

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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ANNUAL MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

January 19, 2006

This annual meeting of the Board of Trustees of the University of Illinois was held in Chicago Rooms B & C, UIC Student Center West, Chicago campus, Chicago Illinois, on Thursday, January 19, 2006, beginning at 10:05 a.m.

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

¹Mr. Bruce participated in the meeting telephonically.

INTRODUCTION OF UNIVERSITY OFFICERS AND SENATE OBSERVERS

Mr. Eppley asked President White to introduce the University officers and senate observers. President White introduced the following: Dr. Sylvia Manning, chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; Dr. Richard H. Herman, chancellor, University of Illinois at Urbana-Champaign; Dr. Chester S. Gardner, vice president for academic affairs; Dr. David L. Chicoine, vice president for technology and economic development; and the officers of the board, Mr. Stephen K. Rugg, comptroller (and vice president for administration); Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. Mr. Thomas R. Bearrows, university counsel, was represented by Mr. Steven A. Veazie, deputy university counsel. The president also introduced: Mr. Richard M. Schoell, executive director for governmental relations; and Mr. Thomas P. Hardy, executive director for university relations. In addition, the following persons were also in attendance: Ms. Marna K. Fuesting and Ms. C. Ellen Foran, both assistant secretaries. President White then stated that the following persons were joining the meeting today: Dr. William G. Jones, associate professor, University Library, University of Illinois at Chicago, representing the University Senates Conference; Dr. Gerald Strom, professor of political science, College of Liberal Arts and Sciences, and secretary of the UIC Senate, representing the Chicago Senate; Dr. James Hall, assistant professor, management information systems, College of Business and Management, representing the Springfield Senate; and Dr. Kenneth Andersen, professor

emeritus of speech communication, College of Liberal Arts and Sciences, representing the Urbana-Champaign Senate. Also in attendance are Dr. Elliot Kaufman, professor of biochemistry and molecular genetics, College of Medicine, and chair of the University Senates Conference; and Dr. Vernon Burton, professor of history, College of Liberal Arts and Sciences, and chair of the Urbana-Champaign Senate Executive Committee.

OPENING REMARKS FROM THE CHAIR OF THE BOARD

Mr. Eppley welcomed all to the annual meeting of the Board of Trustees and the first meeting of 2006, and stated that the board had a full schedule to address.

He stated that before beginning the business of the day he wanted to recognize some recent achievements and recognitions bestowed upon some of the board members. He noted that Dr. Carroll had recently been elected president of the Theta Omega Chapter of the Alpha Kappa Alpha Sorority, Inc., and of the AKARAMA Foundation and Theta Omega Foundation. Mr. Eppley reminded his colleagues that this comes on the heels of special recognition Dr. Carroll received a few months ago from the Alumni Association of Chicago State University when that organization presented her the President's Award for distinguished achievement.

Next, he told the board that Mr. Shah was recently honored by the President of India, Dr. Abdul Kalam, with the Pravasi Bharatiya Samman Award, acknowledging Mr. Shah's outstanding achievement in the field of community leadership and in recognition of his valuable contribution to promotion of the honor and prestige of India and fostering the interests of overseas Indians. Mr. Eppley explained that this is the

highest award India confers on any non-resident Indian and that the award was presented to Mr. Shah on January 9, a date that has historical significance in India, because it was on January 9, 1915, that Mahatma Gandhi returned from South Africa after spending 21 years abroad, and began his fight for Indian independence. Mr. Eppley added that Mr. Farid Zakaria, editor of *Newsweek International*, was the other recipient of this award for this year.

Mr. Eppley also noted that Mr. McKeever, the board's treasurer, had been selected as one of the alumni of the Navy Pier campus to be inducted into the Navy Pier Hall of Fame. He said this would occur on February 3 at the annual dinner of the Alumni Association in Chicago and the UIC City Partners, and he noted that this will be a celebration to mark the 60th anniversary of the opening of the Navy Pier campus.

Mr. Eppley then asked for a round of applause for these individuals.

The chair continued and described the business to be taken up by the board at this meeting. He indicated that Chancellor Manning would welcome the board to the Chicago campus and comment briefly about some of the remarkable people at the Chicago campus and their accomplishments. He stated that although the board members read a great deal about the campuses in newspapers, there is still much they do not hear of and he hoped that at the board meetings the host chancellor for the day would bring news not received by other means.

Mr. Eppley said that after hearing from Chancellor Manning, there would be a session for public comment. He also stated that in the annual meeting portion of the meeting today, the board would elect officers for the year ahead.

Further, he said that in addition to these business matters to be addressed this morning the board had a full day of work ahead, including welcoming some impressive new appointees to the University of Illinois family. Mr. Eppley also said there would be a number of important matters for the board to consider and several timely committee presentations, including a joint meeting of the Finance and Investment, the Budget and Audit, and the Strategic Planning Committees. He added that a representative of Moody's Investors Service would make a presentation that, among other things, would address the University's debt capacity. In connection with this, he reminded the board of a similar report to the board in January 2004.

Mr. Eppley then told the board that following lunch there would be a session for presentation of all agenda items including some significant administrative appointments and several capital projects, including Phase I of the Memorial Stadium Development Plan at Urbana, and a few items related to the South Campus Development at Chicago. He observed that both of these projects would have major impacts and exciting outcomes. In addition, he said that the board had a couple of important policy items to consider, both of which had been discussed at past meetings; one of these is a management policy for the University's endowment farms, and the other is an audit function charter for the Budget and Audit Committee. In relation to these two policy matters, Mr. Eppley thanked his colleagues Mr. Vickrey, for help on the policy for managing the endowment farms, and Mr. Bruce, for his help with the audit function charter.

TWO ITEMS FROM REGULAR AGENDA APPROVED

Mr. Eppley stated that with leave of the board he would take two items from the regular agenda for this meeting to present for approval at this time.

Agenda item no. 1, "Memorial Resolution for Kenneth M. Viste, Jr., M.D."--Mr. Eppley said that this was a tribute to Dr. Viste, a former chairman of the Board of Directors of the University of Illinois Alumni Association, who passed away a few months ago. He then read the resolution:

Memorial Resolution for Kenneth M. Viste, Jr., M.D.

(1) The Board of Trustees records with sympathy the death of Kenneth Viste, Jr., M.D., on August 21, 2005. Dr. Viste was named chairman of the board of the University of Illinois Alumni Association in May 2005. In 2000 he was elected to the Board of Directors of the University of Illinois Foundation. Dr. Viste received a Baccalaureate Degree from the University of Illinois at Urbana-Champaign, and was admitted to Phi Beta Kappa, and an M.D. degree from Northwestern University. He was a board certified neurologist.

Dr. Viste was the president and a founder of Lakeside Neurocare of Oshkosh, Wisconsin. He also served as associate clinical professor of neurology at the University of Wisconsin, Madison, and as medical director of Neurology Rehabilitation Units at Mercy Medical Center in Oshkosh and St. Agnes Hospital in Fond Du Lac, Wisconsin.

He served as president of the State Medical Society of Wisconsin, and of the American Academy of Neurology. Dr. Viste also served as a state delegate to the American Medical Association and as health adviser to Wisconsin Governor Tommy Thompson, and was one of ten physicians appointed to the Practicing Physicians Advisory Council during the Clinton administration.

Ken Viste's gifts to the University were significant, including the Viste Balcony in the Alice Campbell Alumni Center and another major gift to establish the Kenneth M. Viste, Jr., Fund that provided for programmatic initiatives for the Division of Rehabilitation-Education Services related to the Office of Recreation and Athletics and the establishment of the Michael J. Ellis Annual Lecture on Disability Science and Practice.

Dr. Viste will be remembered for his enthusiasm and loyal support of athletics at the Urbana campus. He attended hundreds of Illini football and basketball games.

The Board of Trustees pays tribute to the memory of Dr. Kenneth M. Viste, Jr.'s, excellent service to the University of Illinois and extends condolences to Mrs. Viste and all other family members.

The board directs that an appropriate copy of this resolution be prepared for Mrs. Jan Viste.

On motion of Mr. Bruce, this resolution was adopted.

President White commented on Dr. Viste's contributions to the University and noted that though Dr. Viste had spent most of his life in a wheelchair, due to

contracting polio as a child, just prior to the discovery of the vaccine, he never showed any bitterness about his lot, but rather worked tirelessly to help others professionally and through his volunteer work.

Mr. Eppley also announced to the board that Thomas A. Murphy, an alumnus, former president of General Motors, and a former president of the University of Illinois Foundation, had passed away the preceding day.

Mr. Eppley then stated that with leave of the board he would also like to take agenda item no. 2 from the regular agenda for consideration out of order.

Agenda item no. 2, “Resolution to Recognize Student Involvement and Volunteerism by the Dental Student Council, UIC College of Dentistry, Chicago”--
Mr. Eppley said this item is a salute to a group of students at the Chicago campus that has demonstrated concern for helping those in need of dental care, especially children, through fundraising and direct care. He invited Mr. Alam as the student trustee from the Chicago campus, to read the resolution and invited student representatives of the Dental Student Council to join Mr. Alam after the vote on the motion.

Resolution to Recognize Student Involvement and Volunteerism by the Dental Student Council, UIC College of Dentistry, Chicago

(2) The Board of Trustees of the University of Illinois sincerely appreciates and recognizes the unselfish dedicated commitment, leadership, and volunteerism as demonstrated by the Dental Student Council and other dental student organizations of the

University of Illinois at Chicago (UIC) College of Dentistry in its service of oral health care to the underserved and undocumented children of the State of Illinois.

UIC's College of Dentistry students, both individually and collectively through the Dental Student Council and by affiliation through UIC chapters of national dental student organizations, have engaged in volunteer efforts such as fundraising formal dances, bake sales, Valentines' sales, candy and doll sales, auctions and forays into the community to raise monies to provide better oral health care and dental education to children and underserved populations through UIC's Department of Pediatric Dentistry's Children's Associated Care Fund. This year the students raised over \$10,000. UIC's College of Dentistry students also worked and volunteered in community clinics throughout northern Illinois.

The UIC College of Dentistry, Department of Pediatric Dentistry is the largest safety net in the City of Chicago for children needing oral health care sometimes receiving up to 50 emergency cases per day. Besides helping to finance dental work for needy youngsters, the students' efforts help them to become more compassionate dentists.

Most recently, on October 12, 2005, the UIC College of Dentistry students were formally recognized in a State of Illinois Declaration presented by Lieutenant Governor Pat Quinn at the annual "Healthy Kids, Healthy Smiles Day" for their unselfish efforts to promote better dental health care for the citizens of the State. More than 85 volunteer dental students, hygiene students, and pediatric dental residents took care of 200 plus children, providing services ranging from oral examinations, teeth cleanings,

fluoride treatments, and dental education to the parents. The day included a visit from the tooth fairy, free toothbrushes and floss, educational brochures in both English and Spanish, balloons, and lots of toothy smiles.

The Board of Trustees hereby recognizes and commends the UIC College of Dentistry Dental Student Council and its related student organizations for their stellar example of student volunteerism that contributes to a vital campus life, to a meaningful educational experience, and to a better society.

The Board of Trustees directs that this resolution be incorporated into the minutes of today's meetings to become a part of the official public record, and that a suitable copy be given to the UIC College of Dentistry Dental Student Council on behalf of all the UIC volunteer dental student organizations, as a permanent reminder of the esteem in which you are all held.

On motion of Mr. Alam, this resolution was adopted.

A contingent of dental students, including one dressed as the tooth fairy, were present to receive the board's resolution praising their work with those in need of dental care.

Mr. Eppley commended the students for their volunteer work and fundraising and said their amazing work gave him a segue to the next presentation which is a report from the chancellor of the Chicago campus. He invited Chancellor Manning to comment on recent accomplishments of the students and faculty at the Chicago campus.

WELCOME AND COMMENTS FROM CHANCELLOR MANNING

Chancellor Manning welcomed the board to the Chicago campus and in her comments reviewed the recent history of the campus, noting that the campus had changed its name and emphases three times since 1946, which confuses some, but also highlights the dynamic aspect of the campus. She described the campus as a major urban research university with an emphasis on access for students, and said that a description of the campus today is “access to excellence.” The chancellor then showed slides of several outstanding faculty members and students and described their impressive contributions to the Chicago campus and to scholarship.

PUBLIC COMMENT

Mr. Eppley stated that one person had applied and been approved to address the board according to the board’s procedures. He then asked Mr. Roger Huddleston to address the board.

Mr. Huddleston spoke about the Chief Illiniwek tradition at the Urbana campus and the recent decision by the National Collegiate Athletic Association (NCAA) regarding restrictions on hosting post-season games for institutions with Native American mascots, and urged the board to continue pursuing a consensus approach to resolution of this dilemma and to view both issues as one (materials on file with the secretary).

SPECIAL ORDER OF BUSINESS

Election of Officers

Chair of the Board

Mr. Eppley invited nominations for chair of the board.

Dr. Schmidt nominated Mr. Eppley and commented that continuity was important for the University at this time and that given Mr. Eppley's outstanding leadership over the past three years he would like to see him continue in this role.

Mr. Dorris seconded the nomination, and Mr. Vickrey moved that the nominations be closed.

By unanimous ballot, on motion of Mr. Sperling, Mr. Eppley was reelected chair of the board to serve until the next annual meeting of the board or until his successor shall have been elected.

Executive Committee

Mr. Eppley nominated Mr. Shah and Mr. Vickrey to serve as members of the Executive Committee, with the chair of the board as chairman, *ex officio*.

Dr. Carroll nominated Mrs. Sodemann to serve as one member of this committee. Mrs. Sodemann declined.

By unanimous ballot, on motion of Dr. Schmidt, Mr. Shah and Mr. Vickrey were elected members of the Executive Committee to serve until the next annual meeting of the board or until their successors shall have been elected.

Secretary, Comptroller, and University Counsel of the Board

In accord with the bylaws of the board, the president of the University had conveyed his advice to the board that the three incumbents be reelected: Michele M. Thompson, secretary of the board; Stephen K. Rugg, comptroller of the board; and Thomas R. Bearrows, university counsel.

By unanimous ballot, on motion of Dr. Carroll, the incumbents-- Dr. Thompson, Mr. Rugg, and Mr. Bearrows--were elected secretary, comptroller, and university counsel of the board, respectively, to serve until the next annual meeting of the board or until their successors shall have been elected.

Delegation of Signatures

On motion of Mrs. Sodemann, the following resolution was unanimously adopted:

Resolved that the chair of the Board of Trustees is authorized to delegate to such individuals as he may designate from time to time authority to sign his name as chair of the Board of Trustees to vouchers presented to the state comptroller and authority to sign his name to warrants on the University treasurer covering vouchers approved in accordance with regulations approved by the board; and

Resolved further that the secretary of the Board of Trustees is authorized to delegate to such individuals as she may designate from time to time authority to sign her name as secretary of the Board of Trustees to vouchers presented to the state comptroller and to warrants on the University treasurer covering vouchers approved in accordance with regulations of the board. And be it further

Resolved that the state comptroller is hereby authorized and directed to honor vouchers bearing facsimile signatures of the chair and secretary of the Board of Trustees of the University of Illinois if such facsimile signatures resemble the facsimile specimens duly certified to or filed with the state comptroller by the secretary.

These authorizations are to continue in effect until the state comptroller has been supplied with specimen signatures of succeeding officers of this board.

BOARD MEETING ADJOURNED FOR JOINT MEETING OF
FINANCE AND INVESTMENT, BUDGET AND AUDIT,
AND STRATEGIC PLANNING COMMITTEES

President White commented briefly at the beginning of this joint committee meeting stating that this was to be a discussion of the University's debt capacity. He then introduced Ms. Diane F. Viacava of Moody's Investors Service to make a presentation and indicated that Mr. Douglas E. Beckmann, senior associate vice president for business and finance, would have remarks following the presentation.

Ms. Viacava began by reviewing the rating methodology of Moody's (materials on file with the secretary) and stating that the University of Illinois has a rating of Aa3, which she said was a good position for the University in relation to peer institutions. She noted that the Chicago South Campus Development currently has a rating of A1 which may be upgraded to an A3. Ms. Viacava then told the board that rating agencies focus on qualitative measures rather than on numbers in determining ratings, and added that a state's financial problems can have an effect on a state university. She also observed that the University of Illinois is highly leveraged, and like most universities is trying to build research facilities with some external funding from the federal government. She commended the University for improving the health care enterprise, and noted that problems still loom for that area due to the problems all health care operations face.

She observed that the State budget is a problem in Illinois and that Illinois has been among the least generous of all states in funding higher education in recent years and she opined that it did not look like that would change in the near future.

She explained that the University of Illinois has an Aa3 rating because: it is the premier public university in Illinois; it has strong academic programs with stable enrollments; it is a nationally prominent research institution, albeit not well recognized but clearly moving forward in recognition; it has success in recruiting faculty to conduct research; and growth is anticipated for the University.

Further, she said the University is doing well in terms of a balanced operating performance, despite the cuts in State appropriations and the guaranteed tuition program that has been in effect for a few years. She praised University administrators, Mr. Rugg, Mr. Beckmann, and Mr. Plankenhorn, for professional competence and said their oversight of the financial area is very good.

She noted that 90 percent of the students at the University are residents of Illinois which presents a minor problem, since having a heterogeneous student body is desirable in terms of quality measures.

With regard to debt capacity she said the University's revenue generation performance is favorably regarded because it has built such facilities as residence halls and parking garages, and she added that the University is projecting new residence hall projects and parking garages. In addition, she mentioned the need to finance a renovation for Memorial Stadium at Urbana and a plan to renovate the University Hospital at Chicago as upcoming projects.

Ms. Viacava also discussed ways to enhance the University's debt capacity at the Aa3 level. These included: initiating projects that have opportunities for new revenue; growth to the permanent endowment; growth in unrestricted resources; improved fund raising performance; continued deft handling of phasing capital projects; and, increasing capital by paying down debt. Also, she stated again that scarce State resources are a problem for the University.

Dr. Schmidt asked for more information on the University's operating performance. Ms. Viacava said that the University has been forced to pick up more burdens from the State and take cuts, which most other States have not had to do. She then added that enrollment growth and tuition growth have helped the rating.

Mr. Eppley requested data on all sources of resources coming to the University and Ms. Viacava promised to provide these.

Mr. Shah asked for the difference in financing costs for a rating of Aa1 and Aa3. Discussion followed about savings and overall value of improving the rating.

Mr. Vickrey noted that a problem for the University, as compared to its peers, is that it cannot hold a balance in funds from one year to the next. Mr. Eppley explained that the trade off in the ratings is that the internal costs are a little more for the lower rating.

Mr. Vickrey also pointed out that a higher rating might restrict the University's debt capacity. Dr. Schmidt then asked how in-kind contributions were regarded and Ms. Viacava stated that these are considered as revenue.

Mr. Beckmann then commented in follow-up to the discussion that a higher rating can have an effect on the cost of bonds and that movement between rating

categories requires considerable change in financial status. He reminded the board of the strong State support the University has had historically and that constraints are recent.

He also told the board that the University is amortizing debt consistently and there are no future balloon payments, and that although it is more leveraged than peers this is related to State budget constraints. He opined that the University debt level was comfortable in that there was a good payment stream and that over 80 percent of the projects funded by debt will generate revenue and that the debt is short-term.

Mr. Eppley asked Mr. Beckmann to explain the University's legal authority to issue debt. Mr. Beckmann responded that the State allows the University to sell bonds for revenue generating entities. He also mentioned the issuance of Certificates of Participation for some projects, stating that these are basically leases. Mr. Eppley stressed the University's limitation on selling debt, reminding all that the projects had to be revenue-generating and that the University is not authorized to sell debt generally.

Discussion followed about how the University of Illinois compares to its peers in the Big Ten and whether it was less robust in financial strength. Mr. Eppley stated that analysis would be required to illustrate where resources of the University of Illinois were not as strong as peers. Ms. Viacava indicated she could provide those data, but did not have it at hand. President White commented that in order to retain quality, the University of Illinois has been operating close to the break-even point. He added that his plans for the University, as articulated in the University of Illinois Compact which he introduced a few months earlier, is based on several sources of revenue for the University to address this current situation.

In closing, Mr. Eppley asked Mr. Beckmann to give examples of revenue-generating entities. Mr. Beckmann stated that Memorial Stadium in Urbana, the Assembly Hall in Urbana, the campuses' bookstores, and the residence halls are all revenue-generating entities.

Mr. Klitzing requested a listing of the bond ratings of all public universities in Illinois.

BOARD MEETING RESUMED

MOTION FOR EXECUTIVE SESSION

Chair Eppley stated: "A motion is now in order to hold an executive session to consider the following subjects: University employee matters; and probable, or imminent litigation against, affecting, or on behalf of the University."

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

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

In addition to the trustees and President White, the following individuals were present in this session: Chancellor Herman, Chancellor Manning, Chancellor Ringeisen, Mr. Veazie (representing Mr. Bearrows), and Dr. Thompson.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned.

BOARD MEETING RECESSED FOR LUNCHEON²

The board recessed for luncheon and afterward resumed its meeting to receive presentations of the items on the agenda for this meeting.

BOARD MEETING RESUMED

When the board meeting resumed in regular session, members of the board noted as present earlier were still in attendance. Messrs. Bruce and Shah were participating via telephone.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Mr. Eppley announced that each agenda item would be presented and discussed and that board members should raise any questions they might have as the item is presented. He asked Chancellor Herman to begin by presenting those items concerning the Urbana campus. The other two chancellors then presented the items related to their campuses.

Mr. Lyle Wachtel, associate vice president for facilities planning and programs, presented items and assisted the chancellors in presenting items recommending

²Members of the Executive Committee of the Chicago Senate were guests for luncheon.

capital projects, and Vice President Rugg and Senior Associate Vice President Beckmann presented items. The agenda items were presented in the following order.

Agenda item no. 5, “Provost and Vice Chancellor for Academic Affairs, Urbana”--Chancellor Herman introduced Dr. Linda P. B. Katehi who was recommended for this position, and commented on her scholarship and administrative experience as well as the national boards and associations on which she serves and the honors she has received. Mr. Klitzing gave high praise to Dr. Katehi and indicated that she was clearly the best choice for this position. Mr. Eppley asked Chancellor Herman to describe the responsibilities of the position. Chancellor Herman stated that the provost is in charge of the budget for the campus and allocations to the colleges and other units and that currently the provost is responsible for continuing development and execution of the campus’s strategic plan.

Agenda item no. 7, “Dean, College of Liberal Arts and Sciences, Urbana”--Chancellor Herman told the board he enthusiastically supports the appointment of Dr. Sarah Mangelsdorf for this position, since she is uniquely qualified, as demonstrated in her work as acting dean since 2004. He stated that the College of Liberal Arts and Sciences receives 40 percent of the budget of the campus. Mr. Klitzing gave praise to Dr. Mangelsdorf and Mr. Sperling saluted her for her wonderful work.

Agenda item no. 8, “Acting/Interim Dean, College of Fine and Applied Arts, Urbana”--Chancellor Herman recommended Dr. Robert B. Graves for this position, stating that Professor Graves was an outstanding scholar and teacher and the recipient of

numerous awards. Chancellor Herman thanked Professor Graves for his willingness to take on the tasks of this position on an interim basis.

Agenda item no. 9, “Establish Jazz Performance Major within the Bachelor of Music Degree in the College of Fine and Applied Arts, Urbana”--Chancellor Herman said that education in jazz music at Urbana is well regarded and there is demand for this degree.

Agenda item no. 32, “Lease of Space for Police Training Institute (PTI), Urbana”--Chancellor Herman said that this program is one of the best in the State for police training and that more and different space is needed for the program. He then asked Mr. Douglas E. Beckmann, to describe the details of the lease. Mr. Beckmann said this is a renewal of space occupied by the PTI, and that the cost of the lease is \$425,000 for the first year, with a 3 percent increase. He indicated that he had discussed this with Trustee Vickrey prior to the board meeting. Mr. Vickrey had no questions.

Agenda item no. 28, “Employ Architect/Engineer for Phase One of Memorial Stadium Phased Development Plan, Division of Intercollegiate Athletics, Urbana”--President White introduced this item and said that he had reviewed the pro forma documents for this project and that he and Chancellor Herman found the financial aspects to be sound. He then asked Chancellor Herman to comment. Chancellor Herman said the athletic director has been successful in selling the suites that are a part of the design that will provide funding for this planned renovation and that later in the spring a project will be presented to the board for approval. Mr. Wachtel added that since this is a non-instructional building, the Illinois Board of Higher Education must authorize its

construction which would be expected in late spring 2006. Mr. Eppley commented to the board that this item is the first step in this process. He also noted that the Qualified Bidder System was used in making this selection. Mr. Wachtel explained that this contract is a companion to an earlier contract for \$130,000 that did not come to the board because it was below the dollar amount that requires board approval. He stated that the contract recommended would be let as soon as the board approves it. President White explained that Mr. Shah had been consulted and now supports this recommendation. There was discussion about some of the remodeling that would be involved in the project, including lowering the football field (approximately five to six feet) and the configuration of seating around the suites that are to be added to the stadium.

Agenda item no. 27, “Employ Architect/Engineer for Construction Services for Campus Recreation—Renovation and Expansion of the Intramural Physical Education Building (IMPE) Phase II, Urbana”--Chancellor Herman stated that this request relates to completion of a project for renovation and construction of an addition to the IMPE building. He indicated a cost of \$50.0 million for this phase.

Agenda item no. 29, “Employ Architect/Engineer for Roger Adams Laboratory Phase I, Urbana”--Chancellor Herman explained that this project is the first phase of building renovations to update research space for the School of Chemical Sciences. He said it is predominantly an infrastructure upgrade that is necessary to accommodate increased mechanical and electrical demands, and added that following these changes, there will be additional related upgrades and that renovating this facility is critical to the advancement of campus initiatives in the biosciences. The chancellor said

that this facility is ideally located for the faculty engaged in research in the interface between biology and chemistry.

Mr. Wachtel added that the item seeks approval to employ an architect/engineer through the warranty phase as presented to the board at its November 10, 2005, meeting.

Agenda item no. 30, “Approve Project for Library Remote Storage Phase II, Urbana”--Chancellor Herman stated that this would be the second project to provide offsite storage in a high-density manner. He referred to Phase I of the project that enabled the removal of 1.6 million units from the main library and said that this phase would make it possible to move another 2.0 million units, and eliminate the need for further additions to the stacks at the main library.

Item no. 31, “Approve Project for the Pennsylvania Avenue Residence Hall Dining Rooms and Dining Services Project, Urbana”--Chancellor Herman told the board that this project is similar to one approved by the board in 2005 for the residence halls on the Champaign side of the campus. He indicated that this would be a continuation of work to modernize 50-year-old dining facilities to result in student dining services that would be comparable to those improvements planned for the Champaign residence halls. He said this project would increase the campus’s ability to meet the demands of students, improve accessibility for students, and improve efficiency for delivering services.

Agenda item no. 24, “Award Contract for Job Order Contracting 2006 (JOC06), Urbana”--Mr. Wachtel explained the need for these contracts to respond to

emergency needs of the campus for repairs to facilities and for very small jobs for which responses to requests for bids would be unlikely.

Agenda item no. 22, “Award Contract for Modification of Escalators in College of Pharmacy Building, Chicago”--Mr. Wachtel stated that this recommendation is the result of responses to the standard competitive bidding process. Trustee Schmidt asked about the escalators in the College of Dentistry building and Mr. Wachtel responded that there are plans to replace those at a later time.

Agenda item no. 23, “Award Contract for Modification of Elevators in Science and Engineering South and Clinical Sciences North Buildings, Chicago”--Mr. Wachtel told the board that this contract is the result of a competitive bidding process for this work that included a service contract for 10 years.

Agenda item no. 25, “Increase Infrastructure Project Budget for South Campus Development, Chicago”--Chancellor Manning and Mr. Wachtel spoke to this item and indicated that a \$3.0 million increase in the budget for this project is needed to complete the infrastructure elements. Mr. Wachtel said that the sources of funds would include institutional funds and initially funds from a bond sale and later funds from the Tax Increment Financing agreement with the city of Chicago for the project.

Agenda item no. 26, “Increase Project Budget for Sandi Port Errant Language and Culture Learning Center at Grant Hall, Chicago”--Chancellor Manning and Mr. Wachtel presented this item jointly and noted that the project was approved in 2005 for a budget of \$4.5 million. Chancellor Manning said that this was an estimate and now there is a better estimate of the projected costs, which indicates that additional

funding of \$640,000 is needed. Chancellor Manning also stated that in addition to being an important project in itself, this renovation project will serve as a model for renovating other buildings nearby.

Agenda item no. 6, “Vice Chancellor for Human Resources, Chicago”--Chancellor Manning stated that in order to address the complex character of the human resources enterprise at Chicago, of which the Chicago labor market is one feature, and the difficulties of health care issues for human resources another, it was necessary to appoint an experienced professional. She said John Loya, who has experience in human resources in health care settings at two other universities and experience working with the Chicago campus in its health care operations, to which he has brought great value, is recommended for this position, at no increase in salary presently.

Agenda item no. 10, “Establish Master of Science in Medical Biotechnology, UIC College of Medicine at Rockford, Chicago”--Chancellor Manning stated that this program is recommended because the college has close ties with the biotechnology industry near Rockford and that a medical biotechnology program would be unique in the Midwest.

Agenda item no. 11, “Establish Master of Science in Finance, College of Business Administration, Chicago”--Chancellor Manning told the board that such a program would provide a good preparation for many professions related to the study of finance. She noted that the enrollment in the finance concentration is the largest of all the concentrations in the College of Business Administration. Chair Eppley stated he hears good comments about the preparation students receive in finance at the college.

Agenda item no. 12, “Establish Bachelor of Arts in Urban and Public Affairs, College of Urban Planning and Public Affairs, Chicago”--Chancellor Manning said that this program is designed to prepare students to enter professions in urban studies and that it would correspond to the graduate program in this area which is outstanding. She said that 60 undergraduate students are expected to enroll in this undergraduate program if it is approved.

Agenda item no. 13, “Establish National Center for Rural Health Professions, UIC College of Medicine at Rockford, Chicago”--Chancellor Manning stated that this center, originally called the Center for Rural Health Professions Education, Evaluation, and Research, was granted temporary approval in May 2000 by the IBHE to operate until May 31, 2005. The Board of Trustees approved a name change on November 13, 2003 to the title, National Center for Rural Health Professions. This item seeks approval to establish the center prior to referral to the IBHE for permanent recognition.

Agenda item no. 14, “Redesignate Department of Biomedical and Therapeutic Sciences, UIC College of Medicine at Peoria, Chicago”--Chancellor Manning stated that this title for the department more accurately reflects the research, teaching mission, and goals of the department.

Agenda item no. 15, “Designate the Peggy Colvin Baseball Center for Excellence, Margaret DiVittori-Cebulski Study Laboratory, and Curtis Granderson Video Lounge in the Physical Education Building, Chicago”--Chancellor Manning explained that a renovation of \$600,000 to a portion of the Physical Education Building is planned

and that \$400,000 of that will come from private sources. She said that \$315,000 in gifts and pledges have been raised to date, and she indicated that these three areas will be remodeled with donor funds and that approval is sought to name the areas as indicated.

Agenda item no. 16, “Policy for Management of University Endowment Farms”--Vice President Rugg stated that this policy makes it clear that these farms are board assets and the use of them will be evaluated annually. He indicated that oversight of these assets will take into account market based prices for leases and that leases will involve an open, competitive process. He also said that tested practices would be followed by tenants in farming these properties, and that environmentally safe farming procedures would be employed by tenants. Mr. Rugg told the board that this policy is in effect now and there was wide consultation in drafting it. Chair Eppley thanked Trustee Vickrey for his assistance with the development of this policy.

Agenda item no. 19, “Certificates of Participation (University-Wide Facilities Renewal Program and University of Illinois at Urbana-Champaign Business Instructional Facility Project), Series 2006.” Mr. Rugg told the board that this item contemplated the assembly of a team to prepare Certificates of Participation to provide partial funding for these projects. He said that the board would be asked to approve issuance of the certificates at a later meeting. He indicated that Chair Eppley and the chair and vice chair of the Finance and Investment Committee had reviewed the recommendation and approved of it going forward to the full board for approval. Trustee Schmidt asked about how the priorities for selection of deferred maintenance projects were set. Mr. Eppley asked the chancellors to describe how these decisions would be

made. They indicated that there are processes in place for setting priorities and that lists already exist.

Agenda item no. 20, “Variable Rate Demand UIC South Campus Development Project Refunding Bonds, Series 2006A”-- Mr. Douglas E. Beckmann, senior associate vice president for business and finance, presented this item and introduced the team involved in putting together this bond issuance. He asked Lois Scott of Scott Balice, to present information on the project, which she provided. She reviewed the University’s goals that might best be accomplished through a refunding and restructuring of certain outstanding bonds issued for this project and presented ideas to achieve these goals. She concluded her remarks by commenting that given the stronger market conditions that exist now, \$500,000 more than initially anticipated would be delivered due to the rates for 10-year Treasury bonds. (Additional material on this presentation is on file with the secretary.)

Agenda item no. 21, “Authorize Banking Resolution (U.S. Bank, N.A.)”-- Mr. Beckmann explained that this recommendation is to provide for a third-party vendor to assist with management of financial aid for students. He stated that it is intended to refresh a banking resolution and that it would provide several lock-box services. Mr. Eppley complimented Mr. Beckmann on the preparation for this item.

Agenda item no. 17, “Audit Function Charter for Board of Trustees Budget and Audit Committee”--Julie Zemaitis, executive director of University Audits, presented this item. She referred to a presentation in March 2005 on the Sarbanes-Oxley Act of 2002 that deals with the provision of audit provisions for private sector organizations.

Ms. Zemaitis stated that the University is not required to comply with the Sarbanes Oxley Act, but that certain aspects of that statute can be followed in an effort to achieve best practices in University business matters. She referred to a presentation of a draft of the charter made to the board at its meeting in November 2005. President White thanked Trustee Bruce, chair of the Budget and Audit Committee, for his efforts in behalf of this charter and thanked Ms. Zemaitis for her work in developing the charter.

Agenda item no. 18, "Revise *Bylaws* of the Board of Trustees"--Steven Veazie, deputy university counsel, presented this item and stated that it is related to agenda item no. 17 in that it amends the *Bylaws* to add oversight for the University's audit function as set forth in the Audit Function Charter and also adds to the committee's responsibilities the task of monitoring compliance with the Policy on Conflicts of Commitment and Interest. Further, he said this revision adds the treasurer of the Board of Trustees to the Budget and Audit Committee to serve *ex officio* with vote.

Agenda item no. 33, "Purchases"--Mr. Michael Bass, executive vice president for business and finance, presented this item and stated that nine purchases are recommended based on University procedures for purchases and that he had reviewed all with Trustees Carroll, Shah, and Vickrey as is expected. Dr. Carroll then noted that many requests for bids are distributed but few are received and asked if Mr. Bass knew why this might be. Mr. Bass replied that the process for seeking bids is to distribute the requests as widely as feasible; however, there is no way to predict how many responses will be received. Mr. Eppley suggested asking the vendors that received requests for bids why they chose not to respond. Mr. Beckmann underscored the fact that many requests

are distributed because there is no way to determine which vendors might be interested in bidding.

BOARD MEETING RECESSED FOR COMMITTEE MEETINGS

The board recessed for meetings of the Buildings and Grounds Committee, the Technology and Economic Development Committee, and the board meeting as a Committee of the Whole.

MEETING OF THE BUILDINGS AND GROUNDS COMMITTEE

Since Trustee Shah, chair of the committee, was participating in this portion of the meeting via telephone, he requested Trustees Carroll and Vickrey, vice chairs of the committee, to convene the meeting.

Mr. Vickrey referred to the request for an increase in budget for the Sandi Port Errant Language and Culture Learning Center at Grant Hall, Chicago, in the agenda for this meeting, based on the design for the renovation of Grant Hall that will house the center. He then turned to Mr. Wachtel who introduced Luc Ria of the SmithGroup to present the design. Mr. Ria described the site, Grant Hall, as one of nine low-rise buildings built in the early 1960s on the east side of the Chicago campus and he displayed plans for the renovation of Grant Hall. He described the goal of the project as preserving the modernist architecture and meeting the needs of the center and showed a design that included a new glass skin to protect the concrete columns of the building. He added that new mechanical systems were recommended as well. President White and

Chancellor Manning commented that this would be the model and design standard for renovation of other similar buildings nearby, and Chancellor Manning said fundraising efforts were underway for such treatment to the other buildings. Mr. Eppley asked if this design would be affordable for the other buildings and Chancellor Manning responded that the glass outer shell described would protect the concrete of the buildings and not require much maintenance in future, and it would provide for energy conservation and thus save costs, which would recommend this approach as one that would provide savings in future.

On motion of Mr. Eppley, this design was approved.

MEETING OF THE TECHNOLOGY AND ECONOMIC DEVELOPMENT COMMITTEE

Mr. Eppley, chair of this committee, asked Vice President Chicoine to report.

Dr. Chicoine told the board of improvements in the process of disclosures of inventions to protect the University's intellectual property.

Next, he reported on the closing to provide capital for Illinois VENTURES, LLC, and said that it will be necessary to raise the next venture fund soon. Mr. Eppley commented in connection with this that the goal of Illinois VENTURES was job creation and that was progressing impressively.

Trustee Schmidt then reported on the meeting of the Board of Managers of the University of Illinois Research Park, LLC, at Urbana, on which he serves as the Board of Trustees' representative. He summarized the discussions at this meeting noting

that the infrastructure in the research park was improving and that funds had been received from the Illinois Department of Transportation to improve First Street which borders one side of the research park. He also reported that a master plan for the south campus at Urbana was under way and that Canon and Sasaki, the firm hired to execute an earlier master plan, was working on this. Mr. Eppley, referring to the master plan, stated that the future use of the site of the Orchard Downs graduate student housing facilities would be an aspect of this and asked Chancellor Herman for a report on this at a later time. Dr. Schmidt stated that there is need to identify new areas for the development of the research park. Mr. Wachtel stated that work on the master plan is progressing and that this will be brought forward in the near future.

Dr. Schmidt also reported on recent developments concerning the Chicago Technology Park and stated that the Illinois Medical District, an entity involved with the University in the operation of the park, had issued \$40.0 million in bonds to acquire land in the area.

MEETING OF THE BOARD AS A COMMITTEE OF THE WHOLE

Mr. Eppley announced that this meeting was for the purpose of receiving a presentation on plans and possibilities for a facility at the College of Medicine at Rockford to add space for the National Center for Rural Health Professions and to receive a report from Trustee Sodemann on a policy for hiring University retirees. He then asked Dr. Joseph A. Flaherty, dean, College of Medicine, to make a presentation.

Discussion of Space Needs for the National Center for Rural Health Professions,
UIC College of Medicine at Rockford

Dean Flaherty described the need for space at Rockford to add classrooms, an auditorium, administrative offices, and to expand the library for the National Center for Rural Health Professions. He also described plans for a two-storey and a three-storey addition to the existing facility at Rockford, and quoted a cost of \$24.0 million for the two-storey addition and \$31.0 million for the three-storey addition. Further, he stated that the college had approximately \$9.0 million available for this project. He also presented several options including a suggestion for leasing part of the space in a three-storey addition to other institutions in the area to help with funding, cooperating with the city of Rockford in a development off-site and, though less likely, entering into a partnership with a hospital in Rockford.

Mr. Eppley asked for a plan to move forward with providing the necessary space and President White suggested forming a taskforce to determine a plan.

Mr. Eppley then asked for volunteers for the taskforce and Trustees Bruce, Schmidt, and Vickrey volunteered.

In response to the options presented by Dean Flaherty for providing the needed space for the center, Mr. Vickrey commented that some donors have made contributions based on the center being located at the college. Mr. Vickrey then requested a capital project summary for this project.

President White observed that proximity to the college would be an obvious benefit and Chancellor Manning noted that one of the suggestions to develop off-site would be a contribution to the city of Rockford.

Discussion on Draft of Policy for Hiring University of Illinois Retirees

Trustee Sodemann called attention to a draft of a policy for hiring University retirees that was at the board members' places and stated that Chair Eppley had asked her as chair of the Human Resources Committee to work on developing this policy. She stated that she and the vice chair of the committee, Dr. Carroll, were presenting this draft for discussion and she asked her colleagues to contact her with comments before the next board meeting.

BOARD MEETING RECONVENED

At this time, the board reconvened in regular session.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

Mr. Eppley turned to President White for a report. President White then reminded the trustees of a recommendation for increases in tuition and fees for Fiscal Year 2007 that he had distributed to the board and asked for the trustees to call him with comments and recommendations before the next board meeting.

Next, the president reported that in response to the board's request, he and Chancellor Herman had communicated with the Mass Transit District (MTD) and with

the leadership of the cities of Champaign and Urbana concerning the tragic death of a student near the Urbana campus in a traffic accident involving a MTD bus in September 2005. He said that progress had been made in improving pedestrian safety.

President White also reported on fundraising and the importance of increasing this in anticipation of the next campaign that is set to begin in 2007. He told the board that gifts had increased and that the amount of the increase in donations this year was up over last year in the low double digits.

The president also reported on the program for financial aid for students known as "School as Lender," a provision of the Higher Education Act whereby institutions may partner with private lenders to provide loans to graduate and professional students and use the net income to reduce borrower fees and for additional student financial aid. He told the board that a change suggested in the Higher Education Act would prevent universities from becoming school lenders after April 1, 2006. Thus, to preserve the University's eligibility as the administration continues to study the merits of the "School as Lender" model, he is implementing a small school lender pilot program at the Springfield campus through the Illinois Student Assistance Commission (ISAC). He added that if it seems advisable to adopt the model for graduate and professional student loans at all three campuses, it will be solely because the school lender program will reduce borrowing costs, improve lending services, and provide additional financial aid for students and that a proposal to extend the model on all three campuses would be brought to the board for approval.

BUSINESS PRESENTED BY THE CHAIR OF THE BOARD

Mr. Eppley stated that the practice of honoring student groups, such as the board did today for the Dental Student Council, would continue at board meetings. He also indicated that the welcome from the campus chancellor at whose campus the meeting is held will also become a pattern.

On another subject, Mr. Eppley stated that he had asked Trustee Dorris to chair a Governance Committee as a new standing committee of the board. He had also asked Trustee Sodemann to serve as vice chair. Mr. Eppley said this committee would be similar to a former committee on governance and trusteeship, and he indicated that materials would be circulated for the Board's consideration concerning an amendment to the Board of Trustees *Bylaws* regarding this.

Further, Mr. Eppley announced that in order to provide more continuity between regular board meetings and to maintain better communication on pending projects, he planned to call a special board meeting between each regular board meeting for a brief update on University business. He said these special meetings would be conducted telephonically.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

There was no business presented under this aegis.

REPORTS FROM STUDENT TRUSTEES

Mr. Eppley invited the student trustees to report news from their campuses.

Report from the Student Trustee, Chicago Campus

Trustee Alam reported the following: student health insurance options are under discussion at the campus; a poll of students has been undertaken to evaluate businesses in the south campus area where there are student residence halls; and a textbook committee has been formed to include faculty and students with the aim of keeping costs down.

Report from the Student Trustee, Springfield Campus

Trustee Bauer reported that the internet sites known as “MySpace.com” and “Facebook.com” are of concern to students in the residence halls. She also noted that the campus radio station, WUIS, planned to broadcast both the President’s State of the Nation and the Governor’s State of the State addresses. Further, she noted a new program on the campus concerning sexual health.

Report from the Student Trustee, Urbana Campus

Trustee Klitzing announced that the Urbana men's gymnastics team does not get as much publicity as other sports, but that it should be noted that this team participated in the nationals and placed second. He also told the board that in the aftermath of Ms. Sarah Channick's death in the traffic accident involving a bus, many changes to improve pedestrian safety had been made on and near campus.

REPORT FROM THE SENATE AT CHICAGO

Mr. Eppley invited Professor Gerald Strom to report on the activities of the Senate at Chicago for the past year. Professor Strom reported that the senate had been involved in work on the University's strategic plan, that for Chicago was an outgrowth of the strategic thinking plan for the campus, and that a campus-wide forum was scheduled for January 24. He also noted that the senate had engaged in a discussion of the University's tenure process, especially whether six years was the proper amount of time for the evaluation of faculty members to decide on those who would be granted tenure. In addition, he said the senate, together with the senates at Springfield and Urbana, had recommended a change to the University of Illinois *Statutes* to establish the same rights for academic professional employees in University Administration as academic professional employees at the campus location where the University Administration employees were located. And, he indicated that the senate had considered multi-year contracts for some categories of academic staff. Professor Strom further reported that

senate representatives had participated in campus budget hearings which they found enlightening and had reviewed the process for recommending honorary degrees. In concluding his remarks, he thanked Chancellor Manning and Provost Tanner for their close participation and consultation with the faculty at the Chicago campus.

AGENDA

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

Approve Minutes of Board of Trustees Meeting

(3) The secretary presents for approval the minutes of the Board of Trustees meetings of March 10 and April 16, 2005.

On motion of Dr. Schmidt, these minutes were approved.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 4 through 18 inclusive. The recommendations were individually discussed but acted upon at one time.

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

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

Appointments to the Faculty

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

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

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

Chicago

Olga Barannikova, Assistant Professor of Physics, probationary faculty on initial/partial term, on an academic year service basis, on 100 percent time, at an annual salary of \$67,000, beginning January 1, 2006.

Mark S. Brodie, Associate Professor of Physiology and Biophysics, College of Medicine at Chicago, Q probationary faculty, on an academic year service basis, on 100 percent time, at an annual salary of \$80,000, for three years beginning August 16, 2005.

Jonna Frasor, Assistant Professor of Physiology and Biophysics, 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 October 1, 2005.

Yoram Z. Haftel, Assistant Professor of Political Science, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$60,000, beginning January 1, 2006.

Qingbo Li, Assistant Professor of Microbiology and Immunology, College of Medicine at Chicago, probationary faculty on tenure track year one (at 100 percent), on an academic year service basis, on 51 percent time, at an annual salary of \$33,150, beginning August 16, 2005; Assistant Professor, Center for Pharmaceutical

Biotechnology, College of Pharmacy, non-tenured, on an academic year service basis, on 49 percent time, at an annual salary of \$31,850, beginning August 16, 2005; Coordinator of Proteomics in the Department of Microbiology and Immunology, College of Medicine at Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$5,000, beginning August 16, 2005; Coordinator of Proteomics, Center for Pharmaceutical Biotechnology, College of Pharmacy, non-tenured, on an academic year service basis, with an administrative increment of \$5,000, beginning August 16, 2005; and Assistant Professor of Bioengineering, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2005, for a total salary of \$75,000.

Li C. Liu, Assistant Professor of Epidemiology and Biostatistics, School of Public Health, probationary faculty on tenure track year one, on an academic year service basis, on 64 percent time, at an annual salary of \$43,136, beginning August 16, 2005; and Research Assistant Professor of Epidemiology and Biostatistics, School of Public Health, non-tenured, on an academic year service basis, on 36 percent time, at an annual salary of \$24,264, beginning August 16, 2005, for a total salary of \$67,400.

David Edward Vaillancourt, Assistant Professor of Movement Sciences, College of Applied Health Sciences, 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, 2005; and Assistant Professor of Bioengineering, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2005.

Moira L. Zellner, Assistant Professor of Urban Planning and Policy, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$56,000, beginning January 1, 2006.

Emeriti Appointments

Elliott E. Dudnik, Professor Emeritus, School of Architecture, May 21, 2003

Julie M. Hurd, Professor Emerita, University Library, September 1, 2005

Nancy R. John, Associate Professor Emerita, University Library, July 1, 2005

Faiq J. Al-Bazzaz, Professor Emeritus of Medicine, October 1, 2005

Springfield

Mahdi Majidi-Zolbanin, Assistant Professor, Mathematical Sciences Program, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$43,500, beginning October 16, 2005.

Emeriti Appointments

Daniel Gallagher, Professor Emeritus of Business Administration, January 1, 2006

Urbana-Champaign

Oleksii Aksimentiev, Assistant Professor of Physics, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$68,500, beginning October 17, 2005; and Assistant Professor, Beckman Institute for Advanced Science and Technology, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning October 17, 2005.

James P. Brendemuehl, Assistant Professor of Veterinary Clinical Medicine, College of Veterinary Medicine, probationary faculty on tenure track year one, on an academic year service basis, on 90 percent time, at an annual salary of \$88,065, beginning August 16, 2005; and Assistant Professor, Veterinary Programs in Agriculture, College of Agricultural, Consumer and Environmental Sciences, probationary faculty on tenure track year one, on an academic year service basis, on 10 percent time, at an annual salary of \$9,785, beginning August 16, 2005, for a total salary of \$97,850.

Marcelo Bucheli, Assistant Professor of Business Administration, College of Business, probationary faculty on tenure track year one, on an academic year service basis, on 75 percent time, at an annual salary of \$58,688, beginning October 29, 2005; and Assistant Professor of History, College of Liberal Arts and Sciences, probationary faculty on tenure track year one, on an academic year service basis, on 25 percent time, at an annual salary of \$19,562, beginning October 29, 2005, for a total salary of \$78,250.

José Bernard Capino, Assistant Professor of English, probationary faculty on tenure track year one, on an academic year service basis, on 75 percent time, at an annual salary of \$40,500, beginning August 16, 2005; and Assistant Professor, Unit for Cinema Studies, probationary faculty on tenure track year one, on an academic year service basis, on 25 percent time, at an annual salary of \$13,500, beginning August 16, 2005, for a total salary of \$54,000.

Lin-Feng Chen, Assistant Professor of Biochemistry, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary

of \$67,000, beginning November 1, 2005. Full 100 percent funding provided by Medical Biochemistry, College of Medicine at Urbana-Champaign.

Adriana Paola Cuervo, Assistant Archivist for Music and Fine Arts and Assistant Professor of Library Administration, University Library, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 100 percent time, at an annual salary of \$45,000, beginning October 16, 2005.

Leslie Aileen Rios, Collections Management Librarian and Assistant Professor of Library Administration, University Library, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 100 percent time, at an annual salary of \$45,000, beginning November 1, 2005.

Anne Elizabeth Robbins, Law Acquisitions Librarian and Assistant Professor of Library Administration, University Library, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 100 percent time, at an annual salary of \$51,000, beginning October 16, 2005.

Robert Lee Schooley, Assistant Professor of Natural Resources and Environmental Sciences, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$60,000, beginning October 16, 2005.

Maria Spies, Assistant Professor of Biochemistry, School of Molecular and Cellular Biology, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$67,000, beginning November 1, 2005.

Fei Wang, Assistant Professor of Cell and Developmental Biology, School of Molecular and Cellular Biology, probationary faculty on initial/partial term appointment, on an academic year service basis, on 100 percent time, at an annual salary of \$67,000, beginning November 1, 2005.

To the rank of Professor Without Change in Tenure:

Elabbas Benmamoun, from Associate Professor of Linguistics, College of Liberal Arts and Sciences, to the rank of Professor of Linguistics on indefinite tenure, effective January 16, 2006

To the Rank of Associate Professor on Indefinite Tenure:

* **Karin A. Dahmen**, from Assistant Professor of Physics, College of Engineering, to the rank of Associate Professor of Physics on indefinite tenure, effective January 16, 2006

Emeriti Appointments

Gavin L. Meerdink, Clinical Professor Emeritus in the Department of Veterinary Biosciences and in the Veterinary Diagnostic Laboratory, College of Veterinary Medicine, January 1, 2006

Administrative/Professional Staff

Michael D. Bohl, Assistant Vice President for Business and Finance, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$130,000, beginning January 20, 2006. Mr. Bohl was appointed to serve as Interim Assistant Vice President for Business and Finance under the same conditions and salary arrangement beginning December 16, 2005.

Nyle Bolliger, Director of Applications, Development, Support and Data, University Office of Administrative Information Technology Services, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$110,000, beginning January 23, 2006. Mr. Bolliger was appointed to serve as Interim Director of Applications, Development, Support and Data under the same conditions and salary arrangement beginning December 16, 2005.

David W. Carley, Director, Center for Narcolepsy and Sleep Research, College of Nursing, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$8,182, beginning January 20, 2006. Dr. Carley was appointed to serve as Interim Director under the same conditions and salary arrangement beginning November 16, 2005. He will receive an amount equal to two-ninths of his administrative increment for two months' administrative service during each summer of his appointment as Director (\$1,818 for Summer 2006). Dr. Carley will continue to hold the rank of Professor Medical-Surgical Nursing, College of Nursing, on indefinite tenure, on an academic year service basis, on 65 percent time, at an annual salary of \$78,000, effective November 16, 2005; and Professor of Bioengineering, Department of Medicine, College of Medicine at Chicago, on indefinite tenure, on an academic year service basis, on 35 percent time, at an annual salary of \$42,000, effective November 16, 2005, for a total salary of \$130,000.

William Allen Dick, Executive Director, Computational Science and Engineering Program and Center for Simulation of Advanced Rockets, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$139,100, beginning January 23, 2006. Mr. Dick was appointed to serve as Interim Executive Director under the same conditions and salary arrangement beginning August 16, 2005.

Farokh Eslahi, Associate Provost for Information Technology, Office of the Provost and Vice Chancellor for Academic Affairs, Springfield, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$106,000, beginning January 20, 2006. Mr. Eslahi was appointed to serve as Interim Associate Provost for Information Technology under the same conditions and salary arrangement beginning January 1, 2006. He will continue to serve as Director of Educational Technology, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective January 1, 2006.

John Andrew Evans, Director of Information Systems Group, University Office for Planning and Budgeting, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$94,000, beginning January 20, 2006. Mr. Evans was appointed to serve as Interim Director of Information Systems Group under the same conditions and salary arrangement beginning November 16, 2005.

Ellen M. Hamilton, Director of Real Estate and Auxiliary Enterprise, Office of Business and Financial Services, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$101,384, beginning January 23, 2006. Ms. Hamilton was appointed to serve as Interim Director of Real Estate and Auxiliary Enterprise, non-tenured, on a twelve-month service basis, with an administrative increment of \$7,334, beginning August 16, 2005. Subsequently she was given an additional administrative increment of \$7,583 for increased duties and responsibilities beginning January 16, 2006.

Jennifer M. Quick, Director of Admissions and Operations, Office of Executive and Professional Programs in Chicago, College of Business, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$106,000, beginning January 23, 2006. Ms. Quick was appointed to serve as Interim Director of Admissions and Operations under the same conditions and salary arrangement beginning November 16, 2005.

Diane Ruiz, Director of Physician Practice, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$15,000, beginning January 20, 2006. Ms. Ruiz was appointed to serve as Visiting Director of Physician Practice under the same conditions and salary arrangement beginning August 16, 2005. She will continue to serve as Assistant to the Head of the Department of Obstetrics and Gynecology, University of Illinois College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$106,600, effective August 16, 2005, for a total salary of \$121,600.

Arthur M. Siegel, Assistant Director, Veterinary Teaching Hospital, College of Veterinary Medicine, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$5,000, beginning January 23, 2006. Dr. Siegel was

appointed to serve as Interim Assistant Director under the same conditions and salary arrangement beginning October 16, 2005. He will continue to hold the position of Clinical Assistant Professor of Veterinary Clinical Medicine, College of Veterinary Medicine, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$85,954, effective August 16, 2005; and Director of Veterinary Medical Informatics, College of Veterinary Medicine, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2005, for a total salary of \$90,954.

Sara Siegel, Director of Administrative Planning and Support, Office of Business and Financial Services, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$100,000, beginning January 20, 2006. Ms. Siegel was appointed to serve as Visiting Director of Administrative Planning and Support under the same conditions and salary arrangement beginning December 5, 2005.

Susan Singleton, Assistant Vice President and Executive Director of The Consortium of Academic and Research Libraries in Illinois (CARLI), University Office of Planning and Budgeting, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$145,000, beginning January 20, 2006. Ms. Singleton was appointed to serve as Interim Assistant Vice President and Executive Director of CARLI under the same conditions and salary arrangement beginning January 1, 2006.

Colin A. Wraight, Head of the Department of Biochemistry, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$5,500, beginning January 23, 2006. Dr. Wraight will receive an amount equal to two-ninths of his total academic year salary for two months' service during each summer of his appointment as Head (\$27,556 for Summer 2006). He was appointed to serve as Interim Head under the same conditions and salary arrangement beginning February 1, 2004. Dr. Wraight will continue to hold the rank of Professor of Biochemistry, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$118,500, effective August 16, 2005; Professor of Biophysics, Department of Molecular and Integrative Physiology, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2005; and Professor of Plant Biology, School of Integrative Biology, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2005, for a total 2005-06 salary of \$151,556.

On motion of Mrs. Sodemann, these appointments were confirmed.

Provost and Vice Chancellor for Academic Affairs, Urbana

(5) The Chancellor at Urbana has recommended the appointment of Linda P. B. Katehi, presently Professor of Electrical and Computer Engineering and John A. Edwardson Dean of Engineering, Purdue University, West Lafayette, Indiana, as Provost and Vice Chancellor for Academic Affairs, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$260,000 (equivalent to an annual nine-month base salary of \$212,727 plus two-ninths annualization of \$47,273), and an administrative increment of \$60,000, for a total salary of \$320,000, beginning April 1, 2006.

Dr. Katehi will be appointed to the rank of Professor of Electrical and Computer Engineering, on indefinite tenure, on an academic year service basis, on zero percent time (non-salaried). She is succeeding Jesse G. Delia who has served as Acting/Interim Provost and Vice Chancellor for Academic Affairs since August 16, 2004. Dr. Delia will continue to play a significant role in key campus initiatives, particularly those that relate to the expansion of international programs and partnerships.

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.

This recommendation is made with the advice of a search committee.³

The Vice President for Academic Affairs concurs with this recommendation.

The President of the University recommends approval.

On motion of Mrs. Sodemann, this appointment was approved.

Vice Chancellor for Human Resources, Chicago

(6) The Chancellor at Chicago recommends the appointment of John R. Loya, currently Associate Vice President for Human Resources and Associate Vice Chancellor for Health Affairs, as Vice Chancellor for Human Resources, Chicago, on a twelve-month service basis, at the same annual salary of \$237,000, beginning February 1, 2006.

³Robert A. Easter, Professor of Animal Sciences and Dean, College of Agricultural, Consumer and Environmental Sciences, *Chair*; Ann P. Bishop, Associate Professor, Graduate School of Library and Information Science; James J. Coleman, Professor and Intel Alumni Chair, Department of Electrical and Computer Engineering, College of Engineering; Leon DeCosta Dash, Center for Advanced Study Professor of Journalism, Swanlund Endowed Chair, Department of Journalism, College of Communications, and Professor, African American Studies and Research Program, College of Liberal Arts and Sciences; Joseph E. Finnerty, Professor of Finance, College of Business; Anne D. Hedeman, Professor, School of Art and Design, College of Fine and Applied Arts, and Director, Program in Medieval Studies, College of Liberal Arts and Sciences; Matthew R. Lee, Graduate Student in Psychology, College of Liberal Arts and Sciences; William Joseph Mills, Undergraduate Student in Political Science, College of Liberal Arts and Sciences; Gene E. Robinson, Professor of Entomology, and Arends Professor, School of Integrative Biology, College of Liberal Arts and Sciences; David J. Robson, Extension Educator in Horticulture, University of Illinois Extension, College of Agricultural, Consumer and Environmental Sciences; Arlene Torres, Associate Professor of Anthropology, and Director, Latina/Latino Studies Program, College of Liberal Arts and Sciences.

The Vice Chancellor for Human Resources is the chief human resources officer for the campus. This role is responsible for all campus human resources services, including those at the medical center, covering human resources policy, employee and labor relations, compensation, recruitment and retention, training, leadership development, human resources information technology, human resources process improvement, and compliance.

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 Mrs. Sodemann, this appointment was approved.

Dean, College of Liberal Arts and Sciences, Urbana

(7) The Chancellor at Urbana has recommended the appointment of Sarah C. Mangelsdorf, presently Acting Dean, College of Liberal Arts and Sciences, and Head and Professor, Department of Psychology, as Dean of the College of Liberal Arts and Sciences, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$217,000 (equivalent to an annual nine-month base salary of \$177,454 plus two-ninths annualization of \$39,455), and an administrative increment of \$48,000, for a total salary of \$265,000, beginning January 20, 2006.

Dr. Mangelsdorf will continue to hold the rank of Professor of Psychology, on indefinite tenure, on an academic year service basis, on zero percent time (non-salaried). She is succeeding Dean Jesse G. Delia who has served as Acting/Interim Provost and Vice Chancellor for Academic Affairs since August 16, 2004. Although he will continue to serve the campus, Dr. Delia does not plan to return to his former position of Dean.

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.

This recommendation is based upon outstanding leadership demonstrated in administrative roles, the unanimous support of the Executive Committee of the College, the Provost and Vice Chancellor for Academic Affairs, and concurrence of the Office of Equal Opportunity and Access.

The Vice President for Academic Affairs concurs with this recommendation.

The President of the University recommends approval.

On motion of Mrs. Sodemann, this appointment was approved.

Acting/Interim Dean, College of Fine and Applied Arts, Urbana

(8) The Chancellor at Urbana has recommended the appointment of Robert B. Graves, presently Professor and Head, Department of Theatre, College of Fine and Applied Arts, as Acting Dean of the College of Fine and Applied Arts, non-tenured, on 100 percent time, December 16, 2005 to January 19, 2006, and as Interim Dean, non-tenured, on 100 percent time, beginning January 20, 2006, until the appointment of a permanent Dean is approved by the Board of Trustees. Dr. Graves will be compensated at a rate of \$141,500 a year on a twelve-month service basis (equivalent to an annual nine-month base salary of \$115,773 plus two-ninths annualization of \$25,727) and will receive an additional increment of \$48,000 a year, for a total annual salary of \$189,500 during his service as Acting and Interim Dean.

Dr. Graves will continue to hold the rank of Professor of Theatre, on indefinite tenure, on an academic year service basis, on zero percent time. In addition, he will continue as Head of the Department of Theatre, on a twelve-month service basis (non-tenured and non-salaried). He succeeds Kathleen F. Conlin who served as Dean since October 1, 1996, and who will continue to serve as Professor of Theatre, Director in Residence, and Barnard Hewitt Professor of Theatre.

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.

This recommendation is made with the advice of the Provost and Vice Chancellor for Academic Affairs.

The Vice President for Academic Affairs concurs with this recommendation.

The President of the University recommends approval.

On motion of Mrs. Sodemann, this appointment was approved.

Establish Jazz Performance Major Within the Bachelor of Music Degree in the College of Fine and Applied Arts, Urbana

(9) The Chancellor at Urbana with the advice of the Urbana-Champaign Senate recommends for approval a proposal from the College of Fine and Applied Arts to establish the Jazz Performance Major within the Bachelor of Music Degree.

The establishment of the Jazz Performance Major acknowledges the increased emphasis on world music and the relationship between world music and jazz. Recognizing that jazz is inherently a performance art, this program of study will provide students with clear academic support and a structure for the study of jazz beyond the high-level musical activity in the jazz bands. This major will allow the School of Music to continue its leadership in music in higher education as most peer music institutions throughout the nation have developed the formal study of jazz. Establishing the major creates a more marketable degree for students and is consistent with the department's mission and national trends.

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

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 recommends approval, pending further review by the Illinois Board of Higher Education.

On motion of Mrs. Sodemann, this recommendation was approved.

Establish Master of Science in Medical Biotechnology,
UIC College of Medicine at Rockford, Chicago

(10) The Chancellor at Chicago with the advice of the Chicago Senate, the Graduate College, and the College of Medicine, recommends the establishment of a new graduate degree program, the Master of Science in Medical Biotechnology at the UIC College of Medicine at Rockford.

Biotechnology, in its most basic sense, is the use of biological processes and technology to solve problems and make useful products. Over the last 40 years, our increasing knowledge of biology and biochemistry has allowed us to start using the building blocks of life--cells--to solve problems and make products. The solutions and

products produced by the biotechnology industry find many different applications, ranging from healthcare to consumer products to industrial applications.

Growth of the biotechnology industry throughout the last decade has created a demand for graduates from biotechnology programs, but there are very few educational institutions offering advanced degrees in biotechnology in Illinois and the neighboring state of Wisconsin.

The UIC College of Medicine at Rockford is well-qualified and well-positioned to serve the educational and training needs of the biotechnology industry in the local and regional area. With a particular emphasis on medical applications, the College proposes the establishment of the Master of Science in Medical Biotechnology with the aim of preparing students for new or advanced careers in medically focused biotechnology industries and for providing a resource to the region for stimulation of growth of the biotechnology industry.

Students admitted to the program will be required to complete a minimum of 32 semester hours consisting of core and elective courses and a research activity (thesis or project).

Creation of the program will not require any new State funds. The Dean at Rockford has committed campus resources to support the program. Existing faculty at Rockford and doctorally trained adjuncts will deliver the instruction.

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, pending further review by the Illinois Board of Higher Education.

On motion of Mrs. Sodemann, this recommendation was approved.

Establish Master of Science in Finance,
College of Business Administration, Chicago

(11) The Chancellor at Chicago with the advice of the Chicago Senate, the Graduate College, and the College of Business Administration, recommends approval to establish a new graduate degree program, the Master of Science in Finance.

The proposed program will respond to the growing need for skilled financial professionals in finance and finance-related fields. It is designed for students who wish to seek employment in a wide range of finance occupations in both the private and public sectors, including such positions as financial planning advisor, security analyst, security broker, finance specialist, money manager, and other occupations.

Graduates of the program will be well-prepared to take the Chartered Financial Analyst (CFA) certificate exam and the Financial Risk Management (FRM) certification exam.

The Master of Science in Finance is a coursework-only program. Students admitted to the program will be required to complete a minimum of 32 semester hours of coursework consisting of 12 hours of core courses and 20 hours of electives designed to meet the educational and occupational goals of the student.

The program provides a strong foundation in economics and teaches the quantitative and analytical skills employed in the investment structuring, pricing, and risk management of financial instruments, in the development of trading strategies, and in the utilization of financial products.

Existing and new faculty will offer instruction. Financial support for the program will be in the form of a proposed tuition differential, along with existing state resources. The proposed tuition differential will generate funds to hire additional full-time faculty.

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, pending further review by the Illinois Board of Higher Education.

On motion of Mrs. Sodemann, this recommendation was approved.

Establish Bachelor of Arts in Urban and Public Affairs,
College of Urban Planning and Public Affairs, Chicago

(12) The Chancellor at Chicago with the advice of the Chicago Senate and the College of Urban Planning and Public Affairs, recommends approval to establish a new undergraduate degree program, the Bachelor of Arts (B.A.) in Urban and Public Affairs.

The purpose of the proposed program is to train pre-professional students to enter urban professions and graduate professional training with knowledge and understanding of the complexity and diversity of the urban environment and of the policy and management processes that can affect it.

Building upon the UIC Great Cities Commitment, the proposed B.A. in Urban and Public Affairs will bring the city and its region into the heart of the undergraduate learning experience.

The proposed undergraduate program in Urban and Public Affairs will be an upper division program. Students will be admitted after completion of 60 semester hours of general education and preparatory course work. The remaining hours will be completed in Urban and Public Affairs courses (including two capstone courses). Total hours for the degree are 120 semester hours.

No new State funds will be required. Financial support for the program will come through reallocation of college and campus resources. Program instruction will be delivered by existing and new faculty.

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, pending further review by the Illinois Board of Higher Education.

On motion of Mrs. Sodemann, this recommendation was approved.

Establish National Center for Rural Health Professions,
UIC College of Medicine at Rockford, Chicago

(13) The Chancellor at Chicago with the advice of the Chicago Senate, the Graduate College, and the UIC College of Medicine, recommends the establishment of the National Center for Rural Health Professions.

In 2000, the Illinois Board of Higher Education granted temporary approval for a period of five years to the National Center for Rural Health Professions (originally named the Center for Rural Health Professions Education, Evaluation, and Research) to operate as a public service and research center at the UIC College of Medicine at Rockford. The period of temporary approval has come to an end and the Center has submitted a proposal for permanent status.

The mission of the Center is to enhance the health of rural populations and communities through partnerships in education, service, research, and policy. The goals of the Center are to: (1) promote careers in health professions and recruit students from rural populations; (2) facilitate maximum retention of all graduates of the Rural Medical Education Program and other health professions programs; (3) identify, reduce, and eliminate rural health disparities; (4) enhance community capacity to identify, prioritize, and address health needs; (5) enhance faculty research that promotes high quality programs and service for rural populations; (6) develop and implement interdisciplinary teaching models to educate specially prepared health professionals for rural practice; (7) prepare fellows and graduate students in research and health professions with an emphasis on rural needs and issues; and (8) inform policy and influence decision-making regarding allocation and distribution of resources in matters pertaining to rural health.

Both nationally and in the State of Illinois, rural communities are medically underserved. Illinois ranks 8th in the nation for the number of residents living in Health Professions Shortage Areas. Through partnerships and collaboration in research, service, and education, the National Center for Rural Health Professions will target underserved communities and populations in the development of programs and policy to meet their needs.

Since it was created in 2000, the Center has undertaken a number of projects and studies that have impacted Illinois and beyond. Three very different examples include: (1) medical malpractice in Illinois; (2) rural primary care physician

recruitment and retention; and (3) use of complementary and alternative medicine by rural populations.

The Center receives internally allocated funds on a recurring basis, and last year received a four-year, \$6.1 million grant from the National Institutes of Health to establish the Project EXPORT Center for Excellence in Rural Health, which addresses rural health disparities from a multi-faceted approach. The Center estimates that it will receive approximately \$80,000 annually from non-state sources.

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, pending further review by the Illinois Board of Higher Education.

On motion of Mrs. Sodemann, this recommendation was approved.

Redesignate Department of Biomedical and Therapeutic Sciences, UIC College of Medicine at Peoria, Chicago

(14) The Chancellor at Chicago, with the advice of the Chicago Senate and the College of Medicine, recommends the redesignation of the Department of Biomedical and

Therapeutic Sciences as the Department of Cancer Biology and Pharmacology at the UIC College of Medicine at Peoria.

The majority of funded research in the department is in the area of cancer biology, which includes postdoctoral resident and student research training. In addition, some of the faculty members have funded research in pharmacology that includes postdoctoral and student training. The department's primary responsibility in the M.D. program is for the M-2 teaching of the one-semester course in pharmacology.

The name change will more accurately reflect the research and teaching composition, mission, and goals of the department. This action has no budgetary implications.

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, pending further review by the Illinois Board of Higher Education.

On motion of Mrs. Sodemann, this recommendation was approved.

Designate the Peggy Colvin Baseball Center for Excellence, Margaret Divittorio-Cebulski Study Laboratory, And Curtis Granderson Video Lounge in the Physical Education Building, Chicago

(15) The Chancellor at Chicago has recommended the naming of three spaces in the Physical Education Building in recognition of gifts toward renovation of space used by the intercollegiate baseball program. The space to be renovated includes a 4,690-square-foot space on the lower level at the south end of the facility. The space will house coaches' offices, a group study area, a multi-media room with a "wall of fame", a team room with custom designed lockers for the student-athletes, equipment storage areas, and restroom/shower facilities.

The cost of the project is \$600,000. Of the total cost, \$400,000 will come from private fund-raising, and \$200,000 is being allocated through the intercollegiate athletic budget. To date, gifts and pledges in the amount of \$315,000 have been raised. Intercollegiate athletics expects to raise the remaining \$85,000 by June 30, 2006.

The spaces to be named are as follows:

The Peggy Colvin Baseball Center for Excellence: Oliver P. Colvin has made a gift to this project of \$200,000, in recognition of which we will name the overall space. Mr. Colvin attended the Navy Pier campus and while there was the sports editor of the Pier Illini newspaper. A resident of Saratoga, California, he remembers his Chicago roots and the Pier experience fondly. He previously made a \$500,000 gift towards the campaign to construct the Flames Athletic Center, which opened in 1999.

Margaret DiVittorio-Cebulski Study Laboratory: Michael DiVittorio has made a gift of \$25,000 in memory of his sister, who died in 2004. Mr. DiVittorio is a 1982 graduate of the Chicago campus and a former baseball player. Mike is currently in his fifth year as President of the UIC Athletic Alumni Club. He is a sergeant in the patrol division of the Chicago Police Department.

Curtis Granderson Video Lounge: Curtis Granderson has made a gift of \$25,000 to fund the video lounge within the Center. Mr. Granderson is a 2003 graduate of the Chicago campus who played baseball as a student. He is currently a professional baseball player for the Detroit Tigers.

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 Mrs. Sodemann, this recommendation was approved.

Policy for Management of University Endowment Farms

(16) INTRODUCTION

This policy concerns managing endowment farm real estate assets given as gifts to the University of Illinois. Endowment farm real estate is agricultural land and related buildings acquired by the University of Illinois through the generous gifts of donors. This policy does not apply to farms utilized by the College of Agricultural, Consumer and Environmental Sciences for research purposes.

FIDUCIARY RESPONSIBILITY AND AUTHORITY

The University of Illinois follows the State of Illinois Uniform Management of Institutional Funds Act, 760ILCS 50/1-10, (1998) when investing its endowment funds. The Board of Trustees of the University of Illinois fulfills its fiduciary responsibility for the management of all endowment assets, including endowment farm real estate, by adopting policies to maximize investment return with a prudent level of risk.

The Board of Trustees adopts policies on the management of all endowment assets and assigns the execution of such policies to the Comptroller of the University. Acting under the oversight of the Comptroller, the Office of Business and Financial Services oversees the development and management of investment programs.

GIFTS OF ENDOWMENT FARM REAL ESTATE

The Office of Business and Financial Services and the Office of University Counsel process prospective gifts of real estate, including farm real estate. For prospective farm real estate gifts, professionals from these offices review the proposed gift before acceptance to:

Assure a complete understanding of the intentions of the donor and any donor restrictions that may detract from the potential value of the gift to the University and to the unit in the University supported by the gift and that may in any way prohibit or restrict the University from achieving the purpose of the gift and thus fulfilling the intentions of the donor.

Assure any environmental or related issues are completely understood and are adjudicated as part of the prosecution of the gift.

Obtain a current estimate of the fair market value of the farm real estate property.

ANNUAL EVALUATION OF ENDOWMENT FARM REAL ESTATE FOR RETENTION OR SALE

Endowment farm real estate, where sale is not restricted by the donor, will be evaluated at the time of the gift and annually thereafter to determine if selling one or more parcels would be the most appropriate strategy. Factors considered in the evaluation will include, but not be limited to, 1) the asset allocation of the investment portfolio under prudent investment management practices both from the perspective of the entire University endowment and from the perspective of units supported by endowments that include farm real estate assets; and 2) total long-term return on farm real estate.

Proceeds from the sale of any and all endowment farm real estate will be invested in the diversified University endowment pool. As with all assets in the endowment pool, the annual payout from the earnings on the assets resulting from the endowment farm real estate sale will support the proscribed purposes and intentions of the respective donor(s).

MANAGEMENT AND OVERSIGHT

When a gift of farm real estate is accepted and maintained as part of the endowment farm real estate under management, the management of such assets will include practices that will:

- Adhere to donor interests and intentions as prescribed in gift documents.
- Maximize returns by employing current market-based industry-tested commercial management practices.
- Ensure the long-term productivity and thus value of farm real estate assets by closely monitoring soil fertility, assuring soil conservation and so forth.
- Assure the employ of environmentally safe farming practices and the compliance with all environmental protection rules and regulations.
- Assure the highest level of professional farm management including appropriate use of external management and agricultural expertise from industry and academia.
- Obtain an estimate of the current market value of all endowment farm real estate assets at least bi-annually through professional appraisals.

FARM REAL ESTATE OPERATING AGREEMENTS

Endowment farm real estate will be leased by the University to operators under cash lease agreements unless dictated otherwise by the donor.

Under terms of cash leases, farm operators are contractually entitled to 100 percent of the revenue from the sale of all crops in exchange for a dollar amount of rent paid per acre leased annually and a commitment to maintain the long-term productivity and thus value of the property. Operators, under the terms of cash leases, are also the recipient of payments from the federal government associated with operating the University owned real estate for agricultural purposes under U.S. farm policies and associated programs. These and other details are codified annually in the terms of the lease agreement entered into by the operator and the University.

SELECTION OF OPERATORS FOR ENDOWMENT FARM REAL ESTATE

Operators to farm endowment farm real estate under an agreement with the University will be selected through competitive processes, unless dictated otherwise by the donor, to

assure market-based practices and terms. The competitive process shall be open to the public and shall involve advertising in publications of general circulation in the county or counties where the property is located. Operating agreements will reflect market practices for the operation of similar private sector farm real estate properties.

REPORTING AND PERFORMANCE EVALUATION

The Office of Business and Financial Services will prepare a calendar year performance report on endowment farm real estate. Performance will be computed on a total return basis and compared with the NCREIF Corn Belt Index and the Chicago Federal Reserve Bank East-Central Illinois Farmland Index.

The report will also contain the current estimate of the market value of each parcel of farm real estate in the portfolio, details on any endowment farm real estate gifted to the University within the year and the results of the evaluation determining which, if any, endowment farm real estate parcels will be sold in the coming year, including the plan for sale of these parcel(s).

The Vice President for Administration recommends the adoption of the policy.

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 Mrs. Sodemann, this recommendation was approved.

Audit Function Charter for Board of Trustees Budget and Audit Committee

(17) The Board of Trustees received a presentation in March 2005 regarding The Sarbanes-Oxley Act of 2002 (SOX). Although governmental entities are not required to comply with all sections of SOX, certain elements provide a best practices standard for

the University. The Board of Trustees requested a charter for the Budget and Audit Committee delineating appropriate SOX-related responsibilities.

In November 2005, the Board of Trustees received a presentation of a draft Audit Function Charter which defines the Budget and Audit Committee's oversight of the University's financial operations and compliance with State and federal laws and regulations. The Chair and Vice Chair of the Budget and Audit Committee were consulted regarding the drafting of this Charter.

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 Executive Director of University Audits now recommends approval of the Audit Function Charter for the Budget and Audit Committee as follows.

The President of the University concurs.

(A copy is filed with the secretary of the board for record.)

On motion of Mrs. Sodemann, this recommendation was approved.

Revise *Bylaws* of the Board of Trustees

(18) The Chair of the Board of Trustees recommends revision of the *Bylaws* as indicated in the attachment.

Revisions are proposed to Articles IV and VI of the *Bylaws* to reflect a change in the description and duties of the Budget and Audit Committee and in the duties of the Treasurer.

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 out~~.)

ARTICLE IV. STANDING COMMITTEES OF THE BOARD

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.

Budget and Audit 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 Policy on Conflicts of Commitment and Interest. In addition to the members of the Board, the Treasurer of the Board is also an ex officio, voting member of this committee.

ARTICLE VI. DUTIES OF OFFICERS AND APPOINTEES OF THE BOARD

Section 4. TREASURER. The Treasurer of the Board shall be the general custodian of all the funds and securities belonging to the University, and shall give bond for the faithful performance of the duties and the proper accounting and delivery thereof, whenever required and with such security as may be approved by the board.

Such bond shall be in such amount as the board may require, but not for less than five hundred thousand dollars (\$500,000.00).

The treasurer shall not have authority to invest any permanent funds or convert any securities held by that person, except as directed by the board. The treasurer shall not have authority to act or vote upon the making or letting of any University contract or the performance of any work, including, but not limited to, the selection of any bank in which the University's funds or property may be deposited.

The treasurer shall pay out of any funds such sums only as shall be represented by warrants signed by the Chair of the Board and countersigned by the Secretary of the Board.

The treasurer shall serve as an ex officio, voting member of the Budget and Audit Committee.

On motion of Mrs. Sodemann, this recommendation was approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 19 through 33 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Certificates of Participation (University-Wide Facilities Renewal Program and University of Illinois at Urbana-Champaign Business Instructional Facility Project), Series 2006

(19) On November 11, 2004, the Board approved the University-Wide Facilities Renewal Program and the necessary project phases, not to exceed \$102.0 million, to address facility deficiencies on the campuses of the University of Illinois. The Board also approved actions leading to the issuance of Certificates of Participation not to exceed \$55.0 million, to finance the first phase of the project. With the passage of time, new external professionals have been qualified through a Request for Proposal. It is time to select the external professionals to serve on this certificate issue. On July 14, 2005, the Board approved the Business Instructional Facility, Urbana campus, with a project budget of \$62.0 million. Funding for the Business Instructional Facility will come from

gift funds and Certificates of Participation. Funds from the issue of certificates will finance project costs in the amount of \$45.0 million.

Now, it is proposed that these two projects be financed together with Certificates of Participation in the approximate amount of \$100.0 million plus capitalized interest and cost of issuance.

Accordingly, the Vice President for Administration recommends that the Board approve:

1. Retention of Schiff Hardin, LLP, as bond counsel and swap counsel, to the extent required.
2. Retention of Ungaretti & Harris, LLP, as special issuer's counsel.
3. Retention of Scott Balice Strategies, LLC, as financial advisor and swap advisor, to the extent required.
4. Retention of Morgan Stanley & Co., Incorporated, as managing underwriter. Additional co-managers and selling group members may be added to assist in the marketing of the certificates.
5. Retention of J P Morgan Trust Company, National Association, as trustee.
6. The preparation, printing, and distribution of the Preliminary Official Statement.
7. The preparation of the Certificate of Purchase Agreement.
8. The preparation of additional documents including the Installment Purchase Contract, the Indenture of Trust, the Acquisition Agreement, and the Continuing Disclosure Agreement by the board with respect to the Certificates and other necessary documents. If it is determined that an interest rate swap is the most advantageous based on market opportunities, the preparation of standard ISDA agreements including the Schedule, Credit Support Annex, and Confirmation.

9. The analysis of the purchase of bond insurance to determine if such purchase is deemed economically beneficial following consultation with the financial advisor and managing underwriter. Such insurance, if acquired, would be purchased by the managing underwriter.
10. Negotiation with credit enhancement and liquidity support providers as needed and deemed economically beneficial following consultation with the managing underwriter and financial advisor.
11. Actions to pursue and obtain a credit rating or ratings on the Certificates.

Prior to the sale and delivery of the Certificates of Participation, the Board will be asked to approve the substantially final form of the above referenced documents and ratify and confirm all actions taken or to be taken by the officers and members of the Board in connection with such sale and delivery.

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

The President of the University concurs.

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

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

Variable Rate Demand UIC South Campus Development Project Revenue Refunding
Bonds, Series 2006A

(20) The Board of Trustees of the University of Illinois (the “Board”), at its meeting on November 10, 2005, authorized a number of actions leading toward the issuance of the Variable Rate Demand UIC South Campus Development Project Revenue Refunding Bonds, Series 2006A (the “Bonds”) to advance refund the UIC South Campus Development Project Revenue Bonds, Series 1999. Such actions have been completed and now it is requested that the Board authorize the issuance of the Bonds and a variable to fixed Interest Rate Swap in an amount not to exceed \$55.0 million with a final maturity no later than January 15, 2022, to fund the refunding escrow and the necessary issuance costs. The annual payments to the bondholders and swap counterparty will be under \$1.0 million for each of the first two years and then increase in the later years to approximately \$7.0 million. The average annual payments are approximately \$5.0 million over the life of the Bonds.

The Bonds will be sold via a negotiated sale. The Interest Rate Swap will be competitively bid. The Bonds will be fully registered and will be special, limited obligations of the Board and will be payable from and secured by: (1) the net revenues received under Redevelopment/Tax Increment Financing Agreement (TIF) and related note with the City of Chicago; (2) student tuition and fees, subject to the prior pledge of student tuition and fees to certain outstanding indebtedness of the Board; and (3) the Bond and Interest Sinking Fund Account.

All legal matters incidental to the authorization and issuance of the Bonds, the forms of the Preliminary Official Statement and the Official Statement, the Second Supplemental UIC South Campus Development Project Revenue Bond Resolution, Escrow Agreement, Tender Agent Agreement, Remarketing Agreement, Bond Purchase Agreement, Standby Bond Purchase Agreement, and Interest Rate Swap Agreement will be approved by Schiff Hardin, LLP, Bond Counsel and Swap Counsel, Chicago, Illinois; and Ungaretti & Harris, LLP, Special Counsel to the University, Chicago, Illinois; and certain legal matters will be passed upon by Katten Muchin Rosenman, LLP, Underwriter's Counsel. The Second Supplemental Bond Resolution will make several amendments to the General Resolution to define more clearly the existing bondholder security.

The Vice President for Administration recommends that the Board:

1. Authorize the issuance and sale of the Bonds and entering into the Interest Rate Swap. Approve the Preliminary Official Statement and approve the final Official Statement with the addition of the final terms of the Bonds.⁴
2. Approve the Bond Purchase Agreement with J. P. Morgan Securities, Inc., as underwriter (the "Underwriter"), in substantially the form submitted to this meeting, wherein the Underwriter agrees to purchase from the Board not less than all

⁴A copy is filed with the Secretary of the Board for record and the appropriate officers of the Board are hereby authorized and directed to execute the same in the name of and on behalf of the Board in substantially the form presented to this meeting, or with such changes as may be approved by the officer or officers of the Board executing the same, his/her or their execution thereof to constitute conclusive evidence of the Board's approval of all changes from the form thereof presented to this meeting; provided, however, that if any such changes constitute a substantial change in the form thereof presented to this meeting they shall first be approved by the Executive Committee of the Board to which authority for such approval is delegated by the Board.

of the Bonds (i) in an aggregate principal amount not exceeding \$55.0 million; (ii) with a final maturity of no later than January 15, 2022; (iii) at a price not less than the par amount thereof; and (iv) the maximum compensation of the Underwriter shall not exceed 1½ percent of the par amount thereof. The Bond Purchase Agreement sets forth the terms and conditions of the initial purchase of the Bonds from the Board by the Underwriter. Approve the sale of the Bonds in a principal amount not exceeding \$55.0 million, with a final maturity of no later than January 15, 2022, and the true interest cost of borrowing for the Bonds including the Interest Rate Swap not exceeding 5.50 percent.¹

3. Delegate to the Comptroller the authority to determine the principal amount, final terms, and terms of the sale of the Bonds and Interest Rate Swap within the limits expressed in this Board action.
4. Adopt the Second Supplemental UIC South Campus Development Project Revenue Bond Resolution which authorizes the Bonds and provides for certain amendments to the General Resolution.¹
5. Approve of the forms of the Escrow Agreement, Tender Agent Agreement, Remarketing Agreement, Standby Bond Purchase Agreement, and Interest Rate Swap Agreement.¹
6. Ratify and confirm all actions taken or to be taken by the officers and members of the Board in connection with the sale and delivery of the Bonds and the Interest Rate Swap.
7. Authorize and empower the Comptroller and other officers of the Board to do and perform such other acts and things; and to make, execute, and deliver all such other instruments and documents on behalf of the Board as may be by them deemed necessary or appropriate in connection with the provisions of the Official Statement, the Second Supplemental UIC South Campus Development Project Revenue Bond Resolution, Tender Agent Agreement, Remarketing Agreement, Bond Purchase Agreement, Standby Bond Purchase Agreement, Interest Rate Swap Agreement, and the Escrow Agreement; and all acts and things whether heretofore or hereafter done or performed by any of the officers of the Board which are in

conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.

The authority granted by the Board at its November 10, 2005, meeting to the Executive Committee and the Comptroller with respect to restructuring the outstanding UIC South Campus bonds through various derivative transactions shall remain in force and effect as provided in that Board action.

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

The President of the University concurs.

On motion of Mr. Eppley, these recommendations were approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Vickrey; no, none; absent, Governor Blagojevich. (Mr. Sperling asked to be recorded as not voting on this item.)

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

Authorize Banking Resolution
(U.S. Bank, N.A.)

(21) The University has selected Affiliated Computing Services, Inc. (“ACS”) to perform student loan billing, remittance processing, and loan accounting functions for the Chicago, Springfield, and Urbana-Champaign campuses, following a competitive

Request for Proposal process. ACS was formerly known as AFSA Data Corporation and first provided these services to the Chicago and Urbana-Champaign campuses after approval by the Board at their September 10, 1987, meeting. At the meeting of the Board of Trustees on May 8, 1989, a resolution was approved to move the bank accounts to First Wisconsin National Bank of Milwaukee at AFSA's request.

Through a series of bank mergers, First Wisconsin National Bank of Milwaukee is now known as U.S. Bank, N.A., headquartered in Minneapolis, Minnesota. U.S. Bank continues to partner with ACS to provide the banking services necessary for the student loan repayment process. U.S. Bank requests that a resolution be adopted to update their bank name.

Accordingly, the Vice President for Administration and Comptroller requests authority to establish and maintain a depository relationship with U.S. Bank, N.A., 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 and keep bank accounts with U.S. Bank, N.A. ("Bank"), a national banking association

headquartered at Minneapolis, Minnesota, 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 check or 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 checks, drafts, and orders, including orders or directions in informal 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 order 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 checks, drafts or 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 honor checks, drafts and other orders for the payment of money drawn in the University's name, including those drawn to the individual order of any person or persons whose name or names appear thereon as signer or signers thereof, when bearing or purporting to bear the facsimile signatures, whether reproduced manually, mechanically or otherwise, of the Chair and the Secretary of the Board of Trustees, jointly, and the Bank shall be entitled to honor, and to charge the account of the University for, such checks, drafts or other orders for the payment of money, regardless of by whom or by what means the actual or purported facsimile signature or signatures thereon may have been affixed thereto, if such signature or signatures resemble the facsimile specimens of such signature(s) certified to or filed with the Bank by or on behalf of the University and if said documents are properly issued by the Board of Trustees of the University of Illinois;

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 Mr. Eppley, authority was given as requested and the foregoing resolution was adopted by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing, Dr. Schmidt, Mr. Shah, Mrs. Sodemann, Mr. Sperling, Mr. Vickrey; no, none; absent, Governor Blagojevich.

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

Award Contract for Modification of Escalators in Pharmacy, Chicago

(22) A \$1,739,000 project has been approved to rebuild the escalators in the College of Pharmacy that use the existing truss structure both up and down between the basement, first floor, and second floor.

Accordingly, the Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the following contract for the replacement work be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the awards are to the lowest responsible bidder on the basis of its base bid plus the acceptance of indicated alternates.⁵

⁵Description of Alternates: No alternates were accepted.

Division IX – Elevator/Vertical Transportation Work Contractor

KONE, Inc., Lombard, IL	Base Bid	\$1,103,685
TOTAL		\$1,103,685

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 institutional funds operating budget at the Chicago campus.

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

The President of the University concurs.

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

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

Award Contract for Modification of Elevators in Science and Engineering South and
Clinical Sciences North Buildings, Chicago

(23) A \$1,572,000 project has been approved to replace four existing elevators (two traction elevators in the Clinical Sciences North Building and two hydraulic elevators in

the Science and Engineering South Building) including cabs, motors, controllers, and associated parts with new equipment.

The Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the following contract for the replacement work be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidders on the basis of its base bid plus the acceptance of indicated alternates.⁶

Division IX – Elevator Work Contractor

KONE, Inc.,	Base Bid	\$569,500
Lombard, IL	Alt. 9-2	<u>\$185,400</u>
TOTAL		\$754,900

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 institutional funds operating budget at the Chicago campus.

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

The President of the University concurs.

On motion of Mr. Eppley, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing,

⁶Description of Alternates: Alt. 9-2 provides ten years preventative maintenance agreement.

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

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

Award Contract for Job Order Contracting 2006 (JOC06), Urbana

(24) The Job Order Contracting (JOC) System enhances the contracting operations for repairs, minor remodeling, and new construction at the Urbana campus. Budgets will be developed on an individual project basis in connection with specific job orders.⁷ Since 1999, based on past records of the campus' use of Job Order Contracting for repairs, minor remodeling, and new construction, the Urbana campus has ordered \$15.27 million in construction work under the JOC System. It is anticipated that between \$10.0 and \$14.0 million in construction work will be completed under this Job Order Contract over the designated three-and-a-half year contract period.

The Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the following contract be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the awards are to the lowest responsible bidders on the basis of the lowest combined adjustment factor:

⁷An individual project cost will be determined by the quantities of work required to complete the project, multiplied by the unit prices published in the industry unit price book for the Champaign-Urbana area, multiplied by the applicable price adjustment factor (one of five that was competitively bid by the Job Order Contractor).

Approve award for the General Work to Nogle & Black Mechanical, Inc., Urbana, Illinois, for a Combined Adjustment Factor of 1.0924.

(This JOC Contract will have a minimum value of \$50,000 and a maximum value of \$2,000,000 during the initial term of this contract, which expires June 30, 2006. The Contract will include an option for three additional one-year terms. The maximum value of each option term shall be \$4,000,000 plus any carry over amounts from the initial term or any option term.)

Funds will be identified on a project-by-project basis and may include State appropriated, institutional, or restricted funds available in the campus operating budget during each fiscal year.

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.

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

The President of the University concurs.

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

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

Increase Infrastructure Project Budget for South Campus Development, Chicago

(25) At the July 8, 1999, meeting of the Board of Trustees of the University of Illinois, the Board approved the initial project as well as actions leading to the issuance of Lease-Revenue Bonds or Certificates of Participation to finance the South Campus Infrastructure Development. The approximate budget of \$65.0 million for the South Campus Infrastructure Project was identified.

At the November 18, 1999, meeting of the Board of Trustees of the University of Illinois, the Board approved the initial budget of \$72.9 million for the South Campus Infrastructure Project as part of the approval of the Redevelopment/Tax Increment Financing Agreement (TIF) with the City of Chicago.

At the May 15, 2003, meeting of the Board of Trustees, the Board approved the South Campus Infrastructure Development Project for \$89.9 million.

Subsequent to this original approval, there have been modifications to the Master Plan to reflect the current residential market demands in order to maximize the potential of the remaining undeveloped property. These changes, as well as additional requests by the City of Chicago, delay associated with the acquisition of the UPS property, and price escalation of construction labor and materials over the past two years have resulted in increased project costs. The South Campus Development Team, LLC (SCDT) have provided updates of current contracts and estimates of future work based on current and anticipated construction market conditions and have recommended that additional funds be allocated to fund these changes and unforeseen increases.

In order for the project to proceed, the Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the Board approve the increase in Infrastructure project budget for the South Campus Development project to \$92.9 million, an increase of \$3.0 million.

The project will be funded from the debt service savings on the refinancing/restructuring of a portion of the UIC South Campus revenue bonds. Institutional funds will be reserved as backup for the payment of these costs.

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

The President of the University concurs.

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

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

Increase Project Budget for Sandi Port Errant Language and Culture Learning Center at Grant Hall, Chicago

(26) In June 2005, the Sandi Port Errant Language and Culture Learning Center at Grant Hall project was approved at \$4,500,000 for comprehensive remodeling. In addition to

remodeling the interior spaces of the building, this project will include complete replacement of the exterior walls, mechanical, electrical, and plumbing systems. The renovated facility will present a more welcoming environment both within and outside the classroom; provide learning spaces that are flexible, functional, and attractive; offer places for students to study and relax; and feature year-round heating and cooling with maximum energy efficiency.

Grant Hall is one of nine similar three-story campus buildings. These buildings, designed by SOM, are part of the original campus construction. During the design and design review process, an important consideration has been the desire to develop a new building envelope that respects the original design, will coexist harmoniously with the other similar buildings on campus, and be a model for how similar buildings will be improved in the future. It was also felt important to enclose the existing deteriorating poured-in-place concrete frame to eliminate continued deterioration of the concrete that is apparent on all similar buildings on campus. With these issues in mind, it has been determined that the most desirable design option is to position the exterior new window wall to the outside of the structure with a design that reflects the 2.5 foot grid of the original buildings. Moving the exterior wall to the outside of the structure satisfies the design and ongoing maintenance concerns noted above and also increases the usable square footage of the building. The result is a more costly project.

In order for the project to proceed for the bidding of construction, the Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the Board approve the increase in project budget for the Sandi Port

Errant Language and Culture Learning Center at Grant Hall project to \$5,140,000, an increase of \$640,000.

The project will be funded from gift funds and institutional funds operating budget of the Chicago campus.

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

The President of the University concurs.

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

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

Employ Architect/Engineer for Construction Services for Campus Recreation--
Renovation and Expansion of the Intramural Physical Education Building (IMPE)
Phase II, Urbana

(27) At the January 17, 2002, meeting, the Board approved the Campus Recreation – Renovation and Expansion of the Intramural Physical Education Building (IMPE) and the Campus Recreation Center East (CRCE) project. A student referendum on this project was held on November 12 and 13, 2001; 74 percent of the students voting approval of an increase in the general fee not to exceed \$77 per semester to be phased in over a three-

year period (Fiscal Year 2005 through FY2007). The project will be funded from proceeds of a future sale of the Auxiliary Facilities System Revenue Bonds. In accordance with Illinois Statutes, the Illinois Board of Higher Education approved this non-instructional capital improvement.

The project consists of the following: the expansion and renovation of Intramural Physical Education Building (IMPE) to include 30,000 square feet of strength and conditioning space, a quarter-mile track, four additional basketball/volleyball courts, one oversized multi-activity court, and climbing wall. IMPE renovation will add five multi-purpose rooms; renovate all existing activity space, racquetball courts, SportWell, and locker rooms; upgrade equipment/laundry room; and add food service option and lounge.

The Board approved VOA Associates of Chicago as the architect/engineer July 18, 2002. Construction contracts for Campus Recreation-Renovation and Expansion of the Intramural Physical Education Building (IMPE Phase I) and Campus Recreation Center East were approved by the Board September 11, 2003. A \$5.1 million project budget increase received Executive Committee approval February 21, 2005, and was reported to the Board March 10, 2005.

In order for the project to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions

of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).⁸

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that VOA Associates of Chicago, Illinois, be employed for the professional services required. The firm's fee includes construction administration at a fixed fee of \$597,465, on-site observation at \$185,640, and reimbursable expenses estimated at \$113,268.

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 Division of Campus Recreation with anticipated reimbursement from the proceeds of a subsequent revenue bond sale.

The President of the University concurs.

On motion of Mr. Eppley, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Klitzing,

⁸A selection committee consisting of Tony Clements (Campus Recreation), Gary Miller (Campus Recreation), Gene Barton (Office of the Vice Chancellor for Student Affairs), Donna McClure (Facilities & Services), Michael Doerr (University Office for Capital Programs), Roland Kehe and Clif Carey (Office for Planning, Design, and Construction) interviewed the following firms (listed in ranking order): (1) VOA Associates, Chicago; (2) PSA, Peoria; and (3) BLDD, Decatur. The committee recommended VOA Associates, Chicago, as best meeting the criteria for the project.

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

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

Employ Architect/Engineer for Phase One of
Memorial Stadium Phased Development Plan, Division of
Intercollegiate Athletics, Urbana

(28) In April 2005, HNTB was employed to provide professional services for the study and evaluation of a phased development plan for Memorial Stadium at the Urbana campus. In July 2005, HNTB presented preliminary information that included: (1) the investigation of potential architectural and/or mechanical upgrades, remodelings, additions, and improvements to the facility, ultimately to be executed via a series of future phased, incremental efforts; and (2) preliminary financial and marketing analysis to support the stadium facility plan. The objective of the study was to develop an implementation strategy that prioritized Stadium improvements in phases to maximize revenue to the Division of Intercollegiate Athletics (DIA), minimize indebtedness, and respond to the seasonal operational needs of the University of Illinois.

This comprehensive report that reviews these issues has been received and reflects recommendations supporting the viability of a first phase of a multi-phase plan. Five project components have been identified for this first phase project, and it is anticipated that formal project approval, currently estimated at \$116.0 million, will be requested at a future board meeting. Negotiations are now complete with HNTB for all five components of the first phase through construction and warranty for a total fee of

\$5,940,000 plus authorized reimbursable expenses estimated at \$724,000. In September 2005, the Board authorized a fixed fee of \$1,480,000 plus reimbursable expenses to begin the professional services required of HNTB for schematic design and design development of the west stadium component plus schematic design services for the north stadium component. In order to complete the design development phase of the north stadium component and the schematic design and design development of the remaining three components of the east and south stadium and the lowering of the field, it is necessary to authorize the funds for HNTB to continue their work.

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that HNTB, Kansas City, Missouri, be employed for the additional professional services required through the design development phase for all the first-phase components for a fixed cost of \$422,375 plus reimbursable expenses. Formal approval by the Board for a specific first-phase project and additional professional services authorization will be required at a future Board of Trustees meeting, as will the Board's approval of the financing plan associated with that project.

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 contract are available from gift funds.

The President of the University concurs.

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

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

Employ Architect/Engineer for
Roger Adams Laboratory Phase I, Urbana

(29) In November 2005, the Board approved rehabilitation and laboratory renovation work in the Roger Adams Laboratory for Phase I at a project cost of \$7.6 million. At the meeting, Loebel Schlossman & Hackl was identified to provide the professional services required for this project and the fees for this activity would be submitted for Board approval at the January meeting.

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that Loebel Schlossman & Hackl, Chicago, Illinois, be employed for the professional services required. The firm's fees for schematic design through warranty including reimbursable expenses include a fixed fee of \$451,500, program verification, on-site observation, warranty, and post construction at an hourly rate not to exceed \$131,950, and authorized reimbursable expenses estimated at \$50,000.

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 contract are available from grant funds and the institutional funds operating budget.

The President of the University concurs.

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

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

Approve Project for Library Remote Storage Phase II, Urbana

(30) The Library Remote Storage Facility is a multi-phase storage facility primarily for book storage and a small administrative support area. The initial phase, a 10,000 gsf facility to support one million volumes of books, was approved September 2000. Construction began September 2003, and the project was substantially completed October 2004. Phase I is almost full and additional storage needs have been confirmed by the Library.

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the Library Remote Storage Phase II project be approved at \$4.3 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 Fiscal Year 2007 and FY 2008 institutional funds of the Urbana campus.

The President of the University concurs.

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

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

Approve Project for the Pennsylvania Avenue Residence Hall Dining Rooms and Dining Services Project, Urbana

(31) In March 2005, the architecture firm of Thompson Ventulett Stainback & Associates, Inc., was employed to provide professional services to evaluate the feasibility of remodeling the dining hall and the exterior courtyard of the dining room, entryway, servery, and kitchen at the Pennsylvania Avenue Residence Hall (PAR) on the Urbana campus. PAR was constructed in 1963 and houses 1,044 residents, the majority of whom are freshmen. The dining hall, located in the basement of the facility, is dark, crowded, and only marginally accessible to students with disabilities.

The proposed renovation will serve both the residents of PAR and the Florida Avenue Residence Halls (FAR) with an accessible marketplace dining concept that includes attractive food stations, each specializing in a different cuisine. This concept is similar to the approach being developed in the proposed Student Dining and Residential Services Building in Champaign, bringing modern dining options to residents on both sides of the campus.

Flexible and varied seating options would allow residents to dine in large or small groups, and wireless connections would allow for multi-tasking during meals, an expectation of residents. Further, eliminating the single serving line in favor of multiple stations would allow the implementation of a declining balance meal plan, enabling students to purchase only the food they want, thereby decreasing waste and increasing satisfaction. The a la carte menu items and expanded hours (including late night dining) would give residents greater choice in how they spend their dining funds.

Redesigning the kitchen area would allow University Housing to benefit from economies of scale and environmentally friendly practices including facilities to enhance accessibility for students with disabilities.

Accordingly, the Chancellor and Vice Chancellor for Student Affairs at Urbana with the concurrence of the appropriate administrative officers recommend that the Board of Trustees approve the following actions:

1. Project approval for the PAR renovation at a project budget of \$12.0 million.

2. Submittal of the project to the Board of Higher Education for approval as a non-instructional capital improvement to the Urbana campus.

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 Auxiliary Facilities System funds of the Urbana campus.

The President of the University concurs.

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

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

Lease of Space for Police Training Institute (PTI), Urbana

(32) The Chancellor at Urbana recommends that the University lease University Court Apartments for 33 apartment units containing 129 bedrooms located at 1107 South Fourth Street, Champaign, Illinois. The apartment units will house Police Training Institute (PTI) students.

The proposed lease will commence on August 11, 2006. The lease term will be for a single-year with three one-year renewal options. The annual rent for the first

year will be \$426,624 which includes phone service, parking, and cleaning. The rent will increase three percent annually during the option terms. The lease is subject to University termination and the availability of funds.

The landlord, University Court Apartments, was selected based upon their low bid proposal. They were one of three bidders responding to a recent procurement action in compliance with the provisions of the Illinois Procurement Code. University Court Apartments is the current contractor to PTI for housing under a similar agreement expiring on August 10, 2006.

Funds are available in the Fiscal Year 2006 institutional funds operating budget of PTI. Funds for subsequent fiscal years will be included in PTI's institutional funds operating budget authorization requests submitted to the Board of Trustees.

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

The Vice President for Administration concurs.

The President of the University recommends approval.

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

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

Purchases

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

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

The total amount of these purchases from institutional funds was \$21,271,807.

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

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

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

Report of Actions by the Executive Committee

(34) The following actions have been taken by the Executive Committee since the last meeting of the Board. These actions are now reported to the Board as a whole.

Honorary Degree, Springfield

(1) The Senate of the Springfield campus has recommended that an honorary degree be conferred on the following person:

Gilbert N. Stein, businessman and franchising innovator--the honorary degree of Doctor of Letters

Mr. Stein's business acumen, organizational skills, and innovation led to franchising initiatives and the ultimate creation of International Dairy Queen, Inc. He overcame technology challenges imposed by sugar rationing during World War II to preserve the quality of soft-serve ice cream product delivered by Dairy Queen stores, and overcame shifts in market trends/demands through carefully researched pilot testing across populations and time. He opened his first Dairy Queen in Normal, Illinois, in 1946; moved his office and mix plant to Springfield in 1951 and had 3,400 Dairy Queen stores worldwide by 1964. Mr. Stein adapted and persevered through changing society and market cultures and rose to all challenges with innovative business solutions, and is recognized as a visionary in the business world. Mr. Stein valued higher education but was unable to avail himself of a formal university education in part because of the Depression. He displayed tremendous energy and outstanding leadership; he was an innovative, creative, and honest businessman. He is recognized for his contributions to the principles and strategies of business franchising, mentoring strategies for franchise managers, and marketing prowess.

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 Chancellor at Springfield concurs in the recommendation.

The President of the University recommends approval.

On motion of Mr. Shah, this degree was authorized as recommended by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

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

(2) 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 Chancellor at Springfield recommends approval.

The President of the University concurs.

Intercollegiate Athletic Staff

Rodger Jehlicka, Director of Athletics and Recreational Sports, Springfield, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$80,000, beginning December 9, 2005.

Former Position: Associate Director of Athletics, Eastern Illinois University, Charleston, Illinois (since 1999)

Education

Winona State University, Minnesota, B.S., 1969; M.S., 1976

University of New Mexico Main Campus, Albuquerque, Ph.D., 1997

On motion of Mr. Shah, this appointment was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

Award Contracts for South Campus Mixed Use Development, Chicago

(3) In July 2004, the Board approved a mixed use development project on the east side of the Chicago campus that includes a 750-bed residence hall with dining facilities and support services; a convocation center with a 3,000-seat auditorium or a 1,000-seat banquet facility; and 40,000 square feet for a retail and office space component. In November 2004, the Board approved the design of the facility and in May 2005 the current project budget of \$124.0 million. Previous contracts for site, foundation, and elevator equipment already have been awarded.⁹

Accordingly, the Chancellor at Chicago with the concurrence of the appropriate administrative officers now recommends that the following contracts for construction be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the awards are to the lowest responsive and

⁹Contracts for divisions awarded within the delegated approval levels and by previous Board action: Division IX – Elevator Work: KONE, Inc., Moline - \$1,983,850 (less maintenance agreement of \$541,960); Division XV-A – Concrete Foundation Work: Cerami Construction Co., Melrose Park - \$717,800; Division XV-C – Precast Structural Concrete: J. W. Peters, Inc., Burlington, Wisconsin - \$252,940; Division XVIII – Excavation Work: Roy Strom Excavating, Maywood - \$1,295,700; Division XXIV-A – Metal Wall Panels: All American Exterior Solutions, Inc., Lake Zurich - \$48,425; Division XLVIII – Caisson Work: Revcon Construction Corp., Prairie View - \$2,200,000; and Division XLIX – Waterproofing Work: ALL Sealants, Inc., Mokena - \$15,620.

responsible bidders on the basis of its base bid plus the acceptance of indicated alternates:¹⁰

Division I – General Conditions for Trades Work

Cerami Construction, ¹¹ Melrose Park, Illinois	<i>Base Bid</i>	\$3,220,000
TOTAL		\$3,220,000

Division II – Plumbing Work

Charles F. Bruckner & Son, Inc., Chicago, Illinois	<i>Base Bid</i>	\$5,089,990
TOTAL		\$5,089,990

Division III – Piping Work

AMS Mechanical System, ³ Burr Ridge, Illinois	<i>Base Bid</i>	\$4,895,775
TOTAL		\$4,895,775

Division IV – Ventilation Work

Admiral Heating & Ventilation, Inc., Hillside, Illinois	<i>Base Bid</i>	\$3,928,000
TOTAL		\$3,928,000

¹⁰Description of Alternates: Alt. V-1 – Omit the H34-A roof uplight luminaries indicated on drawing E-3-203D and A-4-204D; Alt. V-2 – Omit the H34-B roof uplight luminaries indicated on drawing E-3-203D and A-4-204D; Alt. V-7 – For interior below grade raceways serving more than 600V systems, provide concrete-encased schedule 40 PVC conduit in lieu of HWG conduit with threaded fittings specified in Section 16130; Alt. VII-2 – Provide Griswold MVP pressure independent control valves for all hot water terminal reheat coils in lieu of Delta P valves and include P/T ports; Alt. XVB-1 – Provide davit sockets as indicated in detail E in lieu of detail B on drawing A-830R; Alt. XXIII-2 – Omit face brick from west wall Forum 115; Alt. XXIII-5 – Provide asphalt/polyethylene sheet waterproofing, WP-2, at exterior brick lintels and at joints between concrete unit masonry back up and structural slabs in the Forum; Alt. XXVI-4 – Provide davit sockets as indicated in detail E in lieu of detail B on drawing A-830R; Alt. XXVI-5 – Omit the H34-A roof uplight luminaries indicated on drawing E-3-203D and A-4-204D; and Alt. XXVI-6 – Omit the H34-B roof uplight luminaries indicated on drawing E-3-203D and A-4-204D.

¹¹Contract awarded to second low bidder. Lowest bidder was found to be unresponsive.

Division V – Electrical Work

Gurtz Electric Co., Arlington Heights, Illinois	<i>Base Bid</i>	\$12,677,000
	<i>Alt. V-1</i>	-\$24,000
	<i>Alt. V-2</i>	-\$28,000
	<i>Alt. V-7</i>	<u>3,200</u>
TOTAL		\$12,621,800

Division VII – Temperature Control Work

Automatic Building Controls, Inc., Park Ridge, Illinois	<i>Base Bid</i>	\$828,000
	<i>Alt. VII-2</i>	<u>-\$35,000</u>
TOTAL		\$793,000

Division XV-B – Cast-in-Place Concrete Work

Goebel Forming, Inc., Roselle, Illinois	<i>Base Bid</i>	\$13,781,965
	<i>Alt. XV-B-1</i>	<u>-\$2,800</u>
TOTAL		\$13,779,165

Division XIX – Fire Suppression Work

Northstar Fire Protection Co., Broadview, Illinois	<i>Base Bid</i>	\$1,860,000
TOTAL		\$1,860,000

Division XXIII – Unit Masonry Work

Illinois Masonry Corp., Lake Zurich, Illinois	<i>Base Bid</i>	\$6,119,000
	<i>Alt. XXIII-2</i>	-\$76,000
	<i>Alt. XXIII-5</i>	<u>\$9,000</u>
TOTAL		\$6,052,000

Division XXIV-B – Louvers Work

Boswell Building Contractors, Bensenville, Illinois	<i>Base Bid</i>	\$669,300
TOTAL		\$669,300

Division XXVI – Modified Bitumen and Hot Fluid Applied Roof Work

E. W. Olson Roofing, Markham, Illinois	<i>Base Bid</i>	\$1,441,300
	<i>Alt. XXVI-4</i>	-\$9,600
	<i>Alt. XXVI-5</i>	-\$1,040
	<i>Alt. XXVI-6</i>	<u>-\$1,180</u>
TOTAL		\$1,429,480

Division XXVI-A – Metal Roofing Work

All American Exterior Solutions, Inc., Lake Zurich, Illinois	<i>Base Bid</i>	\$562,700
TOTAL		\$562,700

Division XXXII – Utility Site Work – Plumbing

Harrington Excavation & Construction, Alsip, Illinois	<i>Base Bid</i>	\$593,132
TOTAL		\$593,132

Division XXXV – Curtain Wall Work

Klein-Dickert Milwaukee, Inc., Kenosha, Wisconsin	<i>Base Bid</i>	\$7,575,297
TOTAL		\$7,575,297

TOTAL *\$63,069,639*

Twenty-eight packages remain to be completed for bid. The value for the remaining base packages is estimated to be \$23,236,000 compared to the remaining budget of \$23,333,000.

The project will be funded from the proceeds of future Auxiliary Facilities Systems Revenue Bonds. Any project planning and construction costs incurred prior to the sale of the revenue bonds will be funded initially from other campus auxiliary operating funds with anticipated reimbursement from the subsequent proceeds of a revenue bond sale.

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.

A schedule of the bids received will be filed with the Secretary of the Board for record.

The President of the University concurs.

On motion of Mr. Shah, these contracts were awarded by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

Award Contract for Abbott Power Plant Boiler Refractory, Insulation, and Casing Installation, Urbana

(4) The use of coal as a primary fuel is a fundamental goal for the University. The price cost of the next lowest alternative fuel is natural gas at approximately four times the heating value of coal. The approval of this bid provides the Abbott Power Plant the ability to use more coal and less natural gas in a period of time where energy costs are extremely high.

The President of the University with the concurrence of the appropriate administrative officers recommends that the following contract be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the award is to the lowest responsible bidder on the basis of its base bid plus acceptance of the indicated alternates.¹²

¹²Description of Alternates: Alternate H-1 provides expedited installation and Alternate H-2 provides for installation of refractory on front ash hoppers.

Division III – Heating, Piping, Refrigeration and Temperature

Independent Mechanical,	Base Bid	\$385,640
Chicago	Alt. 1	39,360
	Alt. 2	<u>44,880</u>
TOTAL		\$469,880

The project consists of repairs on refractory, insulation, and casing components on Boiler 5 at the Abbott Power Plant. Work includes, but is not limited to, the insulation systems around firebox, penthouse, exit of the economizer, air heater, and overfire air ductwork at the back of the boiler in the basement, and around all exposed boiler steel.

Funds for the project are available from the operating budget of the institutional funds budget of the University.

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.

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

On motion of Mr. Shah, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

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

(5) At the January 2002 meeting, the Board approved the Campus Recreation-Renovation and Expansion of the Intramural Physical Education Building and the Campus Recreation Center East. In February 2005, the Board approved a final project budget of \$82.7 million after construction bids received in the fall of 2004 were over the original project budget of \$77.6 million. Subsequent to this budget increase, VOA Associates of Chicago, Illinois, the project architect/engineer, provided revised project plans and specifications for rebidding of the Phase II component.

The Phase II work will include 30,000 square feet of strength and conditioning space; enclosing of ground level space at existing tennis courts to existing roof level; 1/6 mile track; three additional basketball/volleyball courts; a climbing wall; seven multi-purpose rooms; renovation of all existing activity space and racquetball courts; SportWell space modifications; locker room modifications; new office space, and the addition of a snack bar area, and instructional kitchen.

The Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the following contracts be awarded.

Competitive bidding procedures in accordance with the Illinois Procurement Code were

followed; and the awards are to the lowest responsible and responsive bidders on the basis of its base bid plus the acceptance of indicated alternates:¹³

Division 1 – General Work

Williams Brothers Construction Inc., Peoria, Illinois	Base Bid	\$12,300,000
	Alt. 1	1,000,000
	Alt. 2	35,000
	Alt. 3A	80,000
	Alt. 3B	53,000
	Alt. 4	22,000
	Alt. 7A	12,000
	Alt. 7B	<u>5,000</u>
<i>TOTAL</i>		\$13,507,000

Division 2 – Plumbing Work

A & R Mechanical Contractors, Urbana, Illinois	Base Bid	\$1,340,000
	Alt. 3A	10,230
	Alt. 3B	<u>10,230</u>
<i>TOTAL</i>		\$1,360,460

Division 3 – Heating Work

A & R Mechanical Contractors, Urbana, Illinois	Base Bid	\$1,052,535
<i>TOTAL</i>		\$1,052,535

Division 4 – Ventilation and Air Distribution Work

Nogle & Black Mechanical Inc., Urbana, Illinois	Base Bid	\$2,430,000
	Alt. 2	<u>-7,200</u>
<i>TOTAL</i>		\$2,422,800

¹³Description of Alternates: Alt. 1 – Provide overall management and coordination of the project; Alt. 2 – Extend the large radius, translucent barrel vault from column line YB.4 to column line X; Alt. 3A – Provide the West Colonnade in accordance with the documents; Alt. 3B – Provide the East Colonnade in accordance with the documents; Alt. 4 – Provide the exterior pool scope in accordance with the documents; Alt. 6A – Increase scope of electrical metal tubing (conduit) to include conduit to all panels and conduit for all horizontal distribution and provide MC cable at vertical branch in walls only; Alt. 7A – Provide a fixed video display wall system and a separate retractable screen and fixed projection screen; and Alt. 7B – Upgrade the fixed video display wall system to add components that allow it to be raised and lowered.

Division 5 – Electrical Work

Egizii Electric Inc., Decatur, Illinois	Base Bid	\$3,595,000
	Alt. 2	-3,200
	Alt. 3A	25,700
	Alt. 3B	16,900
	Alt. 6A	15,000
	Alt. 7A	624,600
	Alt. 7B	<u>111,000</u>
<i>TOTAL</i>		\$4,385,000

Division 6 – Sprinkler Work

Automatic Fire Sprinkler Co., Bloomington, Illinois	Base Bid	\$688,800
<i>TOTAL</i>		\$688,800

Division 7 – Temperature Control Work

Siemens Building Technologies, Normal, Illinois	Base Bid	\$718,000
<i>TOTAL</i>		\$718,000

Division 17 – Drywall Work

Associated Contractors Co., Inc., Bloomington, Illinois	Base Bid	\$2,522,752
	Alt. 2	-4,860
	Alt. 3A	2,930
	Alt. 3B	<u>2,930</u>
<i>TOTAL</i>		\$2,523,752

Division 23 – Masonry Work

Stobek Masonry, Inc., Morton, Illinois	Base Bid	\$2,818,000
	Alt. 3A	161,000
	Alt. 3B	<u>157,000</u>
<i>TOTAL</i>		\$3,136,000

Division 28 – Structural Steel & Miscellaneous Metals Work

Williams Brothers Construction Inc., Peoria, Illinois	Base Bid	\$5,400,000
	Alt. 2	210,000
	Alt. 3A	130,000
	Alt. 3B	130,000
	Alt. 7A	13,000
	Alt. 7B	<u>15,000</u>
<i>TOTAL</i>		\$5,898,000

Division 35 – Windows/Entrances Work

Bacon & Van Buskirk, Champaign, Illinois	Base Bid	\$1,850,000
	Alt. 2	199,750
	Alt. 3A	17,500
	Alt. 3B	<u>17,500</u>
<i>TOTAL</i>		\$2,084,750

Funds for this construction are available from the proceeds of a future sale of the Auxiliary Facilities System Revenue Bonds. Any project planning and construction costs incurred prior to the sale of the revenue bonds will be funded initially from other campus auxiliary operating funds with anticipated reimbursement from the subsequent proceeds of a revenue bond sale.

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.

A schedule of the bids received will be filed with the Secretary of the Board for record.

The President of the University concurs.

On motion of Mr. Shah, these contracts were awarded by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

**Increase Project Budget and Approve Contract Awards for
Demirjian Indoor Golf Facility, Urbana**

(6) The Demirjian Indoor Golf Facility project will provide a modern, spacious practice facility vital to the continued growth of the men's and women's golf programs at Urbana. The programming of the current \$3.9 million facility provides a one-story indoor golf practice facility of approximately 14,050 square feet, including a student reception and lounge area, multiple hitting bays, and a large interior chipping, pitching, and putting green area. Support areas include team locker rooms, offices, kitchenette, rest rooms, and club repair room. The project site is at the southeast corner of St. Mary's Road and Wright Street.

Subsequent to the project initiation, there have been significant raw material increases. The project architect/engineer had provided revised construction estimates based on anticipated material costs but had significantly underestimated the market value of this project. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the awards below are to the lowest responsible bidders on the basis of their base bids plus the acceptance of indicated alternates.¹⁴

¹⁴Contracts for other divisions will be awarded that are within the delegated approval levels: Plumbing Work: Commercial Mechanical, Inc., Dunlap--\$119,300; Heating, Air Conditioning, and Temperature Control Work: Commercial Mechanical, Inc., Dunlap--\$274,900; Ventilation Work: Nogle & Black Mechanical, Inc., Urbana--\$174,400; Sprinkler Work: Automatic Fire Sprinkler Co., Bloomington--\$38,500, making a total award of \$4,188,030.

In order for the project to proceed, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the Board:

1. Approve an increase to the project budget of \$1,165,000 to \$5,066,000;
2. Approve the award for general work to Broeren Russo Construction, Champaign, Illinois, for \$3,064,500 including alternate G-2 for unit pavers at exterior terrace at a cost of \$29,000, and also including alternate G-4 for upgrading parking lot at a cost of \$40,500; and
3. Approve the award for electric work to Witte Electric Company, Champaign, Illinois, for \$516,430, including alternate E-6 for the addition of a lighting protection system at a cost of \$19,670.

Funding for the contracts is available from gift funds and the institutional funds operating budget of the Urbana campus.

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.

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

The President of the University concurs.

On motion of Mr. Shah, these recommendations were approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

**Lease of Office Space for University of Illinois Extension,
Westchester, Illinois, Urbana**

(7) The Chancellor at Urbana with the concurrence of the appropriate administrative officers, recommends delegation of authority to the Comptroller to enter into a lease for approximately 7,666 square feet of office space in the building at 2205 Enterprise Drive, Westchester, Illinois, pending resolution of final lease terms satisfactory to the University and the availability of funds.

The proposed lease is for a term of five years and will commence upon completion of the construction of tenant improvements, anticipated to be March 1, 2006. The monthly rent will commence July 1, 2006, reflecting a four-month rent abatement. The annual base rent for the first year is \$17.00/rentable square feet increasing annually at two percent thereafter. The building's interior will be built-out to the specifications of the University of Illinois at the landlord's sole cost and expense.

The office space will be used to satisfy current and future programmatic needs of University of Illinois Extension--Cook County for the Cook County Initiative program. The space will also support a broad array of educational programs that will be developed to address the needs and interests of people living in a large metropolitan area. The programs encompass the following initiatives: civic engagement and economic development; urban community health; urban environment and natural resources; community education for adults and youth; and education through mass media and other technology.

The University utilized the services of a realty firm to identify potential sites that were available in the western Chicago suburbs. A total of 12 properties were reviewed, with the proposed space best meeting the programmatic needs. The rental costs are competitive with the cost of comparable rental space in this area of Cook County.

The proposed lease is exempt from competitive procedures under the Illinois Procurement Code and the Higher Education Procurement Rules since the property is less than 10,000 square feet.

Funds for the current fiscal year are available from the Cook County Initiative budget of the Cook County Cooperative Extension. Funds for future fiscal years will be included in the Cook County Initiative and Cook County Extension Trust Fund budget.

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

The Vice President for Administration concurs.

The President of the University recommends approval.

On motion of Mr. Shah, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah, Mr. Vickrey; no, none.

This report was received and confirmed.

President's Report on Actions of the Senates

(35) The president presented the following report:

Revise and Redesignate the Undergraduate Concentration in
International Business to the Minor in International Business,
College of Business Administration, Chicago

The Chicago Senate, with the recommendation of the College of Business Administration, has approved a proposal to redesignate the undergraduate concentration in International Business as the minor in International Business. This change to a minor conforms to new campus policy and definitions for minors. The minor will be open to all students in the College of Business Administration.

The minor is being reduced from 18 to 15 semester hours as a result of the dropping of a marketing course that could not be offered on a regular basis.

Establish the Minor in Labor Markets and Workforce Development,
College of Business Administration, Chicago

The Chicago Senate, with the recommendation of the College of Business Administration, has approved a proposal to establish a minor in Labor Markets and Workforce Development.

The proposed minor is an interdisciplinary program that focuses on how labor markets function and how firms can improve and develop their workforces. The program includes interrelated courses in economics, management, and various social sciences, and is open to all students in the College of Business Administration. Students

who pursue the minor will have a broader, more complete, and better-rounded training in human resources.

The minor in Labor Markets and Workforce Development requires completion of 18 semester hours of course work, not including prerequisite courses.

Establish the Minor in Real Estate, College of Business Administration, Chicago

The Chicago Senate, with the recommendation of the College of Business Administration, has approved a proposal to establish a minor in Real Estate.

The real estate courses offered by the College have been very popular, and informal input from students indicates that there is a strong interest in this field.

The proposed minor brings together courses from the fields of economics, finance, and sociology that are complementary and provide a broad focus on the area of real estate.

The minor in Real Estate requires completion of 15 semester hours of course work, not including prerequisite courses.

Establish the Interdepartmental Graduate Concentration in Women's Health, Chicago

The Chicago Senate, with the recommendation of the College of Nursing, the School of Public Health, and the Gender and Women's Studies Program, has approved a proposal to establish an interdepartmental graduate concentration in Women's Health.

In the health sciences, the field of sex- and gender-based biology is an emerging area, reflecting recognition by the scientific and medical communities of the need to integrate the health and social sciences into research, clinical practice, education, and public policy. There is a need for the health professions to address the relationship between the biological concept of sex and the sociological concept of gender. A 2001 report from the Institute of Medicine of the National Academy of Sciences calls for a sex- and gender-based approach to health.

Drawing upon the expertise in the College of Nursing, the School of Public Health, and the Gender and Women's Studies Program, sponsoring units developed a proposal that encompasses the multidisciplinary nature of women's health and provides training in the foundations of women's health through the structure and content of the concentration. The core courses provide a broad overview of the field and issues within women's health, while the elective course allows a student to pursue an issue or area of professional interest.

The concentration requires completion of a minimum of four courses for 12 semester hours of credit, consisting of three core courses and one elective. The concentration will be offered in conjunction with the following degree programs: M.S. and Ph.D. in Nursing, Master of Public Health (MPH), Doctor of Public Health (DrPH), M.S., and Ph.D. in Public Health.

Establish the D.D.S. International Dentist Program, College of Dentistry, Chicago

The Chicago Senate, with the recommendation of the College of Dentistry, has approved a proposal to establish the Doctor of Dental Surgery (D.D.S.) International Dentist Program, an alternative pathway for foreign-trained dentists to earn the University of Illinois at Chicago (UIC) D.D.S. degree.

This program is intended for dentists who have already received their dental degrees from countries outside of the United States or Canada.

The International Dentist Program is a 24-month full-time program that is administered by the College of Dentistry. The curriculum consists of both didactic and clinical components and is designed to provide the training required by the State of Illinois for licensing individuals who received their dental degrees abroad. The prescribed curriculum consists of 104 hours of credit. Course work in biomedical sciences- including anatomy, biochemistry, histology, pathology, etc., and hours of pre-clinical and clinic work will be waived based on work completed in their prior dental curriculum. Upon completion of the program, participants will receive the existing UIC D.D.S. degree.

Having the qualification of a D.D.S. degree from an accredited U.S. dental school is essential for career growth and mobility in the workplace. Without this degree, a number of states will not allow individuals to become licensed. Further, these individuals will be unable to accept teaching positions or practice dentistry in many settings.

Bachelor of Science in Agriculture and Consumer Economics, Urbana

The Urbana-Champaign Senate has approved a proposal to revise two existing concentrations and to create a new concentration in the Bachelor of Science in Agriculture and Consumer Economics in the College of Agriculture, Consumer and Environmental Sciences.

In July 2005, the Board of Trustees approved combining the two majors in the Department of Agricultural and Consumer Economics into a single major, Agriculture and Consumer Economics. With the change to one major, the department proposes revisions of two existing concentrations and the creation of a new concentration within the Bachelor of Science in Agriculture and Consumer Economics. The requested changes are:

1. Redesignate the Environmental and Natural Resource Management concentration to Environmental Economics and Policy.
2. Restructure the Individually Planned concentration to benefit highly motivated students.
3. Create a new concentration in Public Policy and Law.

All remaining concentrations will remain unchanged. This change will better prepare students for careers in Agriculture and Consumer Economics and will more accurately reflect the state of the field.

This report was received for record.

Report, University of Illinois Medical Center Medical Staff,
January 1 to November 23, 2005

(36) This report prepared in compliance with the Joint Commission on Accreditation of Healthcare Organizations of all medical staff appointments and resignations for 2005 was presented to the board for record. A copy has been filed with the secretary of the board.

Report of Master and Subordinate Affiliation Agreements Between Outside Health Care
Institutions and the Board of Trustees of the University of Illinois, Chicago

(37) On July 20, 2000, the Board delegated authority to approve all master and subordinate affiliation agreements between the Board of Trustees of the University of Illinois, on behalf of the UIC health sciences colleges, and outside health care entities, to the Chancellor at Chicago. At that time, the Board stipulated that the campus provide an annual report on all master and subordinate affiliation agreements approved by the Chancellor at Chicago.

In compliance with the Board's policy, the CEO of the HealthCare System reports that the following affiliation agreements were approved by the Chancellor at Chicago between December 2004 and October 2005:

Affiliate

OSF St Anthony Medical Center, Rockford
Saints Mary & Elizabeth Medical Center, Chicago
Children's Memorial Hospital, Chicago
St. Jude Children's Research Hospital, Inc., Memphis
Aurora Chicago Lakeshore Hospital, Chicago
The Neurologic & Orthopedic Institute of Chicago

This report was received for record.

SECRETARY'S REPORT

The secretary presented for record changes to academic appointments for contract year 2005-06, new hires, reappointed retirees, resignations, and notices of nonreappointment. A copy of the report is filed with the secretary.

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on December 19, 2005.

Summary

*Degrees Conferred December 19, 2005**Graduate Degrees*

Doctor of Education	1
Doctor of Musical Arts.....	3
Doctor of Philosophy.....	113
<i>Total, Doctors</i>	(117)
Master of Accounting Science	2
Master of Architecture.....	11
Master of Arts.....	28
Master of Business Administration	6
Master of Computer Science	8
Master of Education	49
Master of Fine Arts.....	2
Master of Human Resources and Industrial Relations	47
Master of Landscape Architecture	1
Master of Music.....	3
Master of Music Education	1
Master of Science	272

Master of Social Work.....	48
Master of Urban Planning	1
<i>Total, Masters</i>	(479)
Certificate of Advanced Study	
Educational Organization and Leadership	2
Library and Information Science.....	1
<i>Total, Certificates</i>	(3)
<i>Total, Graduate Degrees</i>	599
<i>Professional Degrees</i>	
College of Law	
Juris Doctor..	11
College of Veterinary Medicine	
Doctor of Veterinary Medicine	1
<i>Total, Professional Degrees</i>	12
<i>Undergraduate Degrees</i>	
College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science	104
College of Applied Life Studies	
Bachelor of Science	77
College of Business	
Bachelor of Science	173
College of Communications	
Bachelor of Science	16
Bachelor of Science in Journalism	10
<i>Total, College of Communications</i>	(26)
College of Education	
Bachelor of Science	12
College of Engineering	
Bachelor of Science	276

College of Fine and Applied Arts	
Bachelor of Arts in Urban Planning	3
Bachelor of Fine Arts	24
Bachelor of Landscape Architecture	7
Bachelor of Music	1
Bachelor of Music Education	11
Bachelor of Science in Architectural Studies.....	3
<i>Total, College of Fine and Applied Arts</i>	<i>(49)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts	297
Bachelor of Science.....	208
<i>Total, College of Liberal Arts and Sciences.....</i>	<i>(505)</i>
Institute of Aviation	
Bachelor of Science in Aviation Human Factors	9
<i>Total, Undergraduate Degrees</i>	<i>1,231</i>
<i>Total, Degrees Conferred December 19, 2005</i>	<i>1,842</i>

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

Chair Eppley called attention to the schedule of meetings for the next few months:

March 9, Urbana; May 11, Chicago; July 12-13, Chicago.

He then announced that he would like to reschedule the meeting scheduled for March 9 to March 30. Since some of the board members replied that they would not be available on that date, Mr. Eppley said he would work to find another date that would be feasible.

There being no further business, the board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair