. Rao explained that her presentation would provide an overview of diversity at the University. She explained that diversity is broadly defined, and said that faculty have done research and found compelling evidence that an institutional commitment to diversity benefits all constituents.

Dr. Rao first focused on diversity among students by providing a report of the undergraduate student body giving information on race and ethnicity. She stated that underrepresented minority students comprise 13.8 percent of the student body at Urbana, 25.8 percent at Chicago, and 15.4 percent at Springfield. She said the number of Latina/Latino students increased at Urbana over the last decade and remained the same at Chicago. She stated that the number of African American students has declined modestly on both campuses, due largely to funding issues. She noted that over the last two years, the number of Latino/Latina and African American students at Springfield has grown. Dr. Rao noted that these statistics are comparable to the University's peers. In terms of graduate studies and professional development, she stated that the Chicago campus ranks first and Urbana ranks third among peers. She noted that the Springfield campus also

ranks comparably to its peers. Dr. Rao added that the College of Medicine graduates the largest number of minority M.D.s in the country, outside of Howard University and Meharry College of Medicine. She said that the challenge for the University is to recruit these graduates into careers in academic medicine.

Dr. Rao reported that there is a modest increase in numbers of faculty from underrepresented groups on all three of the University's campuses, though she noted that the numbers are still quite low. She explained that such faculty members are attracted to the University and recruited, but that they are then recruited away to other universities. She said that private institutions have an advantage in terms of salaries to be offered over the University of Illinois. She also stated that since most universities want a diverse faculty, top minority faculty are attractive to other schools, and are frequently recruited by comparable universities.

Dr. Rao then turned to a review of the employee group known as academic professionals. She said in 2008, anywhere from 8.4 to 25.2 percent of academic professionals were Latino/Latina, Native American, or African American across the three campuses. In the past decade, she said that the University's need for staff with high level technical expertise has brought about a doubling of the number of academic professional staff. Dr. Rao said that many expressed concern that this would negatively affect diversity, but that this it has not been the case. Among Civil Service staff, she said that diversity from all underrepresented groups totals about 4 percent at Springfield, 14 percent at Urbana, and 57 percent at Chicago.

Dr. Rao said that the University has also made strides toward diversity in its business opportunities. She explained that the Minority and Female Business Enterprise Program (MAFBE) is the University's response to Illinois' Business Enterprise Program initiative, which ensures a commitment to vendor diversification by requiring that businesses with women, minorities, or those with disabilities are included in procurement process. She said that in 2008, the University exceeded its goal defined by the State statute by conducting business with MAFBE organizations at a rate of 3.5 percent. She said that over the last two years, and under the leadership of Mr. Knorr, Mr. Douglas E. Beckmann, senior associate vice president for business and finance, Mr. Bass, and Dr. Heather J. Haberaecker, executive assistant vice president for business and finance, the University increased outreach activities from one to fourteen events per year to help ensure a more welcoming environment at the University for the MAFBE vendors. Dr. Rao reported that interest in participation by MAFBE contractors and vendors has increased by 35 percent in the last year.

Dr. Rao reported that the University's goals going forward are to improve recruitment and retention of faculty, increase funding for scholarships and financial aid for students, maintain diversity among faculty and staff, and foster partnerships with MAFBE contractors and vendors. She said it is important to ask if the current climate is conducive to fostering diversity, and stated that each campus has embarked on initiatives to study and improve diversity on each campus.

President White thanked Dr. Rao for the presentation and asked if there were any questions. Trustee Tortolero asked how many deans and vice chancellors on

each campus are people of color. Dr. Rao and President White estimated that there are three vice chancellors, and President White said that a more comprehensive report would be required to provide a count of the number of deans of color. He noted that there is a need to increase diversity among senior leadership at the University. Mr. Montgomery inquired about the Illinois Business Enterprise Program for Minorities, and Dr. Haberaecker responded by saying that the 1984 statute was aimed at small minority businesses and sought to increase minority participation in State contracts. She stressed that its focus is on small minority-owned businesses. Mr. Oliver asked if the goal of the statute is to increase minority participation, and Dr. Haberaecker said yes. She added that the State sets a percentage goal that State agencies strive to achieve, and noted that the figure currently is 19 percent.

Mr. Kennedy said that while some of the figures reported by Dr. Rao are difficult to hear and are limited, it is beneficial to review them, and that the Board would be looking for positive change. Dr. Rao stated that additional information is available in a larger report online. Mr. Kennedy then stated that it is apparent that there is not enough diversity at the University, and President White noted that results of peer studies indicate that increasing diversity is a difficult task at universities.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

At Mr. Kennedy's request, the agenda order was adjusted. He asked Dr. Ikenberry to explain the changes recommended in an agenda item for the Board committees.

Dr. Ikenberry said that it was necessary to realign and reform the Board's committee

structure, with the aim of reducing the number of committees from 14 to something smaller. He explained that the Board item responds to that effort, which would require a change in the *Bylaws* of the Board of Trustees to introduce four Board committees in addition to the Executive Committee. He listed the four committees: Academic and Student Affairs; Audit, Finance, and Facilities; Governance, Personnel, and Ethics; and Hospital. He noted that the assignment of trustees to the committees was provided in materials sent to the Board.

Mr. Kennedy then asked President White to continue with comments on other agenda items. President White explained that on the agenda are recommendations for two senior appointments, the proposed revision to board committees, the recommended operating budget for Fiscal Year 2010, the recommended budget request for Fiscal Year 2011, several proposed capital projects, and recommendations for purchases. An individual seated in the audience interrupted at that point and asked if the public comment section would be included in the meeting. Mr. Kennedy explained that it was scheduled for later in the meeting, and also requested that the individual refrain from further interruptions. Mr. Kennedy added that there was also a recommendation for an appointment of a search committee to assist in the selection of the president.

Mr. Kennedy then asked Dr. Thompson to read the titles of items recommended for approval.

AGENDA

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

By consensus, the Board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 10 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Approve Minutes of Board of Trustees Meetings

(1) The Secretary presents for approval the minutes of the Board of Trustees meetings of September 10, 2009, and October 3, 2009 (Special).

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

Charge to the Search Committee to
Assist in the Selection of a President, 2009

(2) The Board of Trustees has authorized and composed a search committee to assist in the search for a president. This resolution specifies the charge of the committee and the general procedures within which it will operate.

Committee Membership

Several broad constituencies of the University are reflected in the committee's composition, but no member should regard herself or himself as a "representative" or "delegate" of any single interest group. Rather, each member shall exercise his or her own best judgment as to what will be in the best interest of the University of Illinois as a whole. Members of the search committee will be asked to sign a code of ethics and commit to a fair, honest, and confidential treatment of information shared in the search process. The committee shall conduct a pro-active search and identify and recruit persons best able to fulfill the mandate.

The search committee shall be led by a chair and a vice-chair, who shall be appointed by the Board of Trustees. The chair and the vice-chair of the search committee and the Chair of the Board will confer as often as necessary throughout the duration of the committee's work. Periodic meetings shall be held to review the status of the prospect pool and available background data. Also at regular meetings of the Board of Trustees these representatives of the committee shall report to the Board on its progress.

Identification of Candidates

The search shall be broad in scope, using all available resources to identify potential candidates for the position of President of the University of Illinois. The several constituencies of the University, including faculty, students, staff, trustees, alumni, supporters, and friends of the University shall be encouraged to suggest suitable

candidates. The committee shall not be constrained from considering candidates from all appropriate sources, including other institutions of higher learning, government, foundations, and elsewhere. The Board of Trustees will maintain a continuing interest in the identification of outstanding potential candidates, and will receive periodic reports from the committee on the development of the pool of prospects.

Development of White Paper

The committee's first task will be to develop a white paper that will serve as the cornerstone of the search. This white paper shall delineate the nature of the University, the role of the President, and the challenges and expectations the next President may face, along with the personal qualities and criteria crucial to the position.

The general qualities and criteria to be used as the basis for evaluating potential candidates shall be organized around several key expectations for the candidates. Among these are:

- a record of effective leadership including evidence of strategic vision and a capacity to lead and manage a large, complex academic organization
- a commitment to academic excellence in teaching, research, and service
- the ability to communicate and inspire others and a willingness to initiate, foster, and cultivate relationships with the public and private sectors, including businesses; civic groups; local, state, and federal governments and agencies; donors and others; and to represent and advocate for the University

- an understanding of the changing nature of public higher education and its vital role in local, state, regional, and national economies
- the ability to adapt to changing and challenging fiscal environments
- the ability to lead within a complex administrative structure and to bring clarity and rationality to that structure

This white paper may also set forth procedures and milestones (including time estimates) to be followed and reached to carry out the search process. It shall include the input of the search firm that is retained, and shall be submitted to the Board of Trustees for review and approval. The white paper shall guide the work of the committee throughout the process.

Screening Prospective Candidates

The committee shall devise a method for conducting preliminary screening designed to identify those judged to be the most promising prospective candidates. Detailed information should be secured concerning these candidates, initially from public records such as professional directories and bibliographic sources and, in a second stage, the chair and vice-chair should make calls to individuals who know and can assess the qualities and potential of the prospective candidates, including other committee members as indicated. In such informal inquiries, it should be made clear that the search is in a preliminary stage and that no approach has yet been made to any candidate, and that strict confidentiality is necessary.

The committee shall identify the most outstanding and qualified potential candidates. The committee shall submit a broad list of candidates, which may be ranked or categorized, before a list of finalists is presented. The list of finalists shall include between eight and ten individuals.

The Board and the committee will consult and discuss the procedures to be followed in approaching finalists. Consensus will be important, but the Board is statutorily charged with the responsibility of making the final decision.

Staff and Procedures for Search

The secretary of the Board will serve as staff to the search committee, and assist in sustaining strong lines of communication and coordination between the committee and the Board. The secretary of the Board shall also be the Board's agent in the procedural and liaison tasks involved in the search process.

The search process shall adhere to University's affirmative action policies, and the committee shall affirmatively seek candidates representing diverse backgrounds and perspectives. University counsel shall assist and advise the committee on legal matters.

The committee is advised to make use of the internet to assist in making the search process more transparent. The white paper and other information related to the progress of the search will be posted on a dedicated site.

The Board of Trustees emphasizes the importance of careful coordination and channeling of all committee communications concerning candidates through the chair

and vice-chair of the committee, who are charged with the responsibility of keeping the Board fully informed. The Board also emphasizes that discretion and confidentiality are required of all committee members. Public communications, including those with the media, shall be channeled through the chair and vice-chair of the committee and the secretary of the Board, who shall consult with the Office of University Relations.

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

Membership of the Search Committee
to Assist in the Selection of a President, 2009

(3) In accord with the direction of the Board of Trustees, the Secretary of the Board presents the following report and recommendation.

A. Search Committee to Assist in the Selection of a President

The various constituent groups asked to nominate members have done so and the following list of members is presented to the Board of Trustees for appointment:

1. **BOARD OF TRUSTEES**
Karen Hasara, Member of the Board of Trustees, alumna, Springfield Campus
Pamela B. Strobel, Member of the Board of Trustees, alumna, Urbana
Campus, **Chair of the Search Committee**
Carlos Tortolero, Member of the Board of Trustees, alumnus, Chicago
Campus
2. **FACULTY MEMBERS**
Urbana Campus
May Berenbaum, College of Liberal Arts and Sciences, Professor of
Entomology; Center for Advanced Studies Professor; Swanlund Professor;
member, American Academy of Arts and Sciences and National Academy of

Science. Former department head, service on LAS executive committee and Urbana senate. **Vice-Chair of the Search Committee.**

Ollie Watts Davis, College of Fine and Applied Arts, Professor of Music; University Scholar; former Chair of the Voice Division; Honorary Member, National Arts and Letters Society; Campus Award for Excellence in Undergraduate Teaching; service on college and campus senate committees.

Matthew Wheeler, College of Agricultural, Consumer and Environmental Sciences, Professor of Animal Sciences; University Scholar; D. E. Becker and H. H. Mitchell Awards for Excellence in Research, Undergraduate Teaching and Graduate Teaching; Vice Chair, Urbana Senate Executive Committee; Vice Chair, University Senates Conference. Member of campus senate committees. Former chair of the campus Athletic Board.

Chicago Campus

Mary Beth Rose, College of Liberal Arts and Sciences, Professor and Director of the Institute for the Humanities; Professor, Department of English. Service on campus committee of Promotion and Tenure and search committees, including search for Dean, College of Liberal Arts and Sciences.

Brian Kay, College of Liberal Arts and Sciences, Professor and Head, Department of Biological Sciences; leading researcher in genomics and proteomics; administers research group of 13 members, department enrolls 2,000 students, with 30 faculty members. Service on search committee for Dean, College of Liberal Arts and Sciences. Formerly on staff of Argonne National Laboratory.

Jesus Ramirez-Valles, School of Public Health, Professor, Community Health Sciences. Scholar; film maker; advocate for Latino and LGBT health. Service on search committees for Dean, School of Public Health, and Director of the Institute for Research on Race and Public Policy.

Springfield Campus

James Patrick Hall, College of Business and Management, Associate Professor, Management Information Systems; Director, Master's of Business Administration Program. Service: Vice Chair, campus senate; Promotions Committee, the Tenure Review Committee; Higher Learning Council reaccreditation steering committee; Global Campus Academic Council; Global Campus Transition Team. Service on several search committees on campus.

Tih-Fen Ting, College of Public Affairs and Administration, Associate Professor, Department of Environmental Studies. Service: Chair, campus senate and Chair of the Senate Executive Committee; member, Executive Committee, University Senates Conference. Former co-chair and chair of the Department of Environmental Studies. Service on several search committees on campus.

3. STUDENT MEMBERS

Urbana Campus

Perzavia Praylow, College of Liberal Arts and Sciences, Department of History, graduate student and doctoral candidate. Research: intersection of race, gender, and class in the development of higher education through the lens of history. Graduate assistant. Service, efforts in promotion of diversity at Urbana campus. Intern, National Council for Teachers of English. Member, search committee, Director of Gender and Women's Studies Program.

Chicago Campus

Anushka Anand, College of Engineering, Department of Computer Science, doctoral student. Research Assistant, National Center for Data Mining. Formerly, employed at VMBT Projects; employed at Highway Gateway Project; Intern, Motorola; Intern, Reuters. HP Scholarship; Computer Science Department Student Leadership and Service Award; Chancellor's Student Service Award; President's Cup graduation award for highest GPA, American University of Sharjah, UAE. Service: Secretary, Graduate Student Council.

Springfield Campus

Charles Olivier, College of Business Administration, Majors: accountancy and business administration. Employed as Resident Assistant, campus residence hall. Student representative to campus senate; Vice President, Student Government Association; President, Black Student Union; member, Undergraduate Council; and Vice Chair Inter-Club Council. Service: member, Campus Planning and Budget Committee; Committee on Student Discipline; Tenure Review Committee. Volunteer activities: Corporation for National Community Service, AmeriCorps, Springfield Overflow Shelter Server, Worldwide Day of Play Coordinator.

4. ADMINISTRATIVE OFFICER MEMBER

Joseph A. Flaherty, Dean, College of Medicine; Professor, Department of Psychiatry, former Head of Department. Fellow, American Psychiatric Association; Fellow, American College of Psychiatry.

5. ACADEMIC PROFESSIONAL STAFF MEMBER

Marelet Kirda, Assistant to the Vice Chancellor for Research, Chicago. Recipient of UIC Award of Merit. Former positions at the Chicago campus: student affairs; recruitment/admissions; academic affairs; academic advising and counseling minority and disadvantaged students for Health Careers Opportunity Program for allied health professions; academic advising, College of Liberal Arts and Sciences. Service: member, Chancellor's Committee on Status of Asian-Americans; College of Education Alumni Board. Member of search committees and staff to search committees. Alumna of the Chicago campus.

6. CIVIL SERVICE STAFF MEMBER

Paula Adametz Hays, Assistant to Dean, College of Liberal Arts and Sciences. Recipient: LAS Nancy J. McCowen Distinguished Service Award, and Chancellor's Distinguished Staff Award. Former experience: student employee, extra-help employee, advancement through clerical levels. Alumna of Urbana campus.

7. UNIVERSITY OF ILLINOIS FOUNDATION REPRESENTATIVE

Jane Phillips Donaldson, Board member and Chair-elect, University of Illinois Foundation. Life Member, University of Illinois Alumni Association. Partner and co-founder, Phillips Oppenheim, New York, an executive search firm for non-profit organizations. Former Dean of Admissions, Wesleyan University; former Associate Director of Undergraduate Admissions, Yale University. Trustee of Allen Stevenson School; the Woodrow Wilson National Fellowship Foundation; member, leadership team, Oxfam America; Chair of the Board, the Ackerman Institute for the Family and Jobs for the Future. Past director of the APT Foundation, the Financial Services Fellowship Program, the Toigo Foundation, and the MacDowell Colony. Alumna of Urbana campus.

8. UNIVERSITY ALUMNI ASSOCIATION REPRESENTATIVE

Gery Chico, Vice Chairman and Chairman elect, Alumni Association Board of Directors. Chico & Nunes, P.C., Senior Partner. Formerly with Arnstein & Lehr, Altheimer & Gray, and Sidley and Austin. Former Chief of Staff to Mayor Richard M. Daley, Deputy Chief of Staff for the Mayor. Service: former President, Board of Trustees, Chicago Public Schools; Member, Board of Commissioners of the Chicago Park District; Commissioner, Public Building Commission of Chicago. 21st Century Commission, Chicago 2016. Also: Board member, Chicago Urban League; board member, Scholarship Chicago; and Trustee, DePaul University, Chicago. A founder of Mexican-American Chamber of Commerce (now Illinois Hispanic Chamber of Commerce). Alumnus of Chicago campus.

Should any member be unable to serve for the duration of the search, the Chair of the Board of Trustees shall appoint a replacement after consultation with the appropriate constituent group.

B. The Chair of the Board recommends that the trustees formally name and appoint to membership those listed above and that the committee be charged in accord with the statement presented to the Board on November 12, 2009.

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

Approve Appointment of Interim Provost/Chancellor, Urbana

(4) President B. Joseph White and Interim President Designate Stanley O. Ikenberry recommend the appointment of Robert A. Easter, presently Professor of Animal Sciences, and Professor, Division of Nutritional Sciences, College of Agricultural, Consumer and Environmental Sciences; and Interim Provost and Vice Chancellor for Academic Affairs at Urbana, to serve as Interim Provost/Chancellor, Urbana. For service in this capacity, Dr. Easter will receive an administrative increment of \$70,905 on a twelve-month service basis, effective immediately. In addition, he will continue to serve as Interim Provost and Vice Chancellor for Academic Affairs, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$224,095, plus an administrative increment of \$60,000, effective August 17, 2009, for a total annual salary of \$355,000. As Interim Provost/Chancellor, under the direction of the President, Dr. Easter shall perform such duties as may be delegated and assigned by the President, consistent with the *University Statutes*, *The General Rules* and actions of the Board of Trustees. He succeeds Richard H. Herman who resigned October 26, 2009.

Dr. Easter will continue to hold these positions until a permanent provost and/or chancellor are/is named and prepared to assume responsibilities, following a national search.

In addition, he will continue to hold the rank of Professor of Animal Sciences, on indefinite tenure, on an academic year service basis, on zero percent time (non-salaried); and Professor, Division of Nutritional Sciences, non-tenured, on an academic year service basis, on zero percent time (non-salaried) in the College of Agricultural, Consumer and Environmental Sciences, effective August 17, 2009.

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.

We seek your approval.

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

Appoint Vice Chancellor for Research, Chicago

(5) The Chancellor at Chicago has recommended the appointment of Joe G. N. Garcia, currently Lowell T. Coggeshall Professor of Medicine and Endowed Chair, Department of Medicine, Pritzker School of Medicine, University of Chicago, as Vice Chancellor for Research, beginning February 1, 2010, non-tenured, on a twelve-month service basis, at an annual salary of \$306,000, which will be supported through State appropriated funds.

Dr. Garcia will succeed Dr. Larry Danziger, who, effective January 31, 2010, will return to the faculty as Professor of Pharmacy Practice, Pharmacotherapist and

Co-Director of Infectious Diseases, College of Pharmacy and Assistant Professor of Pharmacy, Department of Medicine, College of Medicine at Chicago. Dr. Danziger has served admirably and well as Interim Vice Chancellor for Research since January 21, 2008, to date, and will continue service during the transition at his current salary rate of \$204,000 through February 28, 2010.

In addition, Dr. Garcia will be appointed to the rank of Professor of Medicine, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, at an annual salary of \$204,000, for research and clinical care duties supported by Dr. Garcia's NIH grants and clinical practice.

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.

This appointment is made with the advice of a Search Committee.¹

The Vice President for Academic Affairs concurs.

The President of the University recommends approval.

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

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

Appointments to the Faculty

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

¹Joseph A. Flaherty, Professor and Dean, College of Medicine, *Chair*; Frances A. Aparicio, Professor, Latin American and Latino Studies Program; Jerry Bauman, Professor and Dean, College of Pharmacy; Frank Chaloupka, Professor, Department of Economics; Warren Chapman, Vice Chancellor for External Affairs; Jennifer Czak, Assistant Director, Research Development Services; Barbara L. Dancy, Professor, Department of Health Systems Science; Josh Fennell, Graduate Student, History; Stacie Geller, Professor, Department of Obstetrics and Gynecology, and Director, Center for Research on Women and Gender; James Gleeson, Associate Professor, Jane Addams College of Social Work; David Gulley, Assistant Vice Chancellor for Research, Office of the Vice Chancellor for Research; Timothy Johnson, Professor, Department of Public Administration, and Director, Survey Research Laboratory; Richard Magin, Professor and Head, Department of Bioengineering; Clive Pai, Professor, Department of Physical Therapy; Indru Punwani, Professor and Head, Department of Pediatric Dentistry; Timothy Shanahan, Professor, Department of Curriculum and Instruction; Stephen E. Wiberley, Jr., Professor and Bibliographer for Social Sciences, Richard J. Daley Library; Darlette Marie Willis, Graduate Secretary, Department of Mathematics, Statistics and Computer Science, and President, Staff Advisory Council

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions are presented for approval by 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.

Urbana-Champaign

Angela Black, Assistant Professor of Kinesiology and Community Health, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$63,000, beginning August 16, 2009.

Catherine Lesley Blake, Associate Professor, Graduate School of Library and Information Science, summer appointment, on 100 percent time, at a monthly rate of \$10,000, July 16-August 15, 2009; and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$90,000, effective August 16, 2009.

Anita Chan, Assistant Professor of Media and Cinema Studies, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$65,000, beginning August 16, 2009.

Tiberiu Catalin Dragu, Assistant Professor of Political Science, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$72,000, beginning August 16, 2009.

Matthew William Dye, Assistant Professor of Speech and Hearing Science, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$60,000, beginning August 16, 2009.

Rajagopal Echambadi, Associate Professor of Business Administration, summer appointment, on 100 percent time, at a monthly rate of \$17,778, August 1-15, 2009; and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$152,500, effective August 16, 2009; and James F. Towey Faculty Fellow, College of Business, non-tenured, on an academic year service basis, with an increment of \$7,500, beginning August 16, 2009, for a total salary of \$160,000.

Miles James Efron, Assistant Professor, Graduate School of Library and Information Science, probationary faculty on tenure track year three, on an academic year service basis, on 100 percent time, at an annual salary of \$75,000, beginning August 16, 2009.

Rachel Sylvia Harris, Assistant Professor, Program in Comparative and World Literature, School of Literatures, Cultures, and Linguistics, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$59,000, beginning August 16, 2009; and Assistant Professor, The Program in Jewish Culture and Society, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2009, for a total salary of \$59,000.

Mi Kyoung Hur, Assistant Professor of Mathematics, summer appointment, on 100 percent time, at a monthly rate of \$16,889, July 1-August 15, 2009; 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 \$76,000, effective August 16, 2009.

Jinki Kim, Assistant Professor of Landscape Architecture, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$64,000, beginning August 16, 2009.

Jungwon Kim, Assistant Professor of East Asian Languages and Cultures, School of Literatures, Cultures, and Linguistics, probationary faculty on tenure track year one, on an academic year service basis, on 75 percent time, at an annual salary of \$41,625, beginning August 16, 2009; and Assistant Professor of History, probationary faculty on tenure track year one, on an academic year service basis, on 25 percent time, at an annual salary of \$13,875, beginning August 16, 2009, for a total salary of \$55,500.

Lane W. Martin, Assistant Professor of Materials Science and Engineering, summer appointment, on 100 percent time, at a monthly rate of \$9,444, August 1-15, 2009; 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 \$85,000, effective August 16, 2009.

***Catherine Jones Murphy**, Professor of Chemistry, School of Chemical Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$150,000, beginning August 16, 2009.

Hayden Neville Noel, Assistant Professor of Business Administration, summer appointment, on 100 percent time, at a monthly rate of \$14,444, May 16-July 15, 2009; 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 \$130,000, effective August 16, 2009.

Andiara Schwingel, Assistant Professor of Kinesiology and Community Health, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$57,500, beginning August 16, 2009.

Karrie A. Shogren, Assistant Professor of Special Education, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$70,000, beginning August 16, 2009.

Therese Frances Tierney, Assistant Professor, School of Architecture, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$60,000, beginning August 16, 2009.

Maria Bonita Villamil, Assistant Professor of Crop Sciences, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$65,000, beginning September 9, 2009.

Zhuo Wang, Assistant Professor of Atmospheric Sciences, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$70,000, beginning August 16, 2009.

Matthew Stephen Winters, Assistant Professor of Political Science, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$72,000, beginning August 16, 2009.

Enlu Zhou, Assistant Professor of Industrial and Enterprise Systems Engineering, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$79,000, beginning August 16, 2009.

Emeriti Appointments

Richard O. Buckius, Professor Emeritus of Mechanical Engineering in the Department of Mechanical Science and Engineering, September 16, 2008

Jo Ann Cameron, Associate Professor Emerita of Cell and Developmental Biology, Basic Sciences, College of Medicine at Urbana-Champaign, September 1, 2009

Ira Harris Carmen, Professor Emeritus of Political Science, August 16, 2009

Rex A. Hess, Professor Emeritus of Veterinary Biosciences, August 16, 2009

Eric Jakobsson, Professor Emeritus of Molecular and Integrative Physiology, August 1, 2009

Julia Kellman, Associate Professor Emerita, School of Art and Design, May 16, 2009

Darrel J. Kesler, Professor Emeritus of Animal Sciences, September 16, 2009

Scott E. Martin, Professor Emeritus of Food Science and Human Nutrition, January 1, 2010

Janak H. Patel, Professor Emeritus of Electrical and Computer Engineering, August 16, 2009

Chicago

Sanjeev Akkina, 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 \$57,375, beginning September 1, 2009; Research Scientist in Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 29 percent time, at an annual salary of \$32,625, beginning September 1, 2009; and Physician Surgeon in Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 20 percent time, at an annual salary of \$34,200, beginning September 1, 2009, for a total salary of \$124,200.

Belinda Akpa, Assistant Professor of Chemical Engineering, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$85,000, beginning August 16, 2009.

Jamie Lee Berkes, Assistant Professor, Section of Hepatology, Department 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 \$62,621, beginning August 16, 2009; and Physician Surgeon, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 39 percent time, at an annual salary of \$100,000, beginning August 16, 2009, for a total salary of \$162,621.

Graeme Carnegie, Assistant Professor of Pharmacology, College of Medicine at Chicago, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$80,000, beginning August 16, 2009.

Rachel N. Caskey, Assistant Professor, Section of General Internal Medicine, Department of Medicine, College of Medicine at Chicago, probationary faculty on tenure track year one, on a twelve-month service basis, on 26 percent time, at an annual salary of \$34,060, beginning August 16, 2009; Assistant Professor of Pediatrics, College of Medicine at Chicago, probationary faculty on tenure track year one, on a twelve-month service basis, on 25 percent time, at an annual salary of \$32,750, beginning August 16, 2009; Physician Surgeon in Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 24 percent time, at an annual salary of \$31,440, beginning August 16, 2009; and Physician Surgeon in Pediatrics, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 25 percent time, at an annual salary of \$32,750, beginning August 16, 2009. She will continue to serve as Departmental

Affiliate, Division of Community Health Sciences, School of Public Health, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$131,000.

Jaehyung Cho, Assistant Professor of Pharmacology, College of Medicine at Chicago, probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$41,250, beginning August 25, 2009; and Assistant Professor of Anesthesiology, College of Medicine at Chicago, probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$41,250, beginning August 25, 2009, for a total salary of \$82,500.

***Denise M. Hynes**, Professor of Medicine, College of Medicine at Chicago, on indefinite tenure, on an academic year service basis, on 38 percent time, at an annual salary of \$59,175, beginning September 16, 2009; Center Affiliate, Center for Clinical and Translational Science, non-tenured, on an academic year service basis, on 13 percent time, at an annual salary of \$19,725, beginning September 16, 2009; and Departmental Affiliate, Division of Health Policy and Administration, School of Public Health, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning September 16, 2009, for a total salary of \$78,900.

***Carol Kamin**, Associate Professor of Medical Education, College of Medicine at Chicago, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$100,500, beginning September 16, 2009.

Ervin Kocjancic, Assistant Professor of Urology, 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 \$50,000, beginning August 1, 2009; and Physician Surgeon in Urology, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$100,000, beginning August 1, 2009, for a total salary of \$150,000.

Barbara McFarlin, Assistant Professor of Women, Children, and Family Health Science, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$74,218, beginning August 16, 2009.

John Pula, Assistant Professor of Neurology, College of Medicine at Peoria, probationary faculty on tenure track year one, on a twelve-month service basis, on 51 percent time, at an annual salary of \$51,000, beginning August 16, 2009; and Physician Surgeon in Neurology, College of Medicine at Peoria, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$49,000, beginning August 16, 2009, for a total salary of \$100,000.

Fangfang Wang, Assistant Professor of Information and Decision Sciences, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$90,000, beginning August 16, 2009.

Emeriti Appointments

Linda Rae Bressler, Clinical Associate Professor Emerita of Pharmacy Practice, September 1, 2009

Arlene Michaels Miller, Professor Emerita of Health Systems Science, October 1, 2009

Dorie W. Schwartz, Associate Professor Emerita of Biobehavioral Health Science, May 16, 2009

Joan L. Shaver, Dean Emerita, College of Nursing, July 16, 2009

Springfield

Josiah Olusegun Alamu, Assistant Professor of Public Health, 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, 2009.

Elizabeth N. Ribarsky, Assistant Professor of Communication, probationary faculty on tenure track year two, on an academic year service basis, on 100 percent time, at an annual salary of \$44,600, beginning January 22, 2009.

Kathryn Margaret Sheridan, Assistant Professor of Social Work, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$47,915, beginning September 16, 2009.

Emeriti Appointments

Marcellus J. Leonard, Associate Professor Emeritus, Center for Teaching and Learning Program, and Associate Professor Emeritus of English, September 1, 2009

Elaine Rundle-Schwark, Clinical Assistant Professor Emerita, Experiential and Service-Learning Programs, August 29, 2009

Administrative/Professional Staff

Faith Johnson Bonecutter, Associate Dean for Academic Affairs, Jane Addams College of Social Work, Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$25,000, beginning November 16, 2009. Ms. Bonecutter will

continue to hold the rank of Clinical Associate Professor, Jane Addams College of Social Work, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$82,058, effective August 16, 2009, for a total salary of \$107,058.

Melisa Burton, Director of Clinical Utilization, Dental Clinics, College of Dentistry, Chicago, non-tenured, on a twelve-month service basis, on 90 percent time, at an annual salary of \$86,400, beginning November 16, 2009. Dr. Burton was appointed to serve as Visiting Director of Clinical Utilization under the same conditions and salary arrangement beginning August 16, 2009. She will continue to hold the rank of Clinical Assistant Professor of Restorative Dentistry, College of Dentistry, non-tenured, on a twelve-month service basis, on 10 percent time, at an annual salary of \$9,600, effective August 16, 2009, for a total salary of \$96,000.

Charles Leroy Cox, Head of the Department of Pharmacology, College of Medicine at Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$5,000, beginning November 16, 2009. Dr. Cox was appointed to serve as Interim Head under the same conditions and salary arrangement beginning August 16, 2009. He will continue to hold the rank of Associate Professor of Pharmacology, Basic Sciences, College of Medicine at Urbana-Champaign, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$90,000, effective August 16, 2009; Associate Professor of Molecular and Integrative Physiology, College of Medicine at Urbana-Champaign, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009; Associate Professor of Physiology in the Department of Molecular and Integrative Physiology, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009; and Associate 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, 2009, for a total salary of \$95,000.

John J. Cuttica, Director, Energy Resources Center, College of Engineering, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$150,180, beginning November 16, 2009. Mr. Cuttica was appointed to serve as Interim Director, Energy Resources Center, non-tenured, on a twelve-month service basis, with an administrative increment of \$5,000, beginning August 16, 2009.

Sheetal J. Ghayal, Director of Business Planning and Decision Support, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$96,000, beginning November 16, 2009. Ms. Ghayal was appointed to serve as Interim Director, non-tenured, on a twelve-month service basis, with an administrative increment of \$22,560, beginning August 16, 2009.

Jennifer F. Hamer, Associate Dean, Graduate College, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$10,000, beginning November 16, 2009. In addition, Dr. Hamer will receive an amount equal to

one-ninth of her faculty base salary for two months' faculty service, on 50 percent time, during each summer of her appointment as Associate Dean (\$10,667 for Summer 2010). She was appointed to serve as Interim Associate Dean under the same conditions and salary arrangement beginning August 16, 2009. Dr. Hamer will continue to hold the rank of Associate Professor of African American Studies, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$96,000, effective August 16, 2009; Associate Professor of Sociology, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009; and Associate Professor, Gender and Women's Studies Program, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$116,667.

Christopher T. Higgins, Assistant Dean for Advancement, College of Law, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$58,500, beginning November 16, 2009; and Assistant Dean for Advancement, Office of the Vice Chancellor for Institutional Advancement, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$58,500, beginning November 16, 2009, for a total salary of \$117,000. Mr. Higgins was appointed to serve as Interim Assistant Dean for Advancement under the same conditions and salary arrangement beginning September 28, 2009.

Lois L. Hoyer, Associate Dean for Research and Advanced Studies, College of Veterinary Medicine, Urbana-Champaign, non-tenured, on an academic year service basis, on 45 percent time, at an annual salary of \$56,475, plus an administrative increment of \$4,500, on a twelve-month service basis, beginning January 1, 2010. Dr. Hoyer will also be appointed as Assistant Dean for Research Leadership in Veterinary Programs in Agriculture, College of Agricultural, Consumer, and Environmental Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, on 5 percent time, at an annual salary of \$6,275, plus an administrative increment of \$500, on a twelve-month service basis, beginning January 1, 2010. In addition, she will receive an amount equal to one-ninth of her annual base salary for one month's service, during each summer of her appointment as Associate Dean and Assistant Dean (\$13,944 for Summer 2010). Dr. Hoyer will continue to hold the rank of Professor of Pathobiology, College of Veterinary Medicine, on indefinite tenure, on an academic year service basis, on 50 percent time, at an annual salary of \$62,750, effective January 1, 2010; and Professor, Institute for Genomic Biology, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective January 1, 2010, for a total salary of \$144,444.

K. Jimmy Hsia, Associate Dean, Graduate College, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$10,000, beginning November 16, 2009. In addition, Dr. Hsia will receive an amount equal to one-ninth of his faculty base salary for two months' faculty service, on 50 percent time, during each summer of his appointment as Associate Dean (\$12,127 for Summer 2010). He was appointed to serve as Interim Associate Dean under the same conditions and salary arrangement beginning August 16, 2009. Dr. Hsia will continue to hold the rank of Professor of Mechanical Science and Engineering, College of Engineering, on indefinite

tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$109,139, effective August 16, 2009; 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, 2009, for a total salary of \$131,266.

Thomas Jerkovitz, Director, Division of Specialized Care for Children, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$164,000, beginning November 16, 2009.

Rodney W. Johnson, Director, Division of Nutritional Sciences, College of Agricultural, Consumer, and Environmental Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, on 25 percent time, at an annual salary of \$28,625, plus an administrative increment of \$10,000 on a twelve-month service basis, beginning November 16, 2009. In addition, during each year of his service as Director, Dr. Johnson will receive a summer faculty salary for two months' service, on 25 percent time (\$6,361 for Summer 2010). He was appointed to serve as Interim Director under the same conditions and salary arrangement beginning October 16, 2009. Dr. Johnson will continue to hold the rank of Professor of Animal Sciences, on indefinite tenure, on an academic year service basis, on 75 percent time, at an annual salary of \$85,875, effective October 16, 2009; and Professor, Division of Nutritional Sciences, College of Agricultural, Consumer, and Environmental Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$130,861.

Charles M. Kahn, Chair of the Department of Finance, College of Business, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment equal to one-ninth of his academic year base salary plus named professorship increment for one month's administrative service during each summer of his appointment as Chair (\$26,889 for Summer 2010), beginning November 16, 2009. In addition, Dr. Kahn will receive an amount equal to one-ninth of his combined academic year base salary plus named professorship increment for one month's administrative service during each summer of his appointment as Chair (\$26,889 for Summer 2010). He was appointed to serve as Interim Chair under the same conditions and salary arrangement beginning February 16, 2009. Dr. Kahn will continue to hold the rank of Professor of Finance, College of Business, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$230,000, effective August 16, 2009; Fred S. Bailey Memorial Chair Professor of Finance, College of Business, non-tenured, on an academic year service basis, with an increment of \$12,000, effective August 16, 2009; and Professor of Economics, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$295,778.

Janet Dixon Keller, Associate Dean, Graduate College, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$10,000, beginning January 16, 2010. Dr. Keller will receive an amount equal to one-ninth of her faculty base salary for two months' faculty service, on 50 percent time, during each summer of her appointment as Associate Dean (\$12,202 for Summer 2010). She will continue to hold the rank of Professor of Anthropology, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$109,815, effective August 16, 2009; and Curator, Spurlock Museum, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$132,017.

Schuyler S. Korban, Director, International Affairs/Agricultural, Consumer and Environmental Sciences (ACES) Global Connect, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$15,000, beginning November 16, 2009. In addition, Dr. Korban will receive an amount equal to one-ninth of his faculty base salary for two months' faculty service, on 50 percent time, during each summer of his appointment as Director (\$14,600 for Summer 2010). He was appointed to serve as Interim Director under the same conditions and salary arrangement beginning August 16, 2009. Dr. Korban will continue to hold the rank of Professor of Molecular Genetics and Biotechnology in the Department of Natural Resources and Environmental 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 \$131,400, effective August 16, 2009; and Professor of Molecular Genetics and Biotechnology in the Division of Nutritional Sciences, College of Agricultural, Consumer and Environmental Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$161,000.

Cordelia Anne Maloney, Executive Director, School of Continuing Studies, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$140,000, beginning November 16, 2009. Ms. Maloney was appointed to serve as Interim Executive Director, non-tenured, on a twelve-month service basis, with an administrative increment of \$36,450, beginning September 1, 2009.

Joseph J. Martocchio, Associate Dean for Academic Affairs, School of Labor and Employment Relations, Urbana-Champaign, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning November 16, 2009. Dr. Martocchio will receive an amount equal to two-ninth's of his academic year base salary for two months' administrative service, on 100 percent time, during each summer of his appointment as Associate Dean for Academic Affairs (\$34,896 for Summer 2010). He was appointed to serve as Interim Associate Dean for Academic Affairs under the same conditions and salary arrangement beginning October 21, 2009. Dr. Martocchio will continue to hold the rank of Professor, School of Labor and Employment Relations, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$157,033, effective August 16, 2009; and Professor of Psychology, College of

Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$191,929.

Andrew David Mesecar, Assistant Head for Curricular Affairs in the Department of Medicinal Chemistry and Pharmacognosy, College of Pharmacy, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$3,000, beginning November 16, 2009. Dr. Mesecar was appointed to serve as Interim Assistant Head for Curricular Affairs under the same conditions and salary arrangement beginning August 16, 2009. He will continue to hold the rank of Professor, Center for Pharmaceutical Biotechnology, College of Pharmacy, non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$125,000, effective August 16, 2009; Professor of Medicinal Chemistry and Pharmacognosy, College of Pharmacy, on indefinite tenure, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009; and Institute Affiliate, Institute for Tuberculosis Research, College of Pharmacy, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$128,000. Funding equivalent to a 100 percent time indefinite tenure appointment as Professor is provided by the Center for Pharmaceutical Biotechnology.

Christopher G. Mitchell, Associate Dean, Doctoral Studies and Academic Programs, Jane Addams College of Social Work, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$92,352 and an administrative increment of \$25,000, beginning November 16, 2009. Dr. Mitchell will continue to hold the rank of Associate Professor, Jane Addams College of Social Work, on indefinite tenure, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$117,352.

Charles T. Morton, Head of the Department of Pediatrics, College of Medicine at Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$10,000, beginning November 16, 2009. Dr. Morton was appointed to serve as Interim Head under the same conditions and salary arrangement beginning August 16, 2009. He will continue to hold the rank of Clinical Professor of Pediatrics, College of Medicine at Urbana-Champaign, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$10,000. He will continue to hold ongoing positions with Carle Foundation Hospital and Carle Clinic Association.

Gregory B. Northcraft, Associate Dean of Faculty, College of Business, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$15,000, beginning November 16, 2009. In addition, Dr. Northcraft will receive an amount equal to one-ninth of his total academic year salary for one month's administrative service during each summer of his appointment as Associate Dean of Faculty (\$23,056 for Summer 2010). He was appointed to serve as Interim Associate Dean of Faculty under the same conditions and salary arrangement beginning August 16, 2009. Dr. Northcraft will continue to hold the rank of 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 \$182,500, effective August 16, 2009; Harry J. Gray Professor of Executive Leadership, College of Business, non-tenured, on an academic year service basis, with an increment of \$10,000, effective August 16, 2009; and Professor, School of Labor and Employment Relations, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$230,556.

Linda S. Padera, Senior Assistant Dean for Budget and Finance, College of Liberal Arts and Sciences, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$91,010, beginning November 16, 2009.

Audrius Polikaitis, Director of Technical Advancement, Information 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 \$147,922, beginning November 16, 2009.

Marshall Scott Poole, Director, Institute for Computing in Humanities, Arts, and Social Sciences, Illinois Informatics Institute, Urbana-Champaign, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning November 16, 2009. Dr. Poole will receive an amount equal to 50 percent of one-ninth of his faculty base salary for each of three months' administrative service, on 50 percent time, during each summer of his appointment as Director, Institute for Computing in Humanities, Arts, and Social Sciences (\$28,016 for Summer 2010). He was appointed to serve as Interim Director, Institute for Computing in Humanities, Arts, and Social Sciences under the same conditions and salary arrangement beginning July 16, 2009. Dr. Poole will continue to hold the rank of Professor of Communication, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$168,096, effective August 16, 2009; Senior Research Scientist, National Center for Supercomputing Applications, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2009; 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, 2009; and Richard and Margaret Romano Professorial Scholar in Communication, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$196,112.

Sarah Projansky, Associate Head for Cinema Studies in the Department of Media and Cinema Studies, College of Media, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$6,000, beginning November 16, 2009. Dr. Projansky was appointed to serve as Interim Associate Head under the same conditions and salary arrangement beginning August 16, 2009. She will continue to hold the rank of Associate Professor, Gender and Women's Studies Program, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 50 percent time, at an annual salary of \$41,500, effective August 16, 2009; and Associate Professor of Media and Cinema Studies, College of Media, on indefinite tenure, on an

academic year service basis, on 50 percent time, at an annual salary of \$43,500, effective August 16, 2009, for a total salary of \$91,000.

Michele Sexton Dorvil, Executive Director, Institute for Entrepreneurial Studies, College of Business Administration, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$110,271, beginning November 16, 2009. Ms. Sexton Dorvil was appointed to serve as Executive Director, non-tenured, on a twelve-month service basis, with an administrative increment of \$5,000, beginning August 16, 2009. She will continue to hold the rank of Adjunct Lecturer, Research Centers, College of Business Administration, non-tenured, on an academic year service basis, with an administrative increment of \$15,000, effective October 16, 2009, for a total salary of \$125,271.

David M. Sinow, Director of the Finance Academy, Department of Finance, College of Business, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$20,000, beginning November 16, 2009. Dr. Sinow was appointed to serve as Interim Director of the Finance Academy under the same conditions and salary arrangement beginning August 16, 2009. He will continue to hold the rank of Clinical Professor of Finance, College of Business, non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$99,800, effective August 16, 2009; and Director, Office of Risk Management and Insurance Research, Department of Finance, College of Business, on a twelve-month service basis, with an administrative increment of \$10,000, effective August 16, 2009, for a total salary of \$129,800.

Stephen Dale Smith, Director of the Saint Jude Clinic in the Department of Pediatrics, College of Medicine at Peoria, non-tenured, on a twelve-month service basis, with an administrative increment of \$20,300, beginning November 16, 2009. Dr. Smith was appointed to the rank of Professor of Pediatrics, College of Medicine at Peoria, Q probationary faculty, on a twelve-month service basis, on 51 percent time, at an annual salary of \$90,589, for three years beginning August 16, 2009. In addition, he will continue to serve as Physician Surgeon in Pediatrics, College of Medicine at Peoria, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$87,036, effective August 16, 2009, for a total salary of \$197,925.

Gregory Rj Thatcher, Assistant Head for Research in the Department of Medicinal Chemistry and Pharmacognosy, College of Pharmacy, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$3,000, beginning November 16, 2009. Dr. Thatcher will continue to hold the rank of Professor of Medicinal Chemistry, Department of Medicinal Chemistry and Pharmacognosy, College of Pharmacy, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$145,000, effective August 16, 2009, for a total salary of \$148,000.

Matthew Andrew Tomaszewski, Associate Dean, College of Liberal Arts and Sciences, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$120,000, beginning November 16, 2009. Mr. Tomaszewski was appointed to serve as Interim Associate Dean under the same conditions and salary arrangement beginning October 16, 2009.

Angharad N. Valdivia, Head of the Department of Media and Cinema Studies, College of Media, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$12,000, beginning November 16, 2009. In addition, Dr. Valdivia will receive an amount equal to one-ninth of her faculty base salary for two months' administrative service, on 50 percent time, during each summer of her appointment as Head (\$12,511 for Summer 2010). She was appointed to serve as Interim Head under the same conditions and salary arrangement beginning August 16, 2009. Dr. Valdivia will continue to serve as Interim Director of the Institute of Communications Research, College of Media, non-tenured, on a twelve-month service basis, with an administrative increment of \$3,000, effective August 16, 2009; Professor of Media and Cinema Studies, College of Media, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$112,601, effective August 16, 2009; Professor of Media Studies in the Institute of Communications Research, College of Media, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009; Professor, Gender and Women's Studies Program, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009; and Professor, Unit for Criticism, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$140,112.

Annette L. Valenta, Associate Dean for Health Informatics, College of Applied Health Sciences, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$8,182, beginning November 16, 2009. In addition, Dr. Valenta will receive an amount equal to one-ninth of her academic year salary for one month's service during each summer of her appointment as Associate Dean (\$15,374 for Summer 2010), and an amount equal to two-ninth's of her administrative stipend for two months' service during each summer of her appointment as Associate Dean (\$1,812 for Summer 2010). She will continue to hold the rank of Professor of Biomedical and Health Information Sciences, College of Applied Health Sciences, on indefinite tenure, on an academic year service basis, on 90 percent time, at an annual salary of \$124,525, effective August 16, 2009; Center Affiliate, Center for Clinical and Translational Science, Office of Continuing Education, Urbana-Champaign, non-tenured, on an academic year service basis, on 10 percent time, at an annual salary of \$13,837, effective August 16, 2009; Director of Graduate Studies, Department of Biomedical and Health Information Sciences, College of Applied Health Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009; Professor of Information and Decision Sciences, College of Business Administration, non-tenured, on an academic year service basis, on zero percent time, non-salaried,

effective August 16, 2009; Professor of Medical Education, College of Medicine at Chicago, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009; and Departmental Affiliate, Division of Health Policy and Administration, School of Public Health, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009, for a total salary of \$163,730.

Charles B. Walter, Head of the Department of Kinesiology and Nutrition, College of Applied Health Sciences, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$12,273, beginning November 16, 2009. In addition, Dr. Walter will receive an amount equal to two-ninth's of his academic year base salary for two months' service during each summer of his appointment as Head (\$31,616 for Summer 2010). He will continue to hold the rank of Professor of Kinesiology and Nutrition, College of Applied Health Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$130,000, effective August 16, 2009, for a total salary of \$173,889.

Loretta L. Williamson, Associate Vice Chancellor for Institutional Advancement, Office of the Vice Chancellor for Institutional Advancement, Urbana-Champaign, and Associate Vice President of the University of Illinois Foundation, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$155,000, beginning November 16, 2009. Dr. Williamson was appointed to serve as Interim Associate Vice Chancellor for Institutional Advancement and Associate Vice President of the University of Illinois Foundation, under the same conditions and salary arrangement beginning September 21, 2009.

Virginia A. Winckler, Associate Dean for Finance and Administration, College of Veterinary Medicine, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$151,403, beginning November 16, 2009. Ms. Winckler was appointed to serve as Interim Associate Dean for Finance and Administration under the same conditions and salary arrangement beginning August 16, 2009.

Mark P. Krivchenia, Technology Manager, Office of Technology Management at Chicago, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$95,000, beginning November 16, 2009.

Intercollegiate Athletic Staff

Robert M. Starkell, Director of Gymnastics, Division of Intercollegiate Athletics, Urbana-Champaign, non-tenured, on a ten months' service paid over twelve-months service basis, with an administrative increment of \$5,000, beginning November 16, 2009. Mr. Starkell was appointed to serve as Interim Director of Gymnastics under the same conditions and salary arrangement beginning May 1, 2009. He will continue to serve as Head Varsity Coach, Women's Gymnastics, Division of Intercollegiate Athletics,

Urbana-Champaign, non-tenured, on a ten months' service paid over twelve-months service basis, on 100 percent time, at an annual salary of \$89,000, effective August 16, 2009, for a total salary of \$94,000.

Addendum

Amendments to Previously Confirmed Faculty Appointments

Urbana

Anurudha Udeni Dhammika Dharmapala, Professor, College of Law, summer appointment, on 35 percent time, \$15,000, June 1-August 15, 2009; and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$155,000, effective August 16, 2009; **and Professor of Finance, College of Business, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2009, for a total salary of \$155,000.**

Philip B. Godfrey, Assistant Professor of Computer Science, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$90,000, beginning August 16, 2009; **and Departmental Affiliate in Electrical and Computer Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2009, for a total salary of \$90,000.**

Gloriana González Rivera, Assistant Professor of Curriculum and Instruction, summer appointment, on 100 percent time, at a monthly rate of \$7,000, July 16-August 15, 2009; and continuing as probationary faculty on ~~initial/partial term appointment~~ **tenure track year one**, on an academic year service basis, on 100 percent time, at an annual salary of \$63,000, effective August 16, 2009.

Robin B. Kar, Professor, College of Law, summer appointment, on 35 percent time, \$15,000, June 1-August 15, 2009; and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$155,000, effective August 16, 2009; ~~and~~ Thomas Mengler Faculty Scholar, **College of Law**, non-tenured, on an academic year service basis, on zero percent time, with an annual stipend of \$10,000, beginning August 16, 2009; **and Professor of Philosophy, College of Liberal Arts and Sciences, non-tenured on a twelve-month service basis, on zero percent time, non-salaried, beginning August 16, 2009,** for a total salary of \$165,000.

Jian Ma, Assistant Professor of Bioengineering, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$85,000, beginning August 16, 2009; **and Center Affiliate, National Center for Supercomputing Applications, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, beginning August 16, 2009, for a total salary of \$85,000.**

~~**Robert S. Wyer, Jr.**, 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 \$232,000, beginning August 16, 2009. Dr. Wyer will also be appointed as J.M. Jones Distinguished Chair in Marketing **Professor**, College of Business, non-tenured, on an academic year service basis, on ~~zero~~ **100** percent time, ~~non-salaried~~ **at an annual salary of \$232,000**, beginning August 16, 2009. ~~He will receive an amount equal to two-ninths of his academic year base salary for two months' faculty service during each summer of his appointment as J.M. Jones Distinguished Chair in Marketing (\$51,556 for Summer 2010), for a total salary of \$283,556.~~ Dr. Wyer previously retired from faculty service at the University of Illinois at Urbana-Champaign. With approval of the current proposed appointment, he will reverse his retirement decision in order to return to full-time active status.~~

Chicago

Jeannette Martinez, Assistant Professor of Curriculum and Instruction, **summer appointment, on 100 percent time, at a monthly rate of \$8,028, July 1-August 15, 2009; 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 \$72,250, **beginning effective** August 16, 2009.

Administrative/Professional

Elizabeth A. Calhoun, Director, Clinical Research Methods Graduate Program, Division of Health Policy and Administration, School of Public Health, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$10,000, beginning August 16, 2009. Dr. Calhoun **was appointed to serve as Visiting Director, Clinical Research Methods Graduate Program, summer appointment, with a monthly administrative increment of \$5,000, May 16-August 15, 2009.** She will continue to hold the rank of Associate Professor, Division of Health Policy and Administration, School of Public Health, on indefinite tenure, on an academic year service basis, on 65 percent time, at an annual salary of \$68,832, effective August 16, 2009; and Senior Research Scientist, Division of Health Policy and Administration, School of Public Health, non-tenured, on an academic year service basis, on 35 percent time, at an annual salary of \$45,666, effective August 16, 2008, for a total salary of \$124,498.

Faith G. Davis, Associate Dean for Research, School of Public Health, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$20,000, beginning August 16, 2009. In addition, Dr. Davis will receive an amount equal to one-ninth of her faculty base salary for two months' service during each summer of her appointment as Associate Dean (\$26,586 for Summer 2010). She will continue to hold

the rank of Professor of Epidemiology, Division of Epidemiology and Biostatistics, School of Public Health, on indefinite tenure, on an academic year service basis, on ~~100~~ **35** percent time, at an annual salary of ~~\$119,635~~ **\$41,991**, beginning **effective** August 16, 2009; **Senior Associate Dean, School of Public Health, non-tenured, on an academic year service basis, on 50 percent time, at an annual salary of \$59,817, effective August 16, 2009;** and **Research Professor, Institute for Health Research and Policy, School of Public Health, non-tenured, on an academic year service basis, on 15 percent time, at an annual salary of \$17,827, effective August 16, 2009,** for a total salary of \$166,221.

Placid Mathew Ferreira, Head of the Department of Mechanical Science and Engineering, College of Engineering, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$5,000, beginning August 16, 2009. Dr. Ferreira will receive an amount equal to one-ninth of his total academic year salary for one month's service during each summer of his appointment as Head (\$21,389 for Summer 2010). He will continue to hold the rank of Professor of Mechanical Science and Engineering, College of Engineering, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$180,000, effective August 16, 2009; Grayce Wicall Gauthier Professor of Mechanical Science and Engineering, College of Engineering, non-tenured, on an academic year service basis, with an annual increment of \$7,500, effective August 16, 2009; 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, 2009; **and Director, Nanoscale Chemical-Electrical-Mechanical Manufacturing Systems – NSF Nanoscale Science and Engineering Center, Department of Mechanical Science and Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009,** for a total salary of \$213,889.

Richard Lincoln Fredrickson, Assistant Director of the Veterinary Diagnostic Laboratory, College of Veterinary Medicine, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$5,000, beginning ~~July 27, 2009~~ **August 6, 2009**. Dr. Fredrickson was appointed to serve as Interim Assistant Director under the same conditions and salary arrangement beginning May 1, 2009. He will continue to hold the rank of Clinical Associate Professor, Veterinary Diagnostic Laboratory, College of Veterinary Medicine, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$105,880, effective August 16, 2008; and Clinical Associate Professor of Pathobiology, College of Veterinary Medicine, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2008, for a total salary of \$110,880.

Sara C. Gordon, Director of Oral Pathology Biopsy Service, College of Dentistry, Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$30,000, beginning August 16, 2009. Dr. Gordon will continue to hold the rank of

Associate Professor of Oral Medicine and Diagnostic Sciences, College of Dentistry, on indefinite tenure, on a twelve-month service basis, on 100 percent time, at an annual salary of \$114,441, effective August 16, 2009; and Director of Oral Pathology Graduate Program, College of Dentistry, non-tenured, on a twelve-month service basis, with an administrative increment of \$15,605, effective August 16, 2009; **and Associate Professor of Pathology, College of Dentistry, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2009,** for a total salary of \$160,046.

Salvatore J. LoCoco, Chair of the Department of Obstetrics and Gynecology, College of Medicine at Peoria, non-tenured, on a twelve-month service basis, with an administrative increment of \$30,000, beginning July 27, 2009. Dr. LoCoco will be appointed to the rank of Associate Professor of Clinical Obstetrics and Gynecology in the Department of Obstetrics and Gynecology, College of Medicine at Peoria, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$35,000, beginning July 27, 2009. He was appointed to serve as Interim Chair and Visiting Associate Professor under the same conditions and salary arrangement beginning May 1, 2009. Dr. LoCoco will continue to serve as Physician Surgeon in Obstetrics and Gynecology, College of Medicine at Peoria, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$35,000, effective May 1, 2009, for a total salary of \$100,000.

Education

University of Dallas, Irving, **Texas**, B.A., 1984

Texas Tech University, Lubbock, M.D., 1988

Luis F. Lopez-Carretero, Head of the Department of Spanish, French, Italian and Portuguese, College of Liberal Arts and Sciences, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$5,000, beginning August 16, 2009. Dr. Lopez-Carretero will continue to hold the rank of Professor of Spanish, French, Italian and Portuguese, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of ~~\$84,000~~ **\$84,800**, effective August 16, 2009, for a total salary of ~~\$89,000~~ **\$89,800**.

David F. Merriman, Head of the Department of Economics, College of Liberal Arts and Sciences, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$7,000, beginning August 16, 2009. Dr. Merriman will be appointed to the rank of Professor of Economics, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on ~~80~~ **zero** percent time, ~~at an annual salary of \$111,180~~ **non-salaried**, beginning August 16, 2009. He will continue to hold the rank of Professor of Public Administration, College of Urban Planning and Public Affairs, on indefinite tenure, on an academic year service basis, on ~~20~~ **50** percent time, at an annual salary of ~~\$27,795~~ **\$63,750**, effective August 16, 2009; and Professor, Institute of Government and Public Affairs, University Administration, on indefinite tenure, on an

academic year service basis, on ~~zero~~ **50** percent time, ~~non-salaried~~ **at an annual salary of \$63,750**, effective August 16, 2009, for a total salary of \$145,975. ~~Dr. Merriman will continue to hold his indefinite tenure percentages at 50 percent time each in both the Department of Public Administration, College of Urban Planning and Public Affairs, Chicago, and the Institute of Government and Public Affairs, University Administration.~~

Steven M. Swanson, Associate Dean, Research and Graduate Education, College of Pharmacy, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$10,000, beginning August 16, 2009. Dr. Swanson will continue to hold the rank of Professor of Pharmacognosy, Department of Medicinal Chemistry and Pharmacognosy, College of Pharmacy, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$130,000, effective August 16, 2009; Professor of Surgical Oncology, College of Medicine at Chicago, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2009; and Program Leader, Cancer Center, College of Medicine at Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$10,000, effective ~~November 16, 2008~~ **August 16, 2009**, for a total salary of \$150,000.

Tzong-Guang Peter Tsay, Director of Clinical Research, Department of Orthodontics, College of Dentistry, Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of ~~\$35,000~~ **\$17,500**, beginning September 14, 2009; and Associate Director of the Postgraduate Program, Department of Orthodontics, College of Dentistry, non-tenured, on a twelve-month service basis, with an administrative increment of ~~\$35,000~~ **\$17,500**, beginning September 14, 2009. Dr. Tsay was appointed to serve as Visiting Director of Clinical Research and Visiting Associate Director of the Postgraduate Program under the same conditions and salary arrangement beginning August 16, 2009. He was also appointed to the rank of Professor of Orthodontics, College of Dentistry, on indefinite tenure, on a twelve-month service basis, on ~~100~~ **50** percent time, at an annual salary of ~~\$230,000~~ **\$115,000**, beginning August 16, 2009, for a total salary of ~~\$300,000~~ **\$150,000**.

Jeffrey W. Walkington, Director, University Laboratory High School, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$150,000, beginning July 16, 2009; ~~and Lecturer in English, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2009, for a total salary of \$150,000.~~

David M. Weible, Head of the Department of Germanic Studies, College of Liberal Arts and Sciences, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$5,000, beginning August 16, 2009. Dr. Weible will continue to hold the rank of Associate Professor of Germanic Studies, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent

time, at an annual salary of \$82,880, ~~beginning~~ **effective** August 16, 2009, for a total salary of \$87,880.

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

Establish the Master of Arts in the Teaching of Spanish,
College of Liberal Arts and Sciences, Chicago

(7) The Chancellor at Chicago with the advice of the Chicago Senate, the Graduate College, and the College of Liberal Arts and Sciences recommends the establishment of the Master of Arts in the Teaching of Spanish (MAT).

As schools in the greater Chicago area become more diverse, the need for well-trained and highly qualified teachers of Spanish is notable. The mission of the proposed MAT is to raise the level of professional training for primary and secondary school educators so that they can better prepare students for the challenges and opportunities in the urban and global context of Chicago.

The proposed program is intended for teachers who already have State certification and are currently teaching in local K through 12 classrooms, as well as recently certified teachers who wish to continue their post-baccalaureate studies after graduation. Graduates of the program will acquire expertise in the fundamentals of literary and linguistic studies, second language teaching, heritage learners, literacy strategies for second language and heritage learners, teaching methodology, and assessment methods.

The proposed program is composed of 36 credit hours beyond the baccalaureate degree. Students are required to take four core courses which offer the foundation for advanced study in literary and cultural studies and linguistics. In addition, students will select five advanced 400- and 500-level courses in the Department of Spanish, French, Italian, and Portuguese; the Latin American and Latino Studies Program; and the College of Education. This coursework will build upon their knowledge base as certified teachers of Spanish in the State of Illinois. The MAT also has an optional concentration in the Teaching of Spanish to Heritage Speakers which will allow teachers who come into contact with high numbers of bilingual/heritage speakers to better prepare for their teaching practice. All students will be required to take a comprehensive examination upon completion of their coursework.

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 Dr. Carroll, seconded by Mr. Montgomery, this recommendation was approved.

Designate the I-Lab for Endocrinology, College of Veterinary Medicine, Urbana

(8) The President recommends for approval a proposal to designate the I-Lab for Endocrinology within the College of Veterinary Medicine.

This new laboratory will offer specialized assays to support veterinarians investigating endocrine diseases within the State, nationally, and potentially overseas. The laboratory will utilize established methods and develop new ones to facilitate more accurate diagnosis and effective therapy. The laboratory will be expected to generate revenue from clinical services, research, private giving, and collaboration with private industry.

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 Dr. Carroll, seconded by Mr. Montgomery, this recommendation was approved.

Redesignate the Biomedical Imaging Center, Beckman Institute, Urbana

(9) The President recommends for approval a proposal to redesignate the Biomedical Imaging Center, Beckman Institute, as the Illinois Simulator Laboratory, Beckman Institute. The Biomedical Imaging Center, Beckman Institute [Building #140], located at 2100 South Goodwin Avenue (extended), Urbana, was originally built in 1997

as the Biomedical Magnetic Resonance Laboratory. The Beckman Institute assumed operational responsibility of the facility in 2002 and the name was changed to the Biomedical Imaging Center, Beckman Institute, at that time.

The Beckman Institute has remodeled its basement over the last year in order to migrate all of the new and existing Magnetic Resonance Imaging (MRI) and Nuclear Magnetic Resonance (NMR) systems out of the Biomedical Imaging Center and into this newly remodeled space in the basement. At the same time, the Beckman Institute has also been migrating most of its fully-immersive virtual reality devices and flight and driving simulators operated by its Illinois Simulator Laboratory group from the basement of the Institute to the Biomedical Imaging Center. This complete swap of space, and the resulting shift in the types of research conducted in both facilities, mandates that the name of the Biomedical Imaging Center, Beckman Institute, be changed to the Illinois Simulator Laboratory, Beckman Institute.

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 Dr. Carroll, seconded by Mr. Montgomery, this recommendation was approved.

Amend *Bylaws* of the Board of Trustees

(10) Amendments are proposed to Article IV, Section 6, of the *Bylaws* of the Board of Trustees to redefine the organization, focus, and membership of most of the Standing Committees of the Board. The suggested changes would allow the committees to focus on broader issues that affect the University. As required by Article VIII, Section 2, the proposed amendments were submitted in writing to each member of the Board at least 30 days prior to this meeting. The Chair of the Board of Trustees recommends the adoption of the proposed amendments.

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.

Proposed Amendments to the University of Illinois
Bylaws of the Board of Trustees
 (Additions to the text are underlined and deletions are ~~lined through~~.)

**ARTICLE IV. EXECUTIVE COMMITTEE AND STANDING COMMITTEES
 OF THE BOARD**

Section 1. At the annual meeting in January of each year, the board shall elect two members to an "Executive Committee," consisting of three members, the Chair of the Board to be the chair *ex officio*, which members shall hold office for one year, or until their successors have been elected.

Section 2. The Executive Committee shall meet whenever the chair, or two members thereof, shall find it necessary for the transaction of any business which is urgent and cannot be postponed to a regular meeting of the board. If a quorum of the committee, two members, is present in the same location or participates via video conference, the third member may participate via telephone. The committee may transact business providing a quorum is present. ~~The committee may meet by conference telephone call or other communication equipment by means of which all persons participating in the meeting can communicate with each other.~~ All trustees shall be given the same notice of the meeting that is sent to the members of the Executive Committee and any who wish may elect to participate in the meeting as nonvoting participants.

Section 3. The Executive Committee functions as an instrument of the board and shall possess all the powers of the board when in session, provided that it shall not overrule, revise, or change the previous acts of the board, or take from regular or special committees any business referred to them by the board.

Section 4. The Executive Committee shall make a written record of all its transactions and submit it to the board at its next regular meeting, signed by all the members of the Executive Committee agreeing thereto. Such record shall thereupon be incorporated in the minutes of the board as an integral part thereof.

Section 5. The standing committees of the board shall be ~~comprised of all members of the board with committee chairs and vice chairs~~ appointed by the Chair of the Board, and a list thereof inserted in the minutes of the ~~annual~~ meeting of the Board of Trustees ~~or, at~~

~~the latest, the minutes of the next meeting following the annual meeting, at which such appointments are made.~~

Section 6. The chairs of committees are responsible for keeping the board informed of their committees' activities by way of reports, as needed.

It is expected that ordinarily the position of committee chair will rotate among board members every two years.

Academic and Student Affairs Committee

~~This committee has responsibility for the review and oversight of academic programs. The committee also reviews academic policy in terms of the University of Illinois *Statutes* and *The General Rules Concerning University Organization and Procedure*, supports the colleges and campuses in carrying out the academic mission.~~

~~In addition, the committee is a conduit through which trustees may liaise with the campus senates and the University Senates Conference, and thus ensure ongoing communication between faculty governance groups and the Board. This committee shall consider changes in the academic program portfolios of the campuses, monitor and stimulate improvement in the academic quality and student environment of the University, and recommend actions to the board.~~

~~Access Committee~~

~~This committee provides oversight for the University's commitment to both excellence and access.~~

~~In the University's academic programs, this means maximizing opportunity for individuals who are able and motivated to earn a University of Illinois education.~~

~~In the University's employment of faculty and staff, it means casting a wide net to attract, recruit, retain and develop individuals who are the best in their fields.~~

~~Further, this means providing opportunities in areas beyond the core mission of the University in employment, contracting, and volunteer partnerships to ensure that such opportunities are widely available and fairly distributed.~~

~~Athletics Committee~~

~~This committee must be knowledgeable of the requirements issued by the Big Ten Conference, NCAA, NAIA, and the federal government under which the athletic programs operate to ensure that procedures are in place to effect compliance and detect noncompliance. The committee encourages an appropriate balance between athletics and academic work for scholar athletes to maximize the graduation rate. The chair of this committee is expected to present information about athletic programs at each campus.~~

~~Budget and Audit, Finance, and Facilities Committee~~

~~This committee provides oversight and ensures accountability for the University's budget. In doing so the committee is guided by the State Finance Act. Working with the President of the University, this committee cooperatively establishes budget allocation and spending priorities recommended to the board for approval, sets tuition and fees, and helps the board ensure that the University is managing its resources wisely and efficiently.~~

~~The committee also provides oversight for the University's audit function as set forth in the Audit Function Charter, and working with the President of the University and the Comptroller of the Board of Trustees, makes recommendations for and reviews the annual internal audit program and the external audit of the University. Another responsibility for the committee is to monitor compliance with the University's Conflict of Interest Policy. In addition to the members of the Board, the Treasurer of the Board is also an *ex officio*, voting member of this committee. The charge to this committee is to oversee the work of the external and internal auditors, review proposed financing activities as recommended by the chief financial officer, review major building and renovation projects, and recommend actions to the board.~~

~~Buildings and Grounds Committee~~

~~This committee evaluates long range plans that impact the University's infrastructure and facilities. It also reviews and recommends for approval all capital projects; designs for projects; appointment of architects, construction managers, and contractors for such projects; acquisition and/or sale of property; lease agreements for property/buildings/portions of buildings; and operation and maintenance projects of a certain magnitude.~~

~~External Affairs Committee~~

~~This committee is to be adequately informed of and to enhance the University's governmental and external relations program. The committee will assist~~

~~University officials' interactions with state and federal public officials to advance the University's state and federal priorities.~~

~~Finance and Investment Committee~~

~~This committee is to review and recommend to the board all policies concerning the management and control of the University's financial resources including oversight of debt management and bond financing, and formulation of policies and strategies for maintaining and growing the endowment. It is also responsible for the appointment of investment advisors, financial participants, and bond underwriters, and for working with the Comptroller of the Board in reviewing the University's annual financial statements.~~

~~Governance, Personnel, and Ethics Committee~~

~~This committee helps provide orientation assistance for new trustees, including a mentoring program for which the Board chair, in consultation with the committee chair, appoints mentors for new trustees. The committee also periodically reviews Bylaws of the Board of Trustees, requests nominations for recipients of the Trustees' Distinguished Service Medallion, drafts agendas for sessions during which the board addresses its own processes and procedures, drafts plans for board training when appropriate, and assumes responsibility for other matters affecting board governance and for special projects at the discretion of the board chair. The responsibilities of this committee are to oversee the structure and functioning of the Board of Trustees and attend to matters involving its members, and to ensure a proper "tone at the top"~~

including definition of and compliance with proper standards of ethical conduct for the board and University personnel.

~~Human Resources Committee~~

~~In order to enhance the quality of the faculty and staff at the University and to ensure retention of highly productive and effective employees, this committee reviews and evaluates policies related to all aspects of employment at the University for all groups of employees. The committee promotes diversity within the workplace and fosters a climate in which the goals and objectives of the University can best be achieved. The committee also oversees and ensures compliance with relevant state and federal laws. Examples of the scope of the committee's responsibilities include: recruitment and search policies, recommendations for salary plans, review of benefits offered faculty and staff, approval of non-discrimination and equal opportunity policies, and review of administrative data systems for human resources information.~~

~~Legal Affairs Committee~~

~~This committee will serve as liaison to the University Counsel, who is the general legal officer of the board and University, and who serves as legal advisor to the board, the President of the University, and other administrative officers of the University. The committee will provide consultation and advice on important legal matters pertaining to the board such as governance, interpretation of statutes, University policies, and litigation management. The committee also may provide guidance concerning the delivery of legal services to the board and University officials.~~

~~Strategic Planning Committee~~

~~This committee is charged with helping the University administration plan for the future in ways that will aid in developing the institution and in exploiting its strengths. This committee is also responsible for supporting actions that will implement such plans. The committee must always keep in mind the University's multiple missions of teaching, research, service, and economic development in planning for the future.~~

~~Student Affairs Committee~~

~~This committee will focus on ensuring that the best interests of students are considered and met in decisions of the Board and provide a means for receiving information about student needs and interests. The primary source of this information will be from the student trustees. The committee will assist the Board in learning of the changing needs of students and thus help the Board reach decisions that will aid in making the overall experience of students at the University as welcoming and productive as possible.~~

~~Technology and Economic Development Committee~~

~~This committee reviews, evaluates, and provides oversight of all policies concerning the University's economic development mission and strategies. These include those units of the University responsible for and engaged in the commercialization of University based technologies, such as the Offices of Technology Management, research parks, and incubator facilities, Illinois VENTURES, LLC, and~~

~~other University Related Organizations created to further these purposes. It also reviews and recommends nominations to these units' respective boards of directors and the appointment of their respective chief executive officers and advisors, and reviews and recommends to the board policies, agreements, and opportunities concerning the same.~~

University Hospital Committee

~~This committee provides oversight of the University Hospital and Clinics, and reviews and recommends approval of projects, as required. This committee is to serve as a resource to hospital administration and health sciences colleges' leadership to ensure quality patient care, facilities development, and responsible financial management of the medical center and related operations.~~

Section 7. Committees shall consider all matters referred to them as soon as possible and carry out the orders of the board insofar as they are specifically empowered by the board and shall report their recommendations or action as soon thereafter as possible.

Section 8. The Chair of the Board shall appoint the chair and vice chair of each committee. Each committee chair will call meetings of the committee, and direct its proceedings; but shall not otherwise have greater power or authority than any other member.

Section 9. Special committees may be created by the Chair of the Board to take charge of subjects specifically referred to them. Such committees shall be appointed in the manner, and shall consist of members, as may be ordered by the board at the time of their appointment, and shall cease to exist when discharged by the board from the consideration thereof. Their conduct of business shall be in accordance with the provisions of Section 8 of this Article.

Section 10. In addition to the assignments to the standing committees, three trustees are elected to the State Universities Civil Service Merit Board. There is also a trustee appointed to meet with and make an annual report to the University of Illinois Alumni Association Board of Directors. Further, the Chair of the Board serves as delegate to the Board of Directors of the University of Illinois Foundation and is a member of that board. ~~Also, the chair of the Athletics Committee serves as a member of the Athletic Board of Control of the Division of Intercollegiate Athletics at the Urbana Campus.~~

On motion of Dr. Carroll, seconded by Mr. Montgomery, these amendments were adopted.

By consensus, the Board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 11 through 29 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Approve Operating Budget for Fiscal Year 2010

(11) The Vice President/Chief Financial Officer and Comptroller recommends approval of the University's Fiscal Year (FY) 2010 operating budget, covering the allocation of estimated operating income from all sources. This recommendation follows the Board's adoption of preliminary FY 2010 operating budgets at the May 2009 meeting. The recommended \$4.7 billion operating budget represents a \$150.6 million (8.8 percent) increase in unrestricted funds, a \$347.0 million (14.1 percent) increase in restricted funds, and a \$497.6 million (11.9 percent) increase in all operating funds from

FY 2009. The priorities reflected in the proposed final budget are identical to those adopted in the preliminary operating budget.

Consistent with Board of Trustees' directives on the configuration of the internal operating budget adopted by the Board at the March 13 and June 27, 2003, meetings, the Vice President for Academic Affairs and the Vice President/Chief Financial Officer and Comptroller prepared the budget based upon: (1) the policies and institutional priorities established by the Board of Trustees in consultation with senior academic leaders; (2) recommendations of the chancellors, after consultation with deans, directors, and other University officers on the methods and means of best executing the Board's policies and institutional priorities; and (3) recommendations from the president. The allocation of restricted funds is in accord with the terms and conditions of the restrictions, and the allocation of unrestricted funds follows the Board's policies and institutional priorities.

The attachment to this item is the *Budget Summary for Operations* for FY 2010 (the BSO, or "Orange Book"), and presents all University-level budget amounts by source of funds and object of expenditure. (A copy of the attachment is filed with the secretary of the Board for record.)

The BSO executive summary is divided into two major sections. The section titled "University Revenue Budget FY 2010" defines the sources of University operating revenue for FY 2010, details the budget by those revenue sources, and analyzes the change in revenue from FY 2009 to FY 2010. The section titled "University Expense Budget FY 2010" defines and details the budget by object of expenditure category.

Detailed campus budget schedules follow the executive summary and provide budget year and prior year revenue and expense information:

- Schedule A: Details campus-level revenue by fund source (e.g., State, institutional, gift/endowment, etc.) and expense by fund type and function (e.g., instruction, research, student aid, etc.).
- Schedule B: Provides budgeted expenditures by college-level organization in the following categories: State; Institutional; Self-Supporting; and Gifts, Grants and Contracts.
- Schedule C: Lists budgeted expenditures by college-level organization and function (for budget year only).
- Schedule D: Provides department-level detail of State and institutional fund budgeted expenditures and presents a more detailed breakdown of college-level restricted fund expenditures than is available in Schedule B.

Schedule A, Schedule B, and Schedule C are campus-level schedules (one of each per campus) whereas Schedule D is college-level and each campus has multiple Schedules Ds.

Three appendices follow the campus budget tables; the first provides critical dates in the budget process; the second provides a summary of the Board of Trustees requirement for prior Board approval of specified budgetary transactions, the delegation of authority for specified budgetary transactions, and the required Board reporting of budgetary activities; and the third provides a glossary of terms.

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

The President of the University concurs.

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Approve Requests for New Operating and Capital Appropriations, Fiscal Year 2011

(12) Requests for incremental operating funds and for new capital appropriations for the University of Illinois for the fiscal year commencing July 1, 2010, are presented for action by the Board of Trustees. Following Board action, these requests will be submitted to the Illinois Board of Higher Education for review. The accompanying tables summarize the major elements of each request, and the document, *Fiscal Year 2011 Budget Request for Operating and Capital Funds*, provides detailed descriptions of each program and project included in the request. (A copy of this document is filed with the secretary of the Board for record.)

The Fiscal Year 2011 Operating Budget Request is outlined in Table 1. The University seeks \$96.7 million in new funds, an increase of 6.4 percent above the current year's budget. The FY 2011 request focuses primarily upon needs for salary competitiveness for faculty and staff, and University strategic initiatives. The FY 2011 request also continues prior efforts to secure facilities maintenance resources in the

operating budget, as well as resources to meet critical operating cost increases. The request presents the most urgent funding needs confronting the University.

Table 2 identifies the ten projects in the FY 2011 Capital Budget Request in priority order. Together, these projects represent an investment of \$484.2 million, devoted to preserving and extending facilities already in place at the campuses and to critically important new initiatives. Remodeling and renovation projects comprise a large part of the total funds requested with the highest priority given to repair and renovation projects at the three campuses. The request clearly emphasizes the importance the University places on maintenance and upkeep of existing facilities, highlighting the need to adequately fund multiple aspects of the facility plant assets. Due to its unique characteristic additional funding for the Healthy Returns-The Illinois Bill of Health proposals will continue to be pursued independently from this request.

The operating and capital requests summarized here reflect the University's highest priority budget needs, focusing on the University's mission of instruction, research, public service, and economic development. The priorities in both the operating and capital requests presented here are consistent with those in the preliminary requests presented to the Board in July 2009.

The University's operating and capital requests for FY 2011 have been prepared by the Vice President/Chief Financial Officer based upon advice from the University Policy Council.

The Vice President/Chief Financial Officer and the Vice President for Academic Affairs recommend approval.

The President of the University concurs.

Table 1
FY 2011 Operating Budget Request
(Dollars in Thousands)

I. Strengthen Academic Quality			\$78,368.7
	<i>% of FY 2010 Base</i>		<i>5.2%</i>
A. Competitive Compensation		\$48,368.7	
1. Salary Improvements - 3.0%	\$32,245.8		
2. Recruitment, Retention & Compression	16,122.9		
B. University Strategic Initiatives		30,000.0	
II. Address Facility Operations Needs			\$13,819.4
A. O & M New Areas		\$ 3,819.4	
B. Facility Maintenance Support		5,000.0	
C. Utility Maintenance Support		5,000.0	
III. Meet Inflationary and Other Cost Increases			\$ 4,559.4
A. Payroll Cost Increases		\$ 2,200.0	
1. Medicare	\$ 1,200.0		
2. Workers' Compensation	500.0		
3. Legal Liability/Insurance	500.0		
B. Library Price Increases - 10%		2,359.4	
Total Request			\$96,747.5
	<i>% of FY 2010 Base</i>		<i>6.4%</i>
IV. Healthy Returns—The Illinois Bill Of Health		\$15,500.0	
V. Medical Professional Liability Insurance		\$10,000.0	
<i>FY 2010 Base:</i>	\$1,502,756.1		

Table 2
FY 2011 Capital Budget Request
(Dollars in Thousands)

Priority	Project	Urbana	Chicago	Springfield	Total
1	Repair and Renovation	\$ 33.6	\$ 24.0	\$ 2.4	\$ 60.0
2	Advanced Chemical Technology (Supplemental)		43.0		43.0
3	Pharmacy Renovation & Addition		73.2		73.2
4	Main/Undergrad Library Redevelopment	50.0		35.0	85.0
5	Hospital Modernization Phase I		30.0		30.0
6	Natural History Building	62.0			62.0
7	Disability Research, Res. & Educ. Svc. Bldg.	50.0			50.0
8	Science and Engineering Lab Renovation Phase I		35.0		35.0
9	Burrill Hall Remodeling	27.0			27.0
10	Stevenson Hall Classroom Building Modernization		19.0		19.0
		\$ 222.6	\$ 224.2	\$ 37.4	\$ 484.2

On motion of Dr. Carroll, seconded by Dr. Koritz, the requests for operating and capital appropriations for Fiscal Year 2011 were approved as recommended by the following vote: Aye, Dr. Carroll, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Ms. Strobel, Mr. Tortolero, Mr. Zavorotny; no, none; absent, Governor Quinn.

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Authorize Banking Resolution for Bank of America

(13) As the result of a bank merger, LaSalle National Bank is now a part of Bank of America. Bank of America continues to provide the banking services necessary for the University's medical lockbox operation as well as the depository bank account for

the Chicago campus. Bank of America requests that a resolution be adopted to update their bank name.

Accordingly, the Vice President/Chief Financial Officer and Comptroller requests the authority to establish and maintain a banking relationship with Bank of America for the purposes described and that the attached resolution be adopted.

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.

Resolution

BE IT RESOLVED, that the Comptroller of the Board of Trustees of the University of Illinois ("University") is authorized, instructed and directed to open, close and keep bank accounts with Bank of America ("Bank"), a national banking association located at Chicago, Illinois, in the name and for the use of the University, and to deposit in said Bank to the credit of the University from time to time, any and all moneys and checks, drafts, bills of exchange, interest coupons and other deposit items and until otherwise ordered said Bank be and hereby is authorized to make payment from the funds of the University on deposit with it upon and according to the direction of the University;

BE IT FURTHER RESOLVED, that the Comptroller of the Board of Trustees is authorized from time to time upon such terms and conditions as the

Comptroller may deem advisable, to designate in writing to the Bank those officers, employees and other agents of the University authorized to sign any and all orders, including orders or directions in electronic or letter form, against any funds or accounts at any time standing to the credit of the University with the Bank, and that the Bank is authorized to honor any and all individual orders of any such person or persons signing the same, without further inquiry or regard to the authority of said person or persons or the use of the orders or the proceeds thereof;

BE IT FURTHER RESOLVED, that the Bank as a designated depository of the University be and it (including its correspondent banks) is hereby requested, authorized and directed to accept for deposit funds received in cash, check or electronic form, and process wholesale and retail lockbox receipts in compliance with the Health Insurance Portability and Accountability Act (HIPAA) data security standards;

BE IT FURTHER RESOLVED, that the Comptroller of the Board of Trustees is authorized from time to time to designate in writing to the Bank those officers, employees and other agents of the University authorized to issue written, telephonic, electronic or oral instructions with respect to the transfer of funds of the University on deposit with the Bank (or otherwise transferable by the Bank), by wire or otherwise, without any written order for the payment of money being issued with respect to such transfer, and, for and on behalf of the University, to enter into such agreements with the Bank with respect to any such transfer(s) as such officer(s) in (his/her) (their) sole discretion deem(s) advisable.

BE IT FURTHER RESOLVED, that each of the foregoing resolutions shall also be understood to apply in full to any account, transaction or property at or with any facility or facilities or branch or branches of the Bank;

BE IT FURTHER RESOLVED, that each of the foregoing resolutions shall continue in force until express written notice of its rescission or modification has been received by the Bank.

On motion of Dr. Carroll, seconded by Dr. Koritz, authority was given as requested and the resolution was adopted by the following vote: Aye, Dr. Carroll, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Ms. Strobel, Mr. Tortolero, Mr. Zavorotny; no, none; absent, Governor Quinn.

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Authorize Investment Managers

(14) The Vice President/Chief Financial Officer and Comptroller recommends establishment of investment management contracts with DB Advisors and Wells Capital Management and adoption of the attached resolution. The purpose of the recommendation is to diversify University money market investments to protect principal and ensure access to liquidity. The University's treasury staff and consultant EnnisKnupp conducted a review of the primary liquidity options for the operating funds investment program. The University's treasury staff conducted a request for proposal to evaluate manager alternatives. The request for proposal was mailed to fourteen investment firms and listed on the University's procurement web site. Responses were

received from eight investment firms. The responses were carefully evaluated and interviews conducted with four finalists. The recommended firms have excellent investment performance records and competitive fees.² Importantly, both firms avoided miscues in the 2008 financial crisis environment. This recommendation is made with the concurrence of University treasury staff and the University's financial consultant, EnnisKnupp.

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.

Resolution

BE IT RESOLVED, that the Comptroller of the Board of Trustees of the University of Illinois is authorized to enter into agreements with DB Advisors and Wells Capital Management to provide investment management services.

BE IT FURTHER RESOLVED, that the Comptroller of the Board of Trustees is authorized from time to time to designate in writing to DB Advisors and Wells Capital Management those officers, employees, and other agents of the University

²DB Advisors annual fee is 15 basis points (.0015 percent) or \$112,500 on a \$75.0 million portfolio. Wells Capital Management annual fee is 13 basis points (.0013 percent) or \$97,500 on a \$75.0 million portfolio.

of Illinois authorized to give written or verbal instructions on behalf of the University of Illinois.

BE IT FURTHER RESOLVED, that each of the foregoing resolutions shall continue in force until notice of rescission or modification is received by DB Advisors and/or Wells Capital Management.

On motion of Dr. Carroll, seconded by Dr. Koritz, this recommendation was approved and the resolution was adopted by the following vote: Aye, Dr. Carroll, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Ms. Strobel, Mr. Tortolero, Mr. Zavorotny; no, none; absent, Governor Quinn.

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Award Contracts for Interior and Exterior Repairs, English Building, Urbana

(15) In March 2008, the Board approved the \$3.4 million project to address interior and exterior repairs to the English Building. The project repairs the exterior building envelope and electrical system and provides interior finishes and life safety systems. The exterior repairs include selective tuck pointing of deteriorated masonry joints, slate roofing systems, and exterior steps as well as replacement of exterior doors. The life safety components are additional sprinklers, emergency lighting, exit signage, and fire barrier and exit enclosure repairs. The project also replaces the obsolete main electrical service and installs lightning protection, new exterior lighting, energy conserving lighting fixtures, and energy efficient temperature controls. In July 2008, the

Board approved a budget increase of \$350,000 for repairs and renovations to the bathrooms for a revised project budget of \$3.75 million.

Bids have been solicited; and in order for the project to proceed, the President 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 in each division on the basis of its base bid and indicated alternates⁴:

Division 1--General Work

Grunloh Construction, Effingham, IL	Base Bid	\$1,156,000
	Alternate 1	6,000
	Alternate 2	34,000
	Alternate 3	29,000
	Alternate 4	<u>17,000</u>
<i>TOTAL</i>		\$1,242,000

³Contracts for other divisions were awarded that are within the delegated approval levels: Division 2--Plumbing Work, A & R Mechanical Contractors, Inc., Urbana, IL, \$79,562; Division 3--Heating A/C Temperature Control Work, Comfort Mechanical Services, Inc., Urbana, IL, \$29,937; Division 4--Ventilation Work, Comfort Mechanical Services, Urbana, IL, \$19,800; and Division 6--Sprinkler Work, PIPCO, Inc., Peoria, IL, \$175,200; making a total award of \$2,223,049.

⁴Description of alternates: Alternate 1--Provide new ADA accessible door hardware at select doors at the ground, first, second, and third floor levels; Alternate 2--Provide new wood floor finish materials and new wood sub-floor in lieu of new base bid vinyl composition floor tile (VCT) and new wood sub-floor at the second floor level corridor spaces; Alternate 3--Paint all exposed painted wall surfaces at the second floor level corridor spaces; Alternate 4--Renovate existing door frames and trim and replace existing wood doors with new painted door frames, finished wood doors and hardware at door openings C170-1, C170-2, C180-1, and C180-2 at the first floor level; Alternate 5-- Provide new energy efficient lighting and controls on the ground floor level; Alternate 7--Provide new energy efficient lighting and controls on the second floor level; and Alternate 8--Provide new energy efficient lighting and controls on the third floor level.

Division 5--Electrical Work

Anderson Electric, Danville, IL	Base Bid	\$634,900
	Alternate 5	16,500
	Alternate 7	2,400
	Alternate 8	<u>22,750</u>
<i>TOTAL</i>		\$676,550

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 Academic Facility Maintenance Fund Assessment Fund, the sale proceeds of the Certificates of Participation Series 2007A and the institutional funds operating budget of the Urbana campus.

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

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Award Contract for Electrical Systems Replacement,
Everitt Laboratory, Urbana

(16) The \$1.0 million project consists of the selective demolition and phased installation of new electrical services in the existing building. It includes replacing

existing electrical service with a unit substation; replacing obsolete panel boards; replacing incandescent lighting fixtures with fluorescent fixtures; removing unused transformers and old patch panels and reeled lab panels from new distribution panel; and preparing and posting electrical line diagram indicating electrical distribution throughout the building.

Bids have been solicited; and in order for the project to proceed, the President with the concurrence of the appropriate administrative officers recommends that the following contract⁵ be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of its base bid:

<i>Division 5--Electrical Work</i>		
Coleman Electric Service, Mansfield, IL	Base Bid	\$516,000
<i>TOTAL</i>		\$516,000

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 sale proceeds of the Certificates of Participation Series 2006A.

⁵No other contracts were awarded.

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

On motion of Dr. Carroll, seconded by Dr. Koritz, this contract was awarded by the following vote: Aye, Dr. Carroll, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Ms. Strobel, Mr. Tortolero, Mr. Zavorotny; no, none; absent, Governor Quinn.

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Award Contracts for Heating, Ventilation, and Air Conditioning Systems Replacement,
Gregory Hall, Urbana

(17) In March 2008, the Board approved the \$4.4 million project for the replacement of heating, ventilation, and air conditioning systems in Gregory Hall. This project replaces deteriorated air handling units, mechanical system components, and controls as well as deteriorated, non-functional components of the steam system. Installation of ceiling systems and energy efficient lighting is also included in this project. In July 2008, the Board approved a budget increase of \$207,000 to include replacement of obsolete electrical distribution panels located throughout the building and the existing single-phase and three-phase panels and service with three phase-four wire panels and service for a revised project budget of \$4,607,000.

Bids have been solicited and in order for the project to proceed, the President with the concurrence of the appropriate administrative officers recommends

that the following contracts⁶ be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the awards are to the lowest responsible bidder in each division on the basis of its base bid:

Division 3--Heating Work

Reliable Plumbing & Heating, Savoy, IL	Base Bid	\$1,076,250
<i>TOTAL</i>		\$1,076,250

Division 4--Ventilation & Air Distribution Work

Nogle & Black Mechanical, Urbana, IL	Base Bid	\$514,800
<i>TOTAL</i>		\$514,800

Division 5--Electrical Work

Coleman Electrical Service, Mansfield, IL	Base Bid	\$773,000
<i>TOTAL</i>		\$773,000

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 sale proceeds of the Certificates of Participation Series 2007A and Academic Facility Maintenance Fund Assessment Fund.

⁶Contracts for other divisions were awarded that are within the delegated approval levels: Division 1 – General Work, Johnco Construction, Mackinaw, IL, \$349,000; Division 6 – Sprinkler Work, F.J. Murphy & Sons, Springfield, IL, \$82,628; and Division 45 – Environmental/Asbestos Abatement Work, Champion Environmental Inc., Gilberts, IL, \$289,000, making a total award of \$3,084,678.

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

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Award Contracts for Ventilation Remediation,
Medical Sciences Building, Urbana

(18) In March 2008, the Board approved the \$3.5 million project to provide an analysis of the source and extent of the moisture damage to the building envelope and provide recommendations for building envelope correction work as well as design and remediation of the ventilation systems in the Medical Sciences Building. The project will provide new air handling equipment and ductwork including the installation of new energy conservation equipment and include any envelope repair identified as needing immediate correction.

Bids have been solicited; and in order for the project to proceed, the President with the concurrence of the appropriate administrative officers recommends that the following contracts⁷ be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the awards are to the lowest responsible bidder in each division on the basis of its base bid:

Division 3 – Heating Work

Reliable Plumbing & Heating, Savoy, IL	Base Bid	\$590,945
<i>TOTAL</i>		\$590,945

Division 4 – Ventilation & Air Distribution Work

King-Lar Company, Decatur, IL	Base Bid	\$1,596,000
<i>TOTAL</i>		\$1,596,000

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 sale proceeds of the Certificates of Participation Series 2007A.

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

⁷Contracts for other divisions were awarded that are within the delegated approval levels: Division 1 – General Work, Roessler Construction, Rantoul, IL, \$151,300; and Division 5 – Electrical Work, Glesco Electric, Urbana, IL, \$276,000; making a total award of \$2,614,245.

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Award Contract for Trelease Hall Traction Elevator Replacement,
Florida Avenue Residence Hall, Urbana

(19) The Trelease Hall Elevator Replacement, Florida Avenue Residence Hall, project is a \$1.6 million project consisting of the replacement of three traction elevators, three caps per floor, 12-stop traction elevators, machine room equipment, hall buttons, complete cab interiors, glides, and cables to comply with current elevator codes and Americans with Disabilities Act guidelines. Also included in the project is the construction of a new elevator room and structural modification to extend the existing shaft to serve an additional floor, a new sump pump, and shaft ventilation provided per code.

Bids have been solicited; and in order for the project to proceed, the President with the concurrence of the appropriate administrative officers

recommends that the following contract⁸ be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of its base bid:

Division 1 – General Work

Associated Constructors Bloomington, IL	Base Bid	\$1,114,000
<i>TOTAL</i>		\$1,114,000

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 auxiliary facility system repair and replacement reserve budget.

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

On motion of Dr. Carroll, seconded by Dr. Koritz, this contract was awarded by the following vote: Aye, Dr. Carroll, Ms. Hasara, Mr. Kennedy, Dr. Koritz,

⁸Contracts for other divisions were awarded that are within the delegated approval levels: Division 3 – Heating Work, Comfort Mechanical Services, Inc., Urbana, IL, \$22,000; Division 4 – Ventilation & Air Distribution Work, A & R Mechanical Contractors, Urbana, IL, \$5,200; Division 5 – Electrical Work, Witte Electric, Champaign, IL, \$34,765; and Division 6 – Sprinkler Work, Fire Suppression Systems, Champaign, IL, \$4,800, making a total award of \$1,180,765.

Mr. McMillan, Mr. Montgomery, Mr. Oliver, Ms. Strobel, Mr. Tortolero, Mr. Zavorotny; no, none; absent, Governor Quinn.

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Award Contracts for Huff Hall North Addition, Urbana

(20) In January 2008, the Board approved the Huff Hall North Addition with a budget of \$15.0 million. The project consists of approximately 33,000 gross square feet (21,000 net assignable square feet) of new interdisciplinary research areas and associated support spaces, which will be the first of its kind for the College. The addition will provide instructional space for the Masters of Public Health (MPH) program, faculty offices and laboratories, and some space for the newly created center on health, aging, and disability. Work includes selective demolition, concrete footings and foundations, steel framing, masonry, metal wall panels, EPDM (Ethylene Propylene Diene Monomer) roofing and concrete roof tiles; doors, windows and glazing systems; interior finishes, elevator work, plumbing, fire protection, heating, ventilation, electrical work, and site work.

Bids have been solicited; and in order for the project to proceed, the President with the concurrence of the appropriate administrative officers recommends that the following contracts⁹ be awarded. Competitive bidding procedures in accordance

⁹Contracts for other divisions were awarded that are within the delegated approval levels: Division 2 – Plumbing Work, Davis-Houk Mechanical, Inc., Urbana, IL, \$222,222; and Division 6 – Sprinkler Work, Fire Suppression Systems, Inc., Champaign, IL, \$138,180; making a total award of \$7,930,602.

with the Illinois Procurement Code were followed; and the awards are to the lowest responsible bidder in each division on the basis of its base bid and indicated alternates¹⁰:

Division 1--General Work

P. J. Hoerr, Inc., Peoria, IL	Base Bid	\$4,797,000
	Alternate 1	33,000
	Alternate 2	56,000
	Alternate 3	19,000
	Alternate 4	3,500
	Alternate 5	<u>14,500</u>
<i>TOTAL</i>		\$4,923,000

Division 3--Heating Work

Reliable Mechanical, Savoy, IL	Base Bid	\$793,050
<i>TOTAL</i>		\$793,050

Division 4--Ventilation & Air Distribution Work

King-Lar Company, Decatur, IL	Base Bid	\$587,000
<i>TOTAL</i>		\$587,000

Division 5--Electrical Work

Potter Electrical Service, Inc., Urbana, IL	Base Bid	\$1,266,500
	Alternate 5	<u>650</u>
<i>TOTAL</i>		\$1,267,150

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.

¹⁰Description of alternates: Alternate 1 – Provide natural Indiana Limestone in lieu of cast stone; Alternate 2 – Provide clay tile roofing system in lieu of concrete roof tile system; Alternate 3 – Provide additional plantings; Alternate 4 – Provide underdrain storm line at planting beds; and Alternate 5 – Provide interior stone veneer on the south wall of room C-1001.

Funds for the project are available from the institutional funds operating budget of the Urbana campus and the proceeds of the future sale of Certificates of Participation. Any project planning and construction cost incurred prior to the sale of the Certificate of Participation will be funded initially from the institutional funds operating budget with anticipated reimbursement from the proceeds of a subsequent Certificates of Participation sale.

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

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Award Contracts for Improvements to the Heating, Ventilation, and Air Conditioning Systems, Phase I, College of Nursing, Chicago

(21) In March 2008, the Board approved the \$3,953,000 project which involves repairs and replacements to the heating, ventilation, and air conditioning systems serving the basement, first, second, and third floors of the College of Nursing Building. These systems that serve the academic functions of the building are functioning poorly and beyond their useful life expectancies. In July 2008, the Board approved employment of architect/engineer Clark Dietz, Inc., of Champaign, Illinois.

Bids have been solicited; and in order for the project to proceed, the Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the construction contracts for the heating, ventilation, and air conditioning work be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award¹¹ is to the lowest responsible bidder on the basis of its base bid plus the acceptance of indicated alternates.¹²

¹¹Contracts for other divisions were awarded within the delegated approval levels:
 Division I – General Work: Joseph Construction Co., Lynwood, IL, \$306,070;
 Division V – Electrical Work: Airport Electric Co., Chicago, IL, \$241,432.

¹²Description of Alternates: **Alt. G-1:** Remove existing metal casing filler panels and casework in offices and the repair and painting of adjacent surfaces/finishes as described on the Architectural Drawings; **Alt. G-2:** Remove existing metal casing filler panels and casework in classrooms /laboratories and the repair and painting of adjacent surfaces /finishes as described on the Architectural Drawings; **Alt. H-1:** Remove heating, cooling and temperature control piping behind unit ventilators in offices as described on the Heating Drawings; **Alt. H-2:** Remove heating, cooling, and temperature control piping unit ventilators in classroom/laboratories as described on the Heating Drawings; **Alt. H-3:** Removal and replacement of associated piping systems and temperature controls for the 3rd floor air handling unit (S-4) as described on the Heating Drawings; **Alt. H-4:** Modify existing fume hoods on the 2nd floor by providing a sash sensor and controls to convert fume hoods to variable volume control as described on the Heating Drawings; **Alt. H-6:** Removal and replacement of failed integral thermostat/sensing element on induction unit, typical for 3rd through 11th floor units; **Alt. H-7:** Removal and replacement of failed wall mounted thermostat serving multiple induction units typical for 3rd through 11th floor units; **Alt. V-1:** Removal and disposal of existing unit ventilators in offices as described on the Architectural Drawings; **Alt. V-2:** Removal and disposal of existing unit ventilators in classroom /laboratories as described on the Architectural Drawings; **Alt. V-3:** Removal and replacement of the 3rd floor air handling unit (S-4) as described on the Ventilation Drawings; **Alt. V-4:** Modify existing fume hoods by covering bypass louver section of fume hoods for conversion to variable volume control as described on the Ventilation Drawings; **Alt. E-1:** Removal and disposal of conduit and wire behind unit ventilators in offices as described on the Electrical Drawings; **Alt. E-2:** Removal of conduit and wire behind unit ventilators in classrooms /laboratories as described on the Electrical Drawings; **Alt. E-3:** Disconnect and reconnect power supply for the 3rd floor air handling unit (S-4) and electrical work related to replacement of S-4, as described on the Electrical Drawings.

Division III – Heating, A/C, Temperature Control Work

Premier Mechanical, Inc.,	Base Bid	\$717,000
Addison, IL	Alt. H-1	4,300
	Alt. H-2	6,500
	Alt. H-3	32,500
	Alt. H-4	34,900
	Alt. H-6	460
	Alt. H-7	<u>380</u>
<i>TOTAL</i>		\$796,040

Division IV – Ventilation Work

Mechanical Incorporated,	Base Bid	\$598,000
Freeport, IL	Alt. V-1	1,370
	Alt. V-2	1,375
	Alt. V-3	32,750
	Alt. V-4	<u>570</u>
<i>TOTAL</i>		\$634,065

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 the Board of Trustees policies and directives.

Funds for this project are available from the Academic Facility Maintenance Fund Assessment Fund.

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 Dr. Carroll, seconded by Dr. Koritz, these contracts were awarded by the following vote: Aye, Dr. Carroll, Ms. Hasara, Mr. Kennedy, Dr. Koritz,

Mr. McMillan, Mr. Montgomery, Mr. Oliver, Ms. Strobel, Mr. Tortolero, Mr. Zavorotny;
no, none; absent, Governor Quinn.

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Approve Design for Residence Hall West,
Stanley O. Ikenberry Commons Phases C and D, Urbana

(22) In September 2008, the Board approved the Stanley O. Ikenberry Commons Phases C and D, Residence Hall West and Garner Hall Demolition project with a budget of \$46.7 million and in January 2009, the Board approved employment of the architect/engineer, 4240 Architecture, Inc., Chicago, for the Stanley O. Ikenberry Commons Phases C and D, Urbana.

As part of the ongoing Champaign Housing Redevelopment Plan, Phases C and D (construction of Residence Hall West and the demolition of Garner Hall, respectively) will provide for excellence in academic programs through services to the undergraduate students of this campus. The 99,000 square foot building of Residence Hall West will complete this portion of the Stanley O. Ikenberry Commons as a single building, which also includes the Dining Hall and the Residence Hall North.

In order for the project to proceed, it is necessary to approve the design. The design meets all campus building standards, including Americans with Disabilities Act accessibility and applicable State and federal standards and is within the approved budget.

Accordingly, the President with the concurrence of the appropriate administrative officers recommends that the design be approved.

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.

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Approve Project for Oak Street Library Facility Phase III, University Library, Urbana

(23) The Oak Street Library Facility is a multi-phase storage facility primarily for book storage and a small administrative support area. The initial phase was approved in September 2000 and reached capacity in 2008. The second phase was approved in January 2006 and will reach capacity by 2011. In order for the Library to meet the demands for additional storage to support the recently completed Main

Library/Undergraduate Library Program Assessment and Development Plan, this Phase III project is proposed in keeping with the long-term planning of the University Library System.

The \$6.56 million proposed third addition will provide 9,800 gross square foot (\$450 construction cost per gross square foot) of new very low-humidity and low constant temperature space with an automated book retrieval system. The previous Design/Build method, managed by the Capital Development Board for Phase II, is expected to be repeated for Phase III.

Accordingly, the President with the concurrence of the appropriate administrative officers recommends that the Oak Street Library Facility Phase III project be approved with a budget of \$6.56 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 Urbana campus and the proceeds of the future sale of Certificates of Participation. Any project planning and construction cost incurred prior to the sale of the Certificates of Participation will be funded initially from the institutional funds operating budget with anticipated reimbursement from the proceeds of a subsequent Certificates of Participation sale.

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Approve Project for Fire Alarm System Upgrade and Fire Sprinkler System Installation,
Applied Health Sciences Building, Chicago

(24) This deferred maintenance project will upgrade the existing fire alarm system and install a fire sprinkler system in the Applied Health Sciences Building. Work will also include a new emergency generator as required by the City of Chicago and upgrades to primary electrical emergency power distribution.

Accordingly, the Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the fire alarm system upgrade and fire sprinkler system installation in the Applied Health Sciences Building be approved with a budget of \$3,295,000.

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

Funds for this project are available from the sale proceeds of the Certificates of Participation Series 2006A.

The President of the University concurs.

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Increase Project Budget for Memorial Stadium Phased Development Plan,
Division of Intercollegiate Athletics, Urbana

(25) At the May 2006 meeting, the Board approved Phase I of the Memorial Stadium Phased Development Plan, Division of Intercollegiate Athletics Project with a budget of \$116.0 million. In March 2007, the Board approved a project increase of \$4.9 million for the addition of the Football Personal Performance Center for an overall project budget of \$120.9 million.

Due to a variety of factors including cost escalation, overtime, and unexpected existing conditions discovered during construction, the need exists to increase the project budget by \$3.0 million.

The President with the concurrence of the appropriate administrative officers recommends that the Board approve the increase in project budget for the Memorial Stadium Phased Development Plan to \$123.9 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 the project budget increase are available from gift funds and the institutional funds operating budget of the Urbana campus.

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Increase Project Budget for Landscape and Lighting,
Stanley O. Ikenberry Commons, Urbana

(26) The original budget for this project was approved for \$1.3 million, and work included topsoil, plant material, and site lighting for the area surrounding the Stanley O. Ikenberry Commons (formerly known as the Residential Programs Building) located at the corner of Gregory Drive and Euclid Street. In September 2008, the Board approved a budget increase of \$1,522,036 to include features identified as a result of an area-wide storm water management study. In January 2009, the Board approved the hiring of DLK Architecture, Inc., for landscape architect/engineering services. Further design development has revealed that the funds available for construction are insufficient to cover the project scope.

Accordingly, the President with the concurrence of the appropriate administrative officers recommends that the Board approve the increase in project budget for this project to \$3,222,036--an increase of \$400,000.

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 restricted funds operating budget of the Urbana Housing Division.

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Purchase and Change Order Recommendations

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

These were presented in one category--purchases and change orders from institutional funds. The term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants

from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amounts of these purchases and change orders were:

From Institutional Funds

Purchases	\$16,163,126
Change Orders	1,250,000

A complete list of the purchases and change orders with supporting information (including the quotations received), was sent to each member of the Board in advance of the meeting. A copy is being filed with the secretary of the Board for record.

On motion of Dr. Carroll, seconded by Dr. Koritz, the purchases and change orders recommended were authorized by the following vote: Aye, Dr. Carroll, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Montgomery, Mr. Oliver, Ms. Strobel, Mr. Tortolero, Mr. Zavorotny; no, none; absent, Governor Quinn.

(The student advisory vote was: Aye, Mr. Felix, Mr. Reschke; no, none.)

Authorize Settlement

(28) The University Counsel recommends that the Board approve settlement of *Overman v. Lee, et al.*, in the amount of \$395,000. The plaintiff, Mary Overman, alleges that defendants' failure to timely diagnose and treat deep vein thrombosis and pulmonary embolism after surgery performed on her son, 39-year-old Leonard Overman, resulted in his death.

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 Dr. Carroll, seconded by Dr. Koritz, this recommendation was approved by the following vote: Aye, Dr. Carroll, Ms. Hasara, Mr. Kennedy, Dr. Koritz, Mr. McMillan, Mr. Oliver, Ms. Strobel, Mr. Tortolero, Mr. Zavorotny; no, none; absent, Governor Quinn. (Mr. Montgomery asked to be recorded as not voting on this item.)

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Disclose Certain Minutes of Executive Sessions Pursuant to Open Meetings Act

(29) Under the Open Meetings Act passed by the General Assembly, public bodies subject to the Act that conduct business under exceptions specified in the Act must, at least every six months, determine whether the need for confidentiality still exists with respect to each item considered under such exception.

All items from October 1999 through July 2009 that have been heretofore unreleased are not recommended for release at this time.

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

The President of the University concurs.

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

(The student advisory vote was: Mr. Felix, Mr. Reschke; no, none.)

Report of Action by the Executive Committee

(30) The following action has been taken by the Executive Committee since the last meeting of the Board. This action is now reported to the Board as a whole.

Accept Resignation of Richard H. Herman as Chancellor, University of Illinois at Urbana-Champaign, and Approve Revised Employment Agreement

On October 20, 2009, Chancellor Richard H. Herman submitted his resignation as Chancellor effective October 26, 2009, which has been accepted subject to approval by the Board or Executive Committee.

Dr. Herman serves as Chancellor pursuant to an Employment Agreement executed December 20, 2005, which includes the right to return to a tenured faculty position in the Department of Mathematics, College of Liberal Arts and Sciences, Urbana. In order to clarify the terms for Dr. Herman's transition to the faculty, a Revised Employment Agreement (attached hereto) was drafted and executed, which includes assignment to the position of Special Assistant to the President through June 30, 2010, a

sabbatical leave for the 2010-11 academic year, and service as a faculty member thereafter.

It is hereby resolved that the Board accepts Dr. Herman's resignation as Chancellor, and further approves the Revised Employment Agreement.

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.

REVISED EMPLOYMENT AGREEMENT

This Revised Employment Agreement ("Revised Employment Agreement"), by and between The Board of Trustees of the University of Illinois ("Board" or "University") and Dr. Richard H. Herman ("Herman"), is being executed for the purpose of specifying the terms and conditions of Herman's continued employment with the University.

WHEREAS, the parties executed an Employment Agreement on December 20, 2005 ("Initial Employment Agreement"), pursuant to which Herman agreed to serve as Chancellor of the University of Illinois at Urbana-Champaign ("Chancellor") through June 30, 2010;

WHEREAS, pursuant to Section 10 of the Initial Employment Agreement, Herman possesses the right to return to the faculty on indefinite tenure;

WHEREAS, during the past several months, the University has been dealing with various admissions-related matters, including the Report and Recommendations of the Admissions Review Commission, which have distracted personnel and resources from the University's core missions;

WHEREAS, Herman has advised the Board of his intention to resign as Chancellor in order to enable the newly constituted Board to select campus leadership;

WHEREAS, Herman has further advised the Board that by resigning he is forgoing the retention payment otherwise payable to him June 30, 2010 in recognition of the University's difficult financial situation and the sacrifices being made by faculty and staff; and

WHEREAS, the parties wish to allow for an orderly transition in leadership in the office of the Chancellor and for Herman to continue assisting the University in several areas, as requested, including the global Science, Technology, Engineering and Math ("STEM") Initiative, and to confirm the terms and conditions of Herman's continued employment by the University;

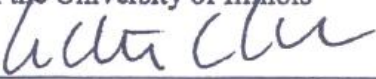
NOW, THEREFORE, for consideration of mutual covenants contained herein, and other good and valuable consideration, the sufficiency of which is acknowledged, the parties agree:

1. Herman hereby submits his resignation as Chancellor and the Board hereby accepts that resignation, which is effective October 26, 2009 and upon approval by the Board or Executive Committee as specified in paragraph 7 below.
2. For the period from October 27, 2009 through June 30, 2010, Herman will serve as Special Assistant to the President at his current salary, and during this period will be available to (i) assist in the orderly transition to new leadership, and (ii) assist, when requested, the President, the Interim President Designate, and/or Interim President in the performance of administrative tasks and duties that are determined to be in the best interests of the University.
3. As provided by Section 10 of the Initial Employment Agreement, upon Herman's return to the faculty as Professor of Mathematics on indefinite tenure in the Department of Mathematics, College of Liberal Arts and Sciences at Urbana effective July 1, 2010, he will be entitled to one academic year sabbatical leave of absence at his faculty salary to prepare to resume teaching and research.

4. Beginning no later than July 1, 2011, Herman will be reassigned to the faculty as Professor in the College of Education at Urbana, with an additional appointment as Visiting Professor, College of Education, Chicago, for the period July 1, 2011 – June 30, 2014. The visiting appointment may be extended by mutual agreement of the parties. Herman's salary, benefits and support will be as described in Section 10 of the Initial Employment Agreement. In recognition of the University's request for Herman to assist the University in significant areas where Herman's on-going involvement is important, including the global Science, Technology, Engineering and Math ("STEM") Initiative, Herman's teaching load will be two courses per year.
5. Herman's resignation as Chancellor in no way constitutes an admission that any basis exists for the Board to terminate Herman as Chancellor for any reason with or without cause.
6. Herman acknowledges that no amount is payable to Herman under the severance package provisions of the Initial Employment Agreement. Herman and the Board also acknowledge that upon resigning as Chancellor, Herman is intentionally foregoing the retention payment to which Herman would otherwise have become entitled on June 30, 2010. Herman is also releasing any claims related to employment as Chancellor beyond the effective date of his resignation as Chancellor.
7. When executed by both parties, this Revised Employment Agreement will constitute a binding agreement amending the Initial Employment Agreement to the extent the provisions hereof differ from the provisions of the Initial Employment Agreement, subject only to its subsequent approval by the Board or the Executive Committee. Except as so modified, the provisions of the Initial Employment Agreement shall remain in full force and effect, except that the provisions of Sections 6 and 7 shall cease to apply following the effective date of Herman's resignation as Chancellor.

This Revised Employment Agreement, which may be executed in counterparts delivered via facsimile, pdf or other electronic means (which taken together shall constitute a single agreement), is made as of this 16th day of October, 2009.

For The Board of Trustees
of the University of Illinois



Comptroller

Richard H. Herman



Attest:

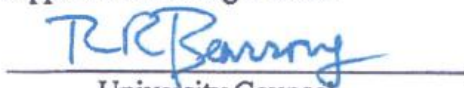


Secretary to the Board of Trustees



Attorney for Richard H. Herman

Approved as to legal form:



University Counsel

On motion of Ms. Strobel, seconded by Mr. McMillan, this recommendation was approved by members of the Executive Committee.

This report was received and confirmed.

President's Report on Action of the Senate

Establish an Undergraduate Minor in the Experiential and Service Learning Programs Unit, College of Liberal Arts and Sciences, Springfield

The Springfield Senate has approved a proposal from the Experiential and Service Learning Programs Unit within the College of Liberal Arts and Sciences to establish a 15 to 17 credit hour Undergraduate Minor in Social Responsibility and Leadership Development.

The Social Responsibility and Leadership Development minor builds on thirty-five years of experience with experiential learning and five years with engaged citizenship as part of undergraduate general education, but also reflects efforts and courses at UIS in leadership development. The minor is an interdisciplinary program designed to invite students of all majors to explore leadership in the context of social issues and structures. Two courses in the minor will include service-learning components that invite students to apply classroom learning to settings in the broader community (local, national, and global) through direct services, advocacy, or empowerment.

This report was received for record.

Report on Safety Program,
University of Illinois Medical Center at Chicago,
Fiscal Year 2009

(32) 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.

Investment Report for the Quarter Ended September 30, 2009

(33) The comptroller presented this report as of September 30, 2009. A copy has been filed with the secretary of the Board.

This report was received for record.

Annual Report, University Office of Risk Management,
Fiscal Year 2009

(34) The comptroller presented this report for Fiscal Year 2009. A copy has been filed with the secretary of the Board.

This report was received for record.

Technology Commercialization Highlights,
Fiscal Year 2010, First Quarter

(35) The vice president for technology and economic development presented this report. A copy has been filed with the secretary of the Board.

This report was received for record.

SECRETARY'S REPORT

The secretary presented for record changes to academic appointments for contract year 2009-10, new hires, reappointed retirees, resignations, and notices of nonreappointment.

A copy has been filed with the secretary of the Board.

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on October 15, 2009.

Summary

Graduate Degrees

Doctor of Education	4
Doctor of Musical Arts	10
Doctor of Philosophy.....	341
Doctor of the Science of Law.....	1
<i>Total, Doctors</i>	(356)
Master of Architecture.....	1
Master of Arts.....	19
Master of Business Administration	1
Master of Computer Science	3
Master of Education	5
Master of Fine Arts.....	2
Master of Landscape Architecture	1
Master of Laws	1
Master of Music.....	1
Master of Science	62
Master of Science in Public Health	1
Master of Social Work.....	1
<i>Total, Masters</i>	(98)

Certificate of Advanced Study	
Curriculum and Instruction	1
Educational Organization and Leadership	1
<i>Total, Certificates</i>	(2)
<i>Total, Graduate Degrees</i>	456
<i>Total, Degrees Conferred October 15, 2009</i>	456

OTHER REPORTS AND COMMENTS

Report From the Springfield Senate

Mr. Kennedy invited Professor James P. Hall to report on the Springfield Senate’s work for the past year. Dr. Hall introduced himself as an associate professor of management information systems with the campus since 2000 and a member of the Senate Executive Committee for the last four years. He began by stating that the campus at Springfield has been a part of the University system since 1995. He said he would echo President White’s previous statement about shared governance, and said that it is not easy but worthwhile. He noted that in Springfield, senate meetings include both civil service and academic professional staff. He described the Springfield campus, stating that almost 5,000 students are currently enrolled. Of those, he said that 1,000 live on campus. He also stated that over 25 percent of the students are enrolled in online programs, which he said presents a challenge in determining how to manage those constituencies. Dr. Hall said that the campus is offering new degree programs, minors, and certificates and stated that the senate is currently looking at blended degrees, with a hope for some grant funding. He also listed two centers that have been approved by the senate in the last year:

The Center for Online Learning, Research, and Services, and the Center for Business and Regulation. He told the Board that there is currently curriculum collaboration across the three campuses. Dr. Hall then described a new streamlined process for reviewing academic programs that was developed by the senate, and several new committees of the senate: admissions, recruitment, and retention; an academic integrity council; an intercollegiate athletic committee; and student affairs. Looking ahead, he said challenges include maintaining academic quality, meeting the needs of an evolving student population, and securing resources. Mr. Kennedy asked what resources would be most useful, and Dr. Hall indicated that a mixture of resources, including technology staff support and some faculty lines, would be helpful.

Trustee Montgomery and Mr. McKeever left the meeting at this time.

Report From the University of Illinois Foundation

Next, President White introduced Dr. Sidney S. Micek to provide a report from the University of Illinois Foundation. Due to the tight schedule, Dr. Micek said that he would provide highlights from the report. He began by saying that the role of the Foundation is to work with the University to secure private gifts and support, and to administer gifts, and to manage the endowment. He stated that the Brilliant Futures campaign began July 1, 2003. As of October 31 of this year, he said the campaign has received \$1.737 billion, which is 77 percent of the overall goal. He noted that the Champaign campus has reached 82 percent of its goal; Chicago has reached 68 percent of its goal; and Springfield has raised \$22.0 million of its \$28.0 million goal. Dr. Micek

stated that the campaign will end on December 31, 2011. He said there have been significant challenges for the campaign, including the economy. He stated the Foundation presented 11 gifts at the annual meeting on October 2, which totaled more than \$23.0 million, and he observed that this conveys the commitment of donors to the campuses. He then described the varied interests of the donors, adding that the report contained more information. He said that securing gifts is also about developing relationships with alumni and friends, noting that all gifts are helpful and meaningful. Dr. Micek stated that 509 scholarships had been added since the campaign began, and the Foundation hopes to add more. He reported that as of June 30, 110 new graduate fellowships had been established, 23 endowed chairs, and 65 endowed professorships. In reviewing last year's finances, Dr. Micek reported that \$221.4 million in new gifts, pledge payments, and bequests were received in the fiscal year that ended June 30, 2009. He reported an increase in donations of 3.2 percent over last year, and stated that this was the largest on record. He reported that the Foundation has received gifts totaling \$200.0 million two years in a row, much of which is for current use. He also stated that private support has increased throughout this campaign, and that people continue to give to the University.

Dr. Micek reported over \$250.0 million in new business this year, and stated that that represents an increase of 33 percent since 2005. He noted that the number of annual giving donors had declined; however, he also stated that the gift income had increased by 2.6 percent for a total of nearly \$50.0 million. Dr. Micek noted that this is in spite of the poor economy. As of June 30, 2009, he said that the endowment totaled

\$1.89 billion, with 62 percent in active endowment. He stated that this is a decline of 21 percent since last year, due to the economy. Dr. Micek explained how the endowment is managed, and noted that the University of Illinois Foundation has outperformed peers. Dr. Micek told the Board that as the University of Illinois Foundation President, his message is about people, cooperating and focusing on the University's needs. He thanked the Board and said he was grateful for the leadership of the trustees and their commitment to the University. He said the relationship between the Foundation and the University will be critical to creating a more brilliant future for the University of Illinois.

Mr. Kennedy stated that the Board had heard many challenging reports throughout the day, and Dr. Micek's report was encouraging and seemed to offer a solution to some problems. Dr. Micek mentioned President White's compact between the State, faculty, donors, students, parents, and leaders. He added that the University is experiencing difficulties due to the poor economy, and noted that fundraising has become critical for public universities. Dr. Micek stated that public higher education is very important, and that the University of Illinois is an important asset to the State.

Report From the University of Illinois Alumni Association

Next, Mr. Kennedy asked Mr. Loren Taylor to present a report from the University of Illinois Alumni Association. Mr. Taylor stated that the University of Illinois Foundation and the Alumni Association work together with the University of Illinois and its campuses to encourage involvement of alumni and friends. He explained that the Association represents alumni on all three campuses and is governed by a 30 member

volunteer board. He noted the Alumni Association has made great strides on key initiatives. Mr. Taylor said there are more than 600,000 total living alumni, and 300,000 live in the State of Illinois. He stated that the Alumni Association began extending membership to all alumni at no cost a year and a half ago to increase alumni involvement. He also explained that marketing materials for the Alumni Association have a unique look for each campus. Further, he stated that without question, the University of Illinois Alumni Association is the largest alumni association in the country. He also said that the Illinois Connection Advocacy Network has grown from 250 to 4,500 since its move from the University Administration to the Alumni Association in 2008. Mr. Taylor said the Illinois Connection held its first student and volunteer lobby day in 2009, which some believe encouraged passage of the capital bill and support for funding the Monetary Award Program for students. Mr. Taylor noted that the Alumni Association has also expanded career services access to alumni. He then described the Alumni Association's strategic plan, developed in 2005, which he said has focused on the premise that accomplished alumni can be of assistance to the University, because these alumni have a lifelong vested interest in the University of Illinois. Going forward, he said the Alumni Association will focus on the following key areas: increasing alumni inclusivity and engagement; creating a strategy for federal advocacy; utilizing the benefits of technology; obtaining alumni feedback; and volunteer service. He then thanked the Board for its time and attention.

Reports From the Student Trustees

Mr. Kennedy invited the student trustees to make comments. Mr. Felix began with comments from the Springfield campus. He thanked the trustees who visited the campus the previous day and said that the November Board meeting offers the Springfield campus an opportunity to share its campus and some points of pride with the Board. He said that the campus offers a different experience for students than either the Urbana or Chicago campuses, and fills some gaps not filled by those campuses. He described the recent alumni awards dinner, where several outstanding alumni were recognized, and congratulated Professor Ti-Fen Ting, chair of the Springfield Senate, on being sworn in as an American citizen. Lastly, he said that the Springfield campus' programs in Peoria now have new facilities. In closing, he thanked President White and wished him well.

Mr. Reschke then presented comments from the Urbana campus. He began by thanking those who planned the campus tour, dinner, and the Board meeting. He also thanked President White for his time and service, and mentioned Governor Quinn's visit to the Urbana campus last month. He congratulated a faculty member at Urbana, Professor Ray Ming, on receipt of a grant for \$1.3 million to study a type of papaya, which he said may have an impact commercially. He also told the Board that the basketball team was undefeated in its pre-season exhibition game. In closing, he again thanked President White for his service.

Next, Mr. Zavorotny thanked President White for his service. He reported several positive changes that have taken place at the Chicago campus since the last Board

meeting. He said that for the first time, many professors provided midterm grading for 100- and 200-level courses and noted that this helps students evaluate their academic performance. He also told the Board of a student leadership reception hosted by Chancellor Allen-Meares, and a town hall meeting held by Governor Quinn to address funding for the Monetary Award Program. In addition, he reported that the Chicago campus hosted the American Student Government Conference since the last Board meeting. Further, he mentioned the enthusiasm generated by the process to select a student to take part in the Search Committee to Assist in the Selection of a President.

PUBLIC COMMENT SESSION

Mr. Kennedy said three individuals had been approved to address the Board, and he introduced Mr. Jerry Dunn as the first speaker. Mr. Dunn described himself as the business manager of the Heartland Brass Music Foundation, and said this group is in litigation with another organization. He added that the University is not involved in the litigation; however, he is concerned about the lack of response from the University to requests for information. He stated that the responses so far were unsatisfactory or were dismissed. He also noted that his Freedom of Information Act request was also dismissed. Mr. Dunn said that the State's Attorney General believes his request is legitimate, and stated that if these denials continue, he will take the issue to the courts. Mr. Dunn said that in a letter he had written earlier, he cited two concerns: his Freedom of Information Act request, and whether there is appropriate oversight of University business services. He referred to additional materials that had been provided to the

trustees, and said that the handling of the Whitmore instrument collection is an example of his concern. He expressed concern over the use of assets by faculty and asked the Board to consider his request for information.

Next, Mr. Kennedy called on Ms. Sasha Cuerda for comments and was advised she was not in attendance at the meeting.

Mr. Kennedy then invited Mr. Michael Verderame to speak.

Mr. Verderame introduced himself as a graduate student in English at Urbana, and a graduate employee. He stated that he planned to focus his remarks on the University's fiscal priorities and the state of the University in the wake of the admissions scandal. Mr. Verderame referred to the University's land grant mission, and said that the University should provide an affordable and accessible education. He alluded to affects of the admissions scandal, and said that the current administration is still acting contrary to the University's mission. He stated that tuition is skyrocketing and this limits access for students, and disproportionately affects those students of color. He also noted that salaries are frozen for faculty and staff. Mr. Verderame stated that graduate assistantships pay well below a living wage, and that graduate and undergraduate education is becoming unaffordable. He said that less money has been directed to instruction than to administration, and referred to administrative offices on the Urbana campus as an example. While he acknowledged that the current funding levels from the State are low, he said that money has been misused on things like the Global Campus, the admissions scandal, and legal fees. He said that he does not believe that there is a lack of money. He also expressed concern over the corporatization of the University. He stated

that the highest level administrators at the Urbana campus receive exorbitantly high salaries. He asked for fair compensation, and he thanked the Board for hearing his comments.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Kennedy called attention to the schedule of meetings for the next few months: January 21, 2010, Chicago; March 10, Urbana; and May 20, Chicago.

MOTION TO ADJOURN BOARD MEETING

On motion of Dr. Carroll, the Board adjourned at 3:40 p.m.

MICHELE M. THOMPSON
Secretary

CHRISTOPHER G. KENNEDY
Chair