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MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

September 11, 2008

This meeting of the Board of Trustees of the University of Illinois was held in the Pine Lounge, Illini Union, Urbana, Illinois, on Thursday, September 11, 2008, beginning at 9:05 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, Dr. Frances G. Carroll, Mr. David V. Dorris, Mr. Lawrence C. Eppley, Mr. James D. Montgomery, Dr. Kenneth D. Schmidt, Mr. Niranjan S. Shah, Mr. Robert Y. Sperling, Mr. Robert F. Vickrey. Governor Rod Blagojevich was absent. The following nonvoting student trustees were present: Mr. D. Craig McFarland, Springfield campus; Mr. Paul D. Schmitt, Urbana-Champaign campus; Mr. James A. Winters, Chicago campus.

INTRODUCTION OF UNIVERSITY OFFICERS AND SENATE OBSERVERS

President B. Joseph White was present and, at Mr. Eppley's request, introduced the following university officers and senate observers who were also present: Dr. Richard H.

Herman, chancellor, University of Illinois at Urbana-Champaign; Dr. Eric A. Gislason, interim chancellor, University of Illinois at Chicago; Dr. Richard D. Ringeisen, chancellor, University of Illinois at Springfield; Dr. Mrinalini Rao, vice president for academic affairs; Dr. Avijit Ghosh, vice president for technology and economic development; and the officers of the Board, Mr. Walter K. Knorr, comptroller (and vice president/chief financial officer); Mr. Thomas R. Bearrows, university counsel; Mr. Lester H. McKeever, Jr., treasurer; and Dr. Michele M. Thompson, secretary. The president also introduced: Mr. 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: Joseph E. Finnerty, professor of finance, College of Business, Urbana-Champaign, representing the University Senates Conference; Nicholas C. Burbules, professor of educational policy studies; Grayce Wicall Gauthier Professor, College of Education, representing the Urbana-Champaign Senate; Gerald Strom, professor of political science, College of Liberal Arts and Sciences, and secretary of the UIC Senate, representing the Chicago Senate; John E. Martin, assistant professor of astronomy/physics, College of Liberal Arts and Sciences; representing the Springfield Senate. Also in attendance was Elliot Kaufman, professor of biochemistry and molecular genetics, College of Medicine, Chicago.

OPENING REMARKS FROM THE CHAIR OF THE BOARD

Mr. Eppley welcomed the Board to the first meeting of the new academic year and said that spending time on campus in the early Fall really reminds him of the purpose of the Board, and that the Board members look forward to a positive and productive year for the University. He stated that the present and former student athletes from the Urbana campus who participated in the Beijing games had performed impressively at the Olympics and he was happy to report that the Illini were well represented among medal recipients. He reported that Justin Spring won a bronze medal in the team competition in men's gymnastics and Deron Williams won a gold medal as a member of the USA men's basketball team, known as the "Redeem Team," in their quest to re-establish the prominence of the USA's position in basketball in the Olympics. Also, he told the Board that Jean Driscoll, a world class wheelchair athlete and staff member in the Division of Rehabilitation Education Services at Urbana, is currently representing the U.S. as a member of the Presidential Delegation that is attending the 2008 Paralympic Games in Beijing which began September 6.

Mr. Eppley noted that the Fighting Illini football team played its first game in the newly renovated and magnificent Memorial Stadium and that the remarkable renovation of the stadium reminded him that Board members seldom have the opportunity to see capital projects through to fruition, since such projects are often completed after a trustee's term has ended. He then mentioned that the Business Instructional Facility that was approved by the Board in recent years had been completed

in the last few months, and opened for classes this fall. He called attention that this building is the University's model "green building," stating that it is LEED certified and has many energy conserving features. Mr. Eppley praised the development of the phases of the renovation of Memorial Stadium and recognized the contributions of Board members, especially past and present chairs and vice chairs of the Athletics Committee, the chairs and vice chairs of the Buildings and Grounds Committee, the director of Athletics, Mr. Ronald Guenther, his associate directors, the president, the chancellor, and others for making this vision a reality. Next, Mr. Eppley cited the Micro/Nano Technology Building as a capital project that several Board members had the opportunity to see from first plans to completion. He stated that this facility was funded by the National Science Foundation along with a State appropriation. He also said that the Illinois Capital Development Board had done an outstanding job in managing the construction of the building. Lastly, Mr. Eppley showed slides of the renovation of the Intramural Physical Education building that is now known as the Activities and Recreation Center and commented on the success of this renovation project that has made for a state-of-the-art facility that will enrich students' experience at the Urbana campus.

Next, Mr. Eppley commented that there are recommendations for capital projects on the agenda of today's meeting and that he hoped that the Board members are able to see the completion of these in the near future.

Mr. Eppley then asked for a moment of silence in memory of the horrific event on this date in 2001 as a sign of respect to the lives lost and broken by this event seven years ago.

The chair then reviewed the plan for the meeting today and commented that there are 23 items recommended on the agenda and three committee meetings scheduled. He also reviewed other presentations to be made in this meeting including remarks from the chancellors, a public comment session, updates of plans and priorities for the University, and reports from the chair of the Executive Committee of the Urbana Senate, the president of the University of Illinois Foundation, and the president of the University of Illinois Alumni Association.

He provided highlights of the agenda for this meeting noting that there is a recommendation for approval of the Fiscal Year 2009 operating budget, the Fiscal 2010 budget request, continuing academic appointments for Fiscal Year 2009, and recommendations for ten capital projects.

Mr. Eppley then invited Chancellor Richard Herman to make remarks.

WELCOME FROM THE CHANCELLOR AT URBANA

Chancellor Herman spoke of the importance of facilities to the advancement of the campus' mission and thanked Vice President Ghosh, who as dean of the College of Business, worked tirelessly to make possible the Business Instructional Facility. He also thanked the staff of the Division of Intercollegiate Athletics for their extraordinary efforts to make the transformation of Memorial Stadium possible. Next, he said that the campus is attempting to register voters this fall. He also announced that the freshman class numbers 7,299 students and that the academic profile of these students is impressive. He then commented that the Urbana campus has the most diverse student body among the

Big Ten universities. He also called the Board's attention to a recommendation on the agenda for a director of sustainability for the campus, Dr. Richard Warner, and stated that this area was of great importance to the campus. Next, the chancellor introduced Professor Charles P. Slichter and Mrs. Slichter, and told the Board that President Bush had recently announced that Professor Slichter would be awarded the National Medal of Science. He added that Professor Slichter had contributed to the development of the technology, nuclear magnetic resonance imaging (NMRI), and that his graduate students included Nobel Laureates. Chancellor Herman said that Professor Slichter is the twelfth faculty member at the campus to receive the National Medal of Science. The chancellor thanked Mr. Eppley for his attention to the recently completed facilities on campus and stated that Lincoln Hall is awaiting renovation. He added that the Stanley O. Ikenberry Commons, a student residence complex that will replace an older set of residence halls, is advancing. He noted that this type of replacement is key to the future of the campus. Next, the chancellor commented on the facility for the Petascale computing project, known as Blue Waters, that is underway. He reported that this will make the Urbana campus the undisputed leader in high performance computing. In reporting the status of key issues for the campus, the chancellor told the Board of efforts to reduce the size of classes and pointed out that the enrollment in the freshman class is 1,000 larger than the campus' nearest competition. He also commented on the need for more resources for faculty members and said he was working with the University of Illinois Foundation to raise funds for faculty. He then showed a slide of comparative data regarding faculty salaries showing salaries at Urbana significantly distant from the median for its peer

group. He commended the faculty members for their efforts to attract grants and stated that the number of grant applications is up by 11 percent this year. He also reported that the group, Sinfonia da Camera, celebrates its 25th anniversary this year. He called attention to a brochure describing the program, Illinois Promise, that had been distributed to the trustees and said that 650 students from underrepresented groups were enrolled this year in this program at the campus and the first students from this program will graduate in 2009. He noted that the cost of the program is \$4.0 million per year.

After his remarks, Chancellor Herman invited the dean of students, Kenneth T. Ballom, to introduce students from the Illini Emergency Medical Services. After the introductions, Mr. Eppley asked Student Trustee Paul D. Schmitt to read a Board resolution to these students to recognize their outstanding contributions as volunteers.

Chair Eppley asked leave of the Board to take this item from the agenda of today's meeting and call for approval of it while the student members of the Illini Emergency Medical Services were present. The resolution follows.

Approve Resolution to Recognize the Illini Emergency Medical Services at the
University of Illinois at Urbana-Champaign

(1) The Board of Trustees at the University of Illinois sincerely appreciates and recognizes the unselfish, dedicated commitment, leadership, and volunteerism of the Illini Emergency Medical Services (Illini EMS).

Founded in 1979, the Illini EMS is a Basic Life Support Non-Transport Agency made up entirely of student volunteers. The goal of the Illini EMS is to administer prompt, efficient, effective, and responsible pre-hospital basic life support care to the public. More than 300 students are involved on an annual basis and approximately one-third of the student volunteers are licensed as Emergency Medical Technicians-Basics.

Illini EMS has an educational function and an operations function. The educational function involves teaching pre-hospital medical care classes to students, faculty, and staff each semester including CPR, Emergency Medical Technician-Basics, First Aid, First Responder, and continuing education. The operations function provides EMS support at sporting events, such as football, soccer, and track and field; events at Krannert Center for the Performing Arts and Foellinger Auditorium; and other special events such as Commencement ceremonies, concerts, and conferences. In order to work an event, a volunteer must have obtained cardiopulmonary resuscitation (CPR) certification. Student volunteers average 100 patient contacts per year and all patient care is provided in accordance with Provena Regional EMS Region 6 Protocols and overseen by a Medical Director and Emergency Room Physician.

The Board of Trustees hereby recognizes and commends the Illini EMS for its outstanding example of student volunteerism and awareness, which contributes to the fabric of student life on the Urbana campus, the community, and to the larger society.

The Board of Trustees directs that this resolution be incorporated into the minutes of today's meeting to become a part of the official public record, and that a

suitable copy be given to the Illini EMS as a permanent reminder of the esteem in which it is held.

On motion of Mr. Sperling, seconded by Mr. Montgomery, this resolution was adopted.

REPORTS FROM THE CHANCELLORS AT CHICAGO AND SPRINGFIELD

Chancellor Ringeisen reported that the survey and rankings study by *U.S. News & World Report* had ranked the Springfield campus among the best small liberal arts colleges and first among the public liberal arts colleges in Illinois in the group of Master's Degree level universities. He added that the Springfield campus was ranked among the 13 best in the Midwest for students leaving college with the least debt related to student loans. He also noted that awareness of the reputation of the campus and the amount of alumni giving to the institution need to be developed. He told the Board that the target for freshman enrollment for this fall was 300 and there are 311 freshman students enrolled. He also reported that there were 2,900 undergraduate students and 1,800 graduate students enrolled at Springfield this fall. He said that the new residence hall on campus opened for the fall semester and that the campus now has ten athletic teams, making the campus eligible for membership in the NCAA.

Interim Chancellor Gislason reported the following data for fall semester enrollments at the Chicago campus: 2,970 freshmen and 1,470 transfer students, for a total of 15,270 undergraduates, and a total campus enrollment of 25,250. He announced a gift to the campus of \$10.0 million to establish a chair in Polish history and a chair in

Polish language and literature, and announced the opening of the UIC High School, and UIC Day, an event planned to introduce people to the Chicago campus. He also told the Board that the Chicago campus was recently the site of an exhibit of the Moving Wall, a replica of the Vietnam Memorial. Further, he announced that a plaque would be placed at 912 South Wood Street on campus to mark the location of the Chicago Cubs first home field.

PUBLIC COMMENT SESSION

Mr. Eppley stated that there were three people who had requested time to address the Board today. He stated that each would be given five minutes for remarks. Mr. Eppley then asked Mr. Terry Townsend to begin his comments.

Mr. Townsend stated that he was an alumnus and a retiree of the Urbana campus and that on behalf of those who had been students in the 1960s and 1970s at Urbana he thanked the Board for an earlier Board's adoption of a resolution in 1965 to develop compensatory programs for underrepresented groups on campus, including Project 500. He noted that at the same time the University's two campuses in Chicago, the Chicago Circle campus and the Medical Center campus, also created special educational opportunity programs for such students. Mr. Townsend stated that these programs were a factor in enlarging the Black middle class in the United States. He said that these programs helped to triple the enrollment of minority students in the University and that this year marks the 40th anniversary of Project 500 and the Medical Opportunity Program which helped to increase access to the University for minority students. He

recalled that at the start of Project 500, 261 students were arrested for disturbing the peace, which was misrepresented in the newspapers. He stated that the students in Project 500 were students with high potential, which was developed at the University. He concluded his remarks with the comment that these special efforts were necessary because the University's previous policy of non-discrimination had become a problem for access.

Mr. Raymond Morales spoke next and said that he wanted to set the record straight about why he came to the University. He said he wanted to develop cures for diseases. Mr. Morales then stated that he had been removed from his lab and that he had a right to be dissatisfied with the status of the College of Medicine. He said that the Urban Health Program was not well run and that there is too little discussion of discrimination at the University. He stated that the country has a debt to pay to minority groups. Further, he was critical of the small number of Latino faculty members in the College of Medicine and commented that racism persists at the University.

Mr. Roberto Martell, Jr., spoke next, introducing himself as a junior in political science and as President of Students for Chief Illiniwek. He stated that in a referendum eight out of ten students voted to reinstate Chief Illiniwek and that the Board has ignored that vote. He criticized the treatment of the matter concerning the Chief Illiniwek tradition and said that the students had been betrayed. He stated that the Board was shameless and arrogant to ignore the students' vote concerning Chief Illiniwek. He added that Chief Illiniwek was a positive symbol and that the Board had bowed to political pressure in ending the Chief tradition, and that the Chief should be reinstated.

UPDATE: PLANS AND PRIORITIES

Report on Willard Airport, Urbana Campus

Mr. Eppley invited Mr. Michael B. Bass, associate vice president for capital programs and real estate services, to make a report on Willard Airport at the Urbana campus.

Mr. Bass began this report (materials on file with the secretary) with the statement that few universities operate commercial airports and cited Texas A&M University and Pennsylvania State University as two that, like the University of Illinois, do so. In discussing the current status of Willard Airport, Mr. Bass described the alliance the University has with the Flightstar charter company for use of the airport for commercial purposes and stated that the airport is home to the Urbana campus' Institute of Aviation. He stated that the airport is qualified for Federal Aviation Administration (FAA) grants due to the volume of take-offs and landings. He also noted that the airport serves the local community. Mr. Bass told the Board that he was gathering data about the full range of uses of Willard Airport. He indicated that one factor to consider in planning for the future of the airport was to estimate what the area population would be in the next fifteen years, and whether it will need a viable commercial airport. He reported that the community had provided \$6.1 million in support in the last ten years. He then stated that there are currently nine commercial flights per day at the airport and that passenger travel was down following the end of a contract with Delta Airlines. He stated that the budget for operating the airport was currently \$4.3 million per year and that there were

24 employees at the airport. He also stated that a percentage of the income from the rental car operations at the airport goes to the budget of the airport. Mr. Bass observed that fuel costs are hurting airlines' business and the airline industry's problems are having negative impacts on Willard Airport, since the airport depends on being a hub for the area. He noted financial dangers in the future of the airport and said that a small deficit is projected for this year. Mr. Bass suggested the following strategies for Willard Airport: accommodate the current downturn in revenues, seek efficiencies internally, and attempt to obtain better utility rates. He also suggested that the University might consider working with the community to explore new governance and financial arrangements for the airport, such as attempting to enlarge the operation into an airport authority, similar to the Bloomington, Illinois, airport. He also suggested that greater emphasis on marketing might be attempted, and he told the Board that he and others would be discussing a contract with American Airlines within the week. In conclusion, Mr. Bass stated that the following considerations must be taken into account regarding the airport: possible land acquisition for the future, a master plan, maintenance of the facility, and a new system for operating the airport. He also stated that there is work in progress for a grant application to the FAA for a new control tower at Willard.

Discussion among the Board members followed and Mr. Sperling suggested that Mr. Shah be consulted on ways to address problems at the airport, given Mr. Shah's experience in other settings with airports. Mr. Sperling said he thought having air transportation in Champaign was important to the campus. Mr. Dorris inquired about the Abraham Lincoln Capital Airport in Springfield and Mr. Bass

indicated that this facility had problems similar to Willard's. Mr. Dorris noted that Peoria, Bloomington, and Champaign are all regional airports and asked if the competition among these was creating waste. Mr. Eppley stated that Willard Airport was crucial to the Champaign-Urbana area. Mr. Bass noted that the airport addresses all four of the University's missions. Mr. Vickrey asked about how an airport authority would be formed and what the advantages to that would be. Mr. Bass said that an airport authority would have access to the local tax base, which would raise the question of how important the airport is to the Champaign-Urbana area. Mr. Vickrey expressed a desire to make the airport's future more certain and suggested that the University attempt to be innovative in efforts to help the airport survive. He cited the growth in communities along I-74.

Chancellor Herman said that this is probably the right time to approach the communities in the Champaign-Urbana area about a collaborative effort to operate the airport.

Mr. Dorris again noted that there are three regional airports within a 40 mile radius and that one of these, Bloomington, has very good support. He observed that the competition among all to stay in the market seems wasteful and unwise and asked if any consideration was being given to this fact. President White stated that the real competition is the actual population supporting the airports and suggested that cooperation was very important for Willard's future. Mr. Shah suggested that the University hire an expert to review Willard Airport's operations and consider the matter of establishing an airport authority. He stated that this was an issue for Chicago 15 years ago and the outcome of study was the establishment of the Chicago Interstate Airport Authority. Mr. Vickrey asked how important having an airport in the community was to attracting faculty members to the

Urbana campus. Chancellor Herman responded that having jobs for spouses was more important and that having an airport was a convenience, providing the economics work. Mr. Vickrey also noted that parking is an issue at Willard Airport and that the cost for an attendant to collect parking fees might argue for an automated system or free parking. Mr. Eppley opined that more research on facts concerning Willard Airport was needed and asked for comparative data for the Bloomington Airport, such as sources of revenue, and the need for regional cooperation among airports. He asked that the chair and vice chairs of the Buildings and Grounds Committee request more analysis, obtain professional help for this analysis, and report back to the Board.

Report on Ethics Training for Higher Education Employees in Illinois

In opening this session, President White stated that the cornerstone of any organization was high integrity and that the University must remind employees about their responsibility for ethical behavior, and that ethics training was an important part of that. He said that ethics training is administered by the University's Ethics Officer, Ms. Donna McNeely, and that she has been asked to manage ethics training for all of senior public higher education institutions in Illinois. He noted that this was a compliment to the University and to Ms. McNeely. He then asked Ms. McNeely to report to the Board on ethics training.

In her report (materials on file with the secretary), Ms. McNeely stated that the Ethics Act was signed in 2004 and that part of this requires ethics training for all State employees. She said that participation in training at the University had been exemplary

and that now each public university is required to develop training that fits the needs of the particular university more closely. She added that the Executive Inspector General of the Office of the Governor will continue to maintain responsibility for compliance with the Ethics Act for higher education. Ms. McNeely stated that the transfer of responsibility for developing training for University employees was welcome and that the University of Illinois will be noted as the developer of the training. She said that the new training program would be more interactive and that scheduling would be more flexible. She also said that a coordinated approach would be the most efficient route for all public higher education in Illinois. She indicated that the University's Ethics Office is ready to begin work on this and that the scope of the training effort would be to train 100,000 employees of the senior public higher education institutions in Illinois. She said that the first step was to identify a vendor for the design of the training program and that an RFP for a contract would be forthcoming. Ms. McNeely stated that all the universities involved would share the cost of the training and that the date for training to begin is January 1, 2009. Dr. Schmidt asked about how funds would be transferred to the University of Illinois for this. President White responded that the State would not fund this undertaking, that the University of Illinois would fund one-half the cost of the program, and that the other public universities would contribute half.

Report on the University of Illinois' Conflict of Commitment and Conflict of Interest Policy

Vice President Meena Rao reported on an examination of the management of the University's conflict of interest and conflict of commitment policy in four specific areas, as requested by Mr. Eppley. These included: current practices at all levels; an explanation of how conflicts are identified and resolved; an analysis of any failures and how to prevent them in the future; and comparable practices at peer institutions. She indicated that this assessment was underway and stated that it was informed by an earlier assessment undertaken in spring 2006. She described a working group she had assembled from across the University to assess current institutional practices and identify areas where changes might be beneficial. She said there is some overlap in membership of this group with the group involved with the earlier assessment in 2006. She added that the group would also consult with Vice President Ghosh to gain his critical perspective on the management and oversight of start-up companies. She said that in addition to ensuring best practices in this area in the University, the group also wanted to ensure that the conflict of interest and conflict of commitment policies are handled in a positive manner and in a fashion that adds to a University environment and helps to attract and retain outstanding faculty and staff. She stated that she would present a comprehensive brief to the Board at its November 13, 2008, meeting.

BOARD MEEING RECESSED

At this time, the Board recessed for meetings of committees of the Board.

MEETING OF THE BUDGET AND AUDIT COMMITTEE

Trustee Bruce, chair of this committee, convened the meeting and asked Vice President Knorr to present information on the University's budgets and the Global Campus.

Mr. Knorr referred to agenda item, "Approve Operating Budget for Fiscal Year 2009," and summarized the facts of this item (materials on file with the secretary). He stated that this budget, totaling \$4.2 billion, included a State appropriation of \$747.0 million. He also stated that the State appropriated \$77.0 million for payments in behalf of University employees for health benefits and pension payments. Mr. Knorr noted that tuition payments account for \$56.0 million of the increase in the budget.

Next, Mr. Knorr reviewed agenda item, "Approve Academic and Administrative Appointments for Contract Year 2008-2009," and said that this is the listing of all salaries for academic staff for the current academic year.

Mr. Knorr told the Board that for the November 13, 2008, Board meeting he would present a report of the amounts budgeted for the year and the actual expenditures to date.

Mr. Knorr then presented agenda item, "Approve Requests for New Operating and Capital Appropriations, Fiscal Year 2010." Mr. Sperling asked if there was any flexibility in this budget for transferring funds to salaries for faculty. Mr. Knorr responded that any such flexibility would be at the level of the campuses. Mr. Eppley stated that though the campuses might have flexibility to allocate more budget to salaries, any transfer of funds totaling 2.0 percent of the budget for the entity required approval by

the Board. Dr. Schmidt asked if this budget contemplated a structured deficit. Mr. Knorr responded that the definition of a structured deficit is that inflation and expenses exceed revenues and that this budget comes close to that. President White stated that there are structural deficits within this budget and that the chancellors have made plans to reduce these, adding that structural deficits take years to build and years to resolve. Mr. Shah asked if the proposed increase in faculty salaries applied to all faculty. President White stated that the amount proposed for faculty salary increases would be distributed according to a range based on merit. Chancellor Herman commented that the range for the Urbana campus for the last two years had been 0-25 percent. Mr. Shah suggested rewarding those faculty members who bring in large research grants and contracts. President White commented on this, stating that faculty members live in a merit environment and that receipt of external funding, along with scholarship, are both important factors in determining reward for merit. Mr. Eppley stated that salary decisions for individual faculty members differ according to merit, and that there are criteria for making salary decisions. President White asked Vice President Rao to bring a presentation on faculty compensation to the Board at a future meeting. Mr. Eppley added that allocation of resources in the budget comes from reallocation to some degree. Mr. McFarland, student trustee from Springfield, asked if the proposed budget for FY 2010 included a tuition increase. President White explained that this budget lays the groundwork for minimizing the need for tuition increases, and added that if the State appropriates to the University the amount requested there would not be a need for a tuition increase and to the extent that the State does not appropriate the amount requested

the University must either give up something or ask the students to pay more in tuition.

Mr. Knorr then outlined the steps required in advancing the budget to the General Assembly. He said the first step would be to forward the budget to the Illinois Board of Higher Education (IBHE) for review and forwarding to the governor. Mr. Knorr said that the budget request is for \$109.0 million over FY 2009 for the following purposes: strengthening academic quality, addressing facilities and operational needs, and taking into account inflationary costs. He noted that \$10.0 million is requested for the Healthy Returns (The Illinois Bill of Health) program to fund the needs of the health sciences colleges and expand enrollments in these colleges. For the capital budget, Mr. Knorr said that the following needs are ranked in priority order: repair and renovation projects; renovation of Lincoln Hall, Urbana; the College of Medicine at Rockford building addition; and a public safety building at Springfield. He added that projects related to the Healthy Returns program are listed in the capital budget request also. Mr. Knorr stated that all of these projects have been on the priority list for several years and that the list is compiled for each campus' priorities that are reviewed and ranked to establish one priority list for the budget request. Mr. Vickrey asked about the need for repairs to the library at Urbana, some of which he thought were underway. Mr. Douglas E. Beckmann, senior associate vice president for business and finance, responded that a recommendation to repair and renovate the Rare Book Room in the library would be coming to the Board soon. Mr. Sperling spoke in support of the project to repair and renovate Lincoln Hall, Urbana. Mr. Eppley stated that if a capital budget is approved then there will be funds for Lincoln Hall. President White added that Lincoln Hall is

being stabilized at present and that he has told Mr. Knorr that if funds are not provided by the State then a back-up plan must be devised. Mr. Sperling suggested elevating the Lincoln Hall project to first place in the priority list. Mr. Winters, student trustee from Chicago, asked if the University would probably receive what is requested in this budget and President White explained that usually an approximation of the request is funded. Dr. Schmidt stated that the University must ask for more in its budgets, and he said that there was a need for \$10.0 million for the Healthy Returns program in the capital budget as well as a similar amount in the operating budget. He also asked what had happened to \$5.0 million that was discussed for enlarging the size of the College of Medicine's classes. President White indicated that \$5.0 million would be added to the operating budget for this purpose. Mr. Eppley asked his colleagues to stand behind the administration in working to secure resources and he opined that since the State subsidizes the University, if the needs of the University have become too great for that support the Board and administration should think about what parts of the University can be supported. He said the chancellors must evaluate all that is being offered on the campuses. Mr. Shah then stated that he agreed with comments made by Mr. Sperling and Dr. Schmidt about the need for funds for a capital budget. He told the Board that the Eye and Ear Infirmary at Chicago is in deplorable condition and in great need of repair. He urged stewardship on the part of the Board and said that more revenue is needed for several capital projects. Dr. Schmidt suggested in making the case for more revenue for the operating and capital budgets the University should seek legislative support of the

University's desire to admit more out-of-state students who would contribute more to the University's revenues.

At this time, Chair Eppley suggested that the Board meet in executive session to attend to matters scheduled for that session and resume the meeting of the Budget and Audit Committee after the executive session and after a break for luncheon.

BOARD MEETING RESUMED

At 12:30 p.m., the Board meeting resumed for an executive session.

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 pending, probable, or imminent litigation against, affecting, or on behalf of the University."

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned at 1:20 p.m.

BOARD MEETING RECESSED FOR LUNCHEON AND
COMMITTEE MEETINGS

The Board meeting recessed for luncheon.¹ Following the luncheon, the Budget and Audit Committee meeting resumed.

BUDGET AND AUDIT COMMITTEE MEETING RESUMED

When the Budget and Audit Committee resumed, Mr. Bruce said that there was a report on the finances of the Global Campus for the Board and asked Mr. Knorr to present this.

Mr. Knorr said that expenditures for the Global Campus totaled \$739,000 in Fiscal Year 2007, \$6.1 million in FY 2008, and \$897,000 in FY 2009 (materials on file with the secretary). He said that there were 121 students enrolled in Global Campus courses.

President White expressed appreciation to the Board for its support of the Global Campus and said that the news about its development is bad. He stated that the driving force behind the Global Campus was to bring a high quality, highly affordable college education to those who cannot attend a campus of the University. He said that degree completion programs were one way to enable students to complete a college education. Further, he said that it is important to ensure that students with ability are able to earn a college degree in an affordable manner; however, the University is not on a

¹Guests at luncheon included Dr. and Mrs. Charles Slichter, faculty members from the Urbana campus, members of the Illini Emergency Medical Services, and members of the Executive Committee of the Urbana Senate.

trajectory toward the vision. He said that he would have a plan to present to the Board at the November 2008 Board meeting.

Mr. McFarland asked about marketing efforts and President White said that such efforts have been ongoing and that the marketing for student recruitment is not directed to current University of Illinois students.

Next, Mr. Bruce called the trustees' attention to the revised version of agenda item, "Approve Requests for New Operating and Capital Appropriations, Fiscal Year 2010." He stated that the amount of the FY 2010 operating budget request has been revised to \$113.0 million in new funds from the State and that the increase then becomes an 8.0 percent increase above the FY 2009 operating budget.

Mr. Eppley stated that the operating budget would be posted on the web for the public to review.

FINANCE AND INVESTMENT COMMITTEE MEETING

Mr. Eppley asked Mr. Montgomery, chair of the Finance and Investment Committee, to convene this meeting. Mr. Montgomery did so and stated that there were two matters for consideration before the committee today. He described the two items, one of which is presented in the agenda item, "Auxiliary Facilities System Revenue Bonds, Series 2008B," and the other is a policy to be discussed regarding cost management for procurement of natural gas as one of the University's sources of energy. He then asked Mr. Knorr to present these to the Board.

Mr. Knorr stated that the first item, the issuance of Auxiliary Facilities System revenue bonds, was a recommendation to issue approximately \$70.0 million of such bonds to refund the Variable Rate Demand Auxiliary Facilities System Revenue Bonds, Series 2005B, and to pay related costs of issuance. He said that the credit and liquidity crisis that started with problems in the sub-prime mortgage market had expanded to the municipal bond market and that the capital of several bond insurance firms has been impaired and some of the bond insurance firms have lost, or are at risk of losing, their AAA credit rating. He said that one of these is FSA, the insurer for the Series 2005B bonds, and it is rated Aaa by Moody's Investors Service and has been placed on negative watch. Mr. Knorr said that in order to be ready to refund the Series 2005B bonds as FSA's credit rating is monitored, he recommends formation of a financial advising team to issue Auxiliary Facilities System bonds, Revenue Bonds, Series 2008B, if necessary.

Mr. Knorr said the second matter concerned a new policy for cost management for natural gas. He said that the University currently spends \$120.0 million per year for utilities. He said that it is recommended that the University consider forward purchases of natural gas at a set cost in order to avoid the spot market prices to which the University has been subjected and to control the budget. He said that he and his staff had received advice from firms and learned that an upward trend is predicated in the cost of natural gas. Mr. Knorr said he would be responsible for implementation of such a policy. He said he recommended making purchases of natural gas for Fiscal Years 2010 and 2011, and indicated that the purchases would be from Nicor. He stated that a report

would be made immediately to the Board following each transaction and that \$60.0 million would be the amount spent to purchase natural gas. He said this was recommended in an effort to make purchase of natural gas predictable. He asked that the Board approve this policy when it is presented and he said that an RFP has been issued requesting pricing. He said that a third party would be involved to advise the University on when to buy natural gas. Mr. Shah asked what amount of the cost of natural gas would be Nicor's profit. Mr. Shah said that for this amount, \$60.0 million, the University should ask for bids, using an adviser first. Mr. Beckmann commented that Nicor was bidding out its purchases of natural gas. There was no further discussion.

UNIVERSITY HOSPITAL COMMITTEE MEETING

Mr. Eppley announced a meeting of the University Hospital Committee and Mr. Vickrey convened this meeting. He then asked Mr. John J. DeNardo, CEO, HealthCare System, Chicago, and Dr. Joseph A. Flaherty, dean, College of Medicine, to make presentations.

Mr. DeNardo reported on the financial status of the University of Illinois Hospital and stated that the workload is the highest ever and that the efforts of the hospital, College of Medicine, and staff members have produced good growth in cash for the hospital. He said that part of this was due to an increase in collections of bills. He added that the hospital expends \$1.5 million on a daily basis. He also said that another factor in the good cash situation for the hospital was a receipt of \$15.0 million in one-time settlements. He noted that 60 percent of Illinois hospitals lose money on patient services and that more hospitals are faltering. He said that the bills owed the hospital are

growing and the amount of charity care is increasing. He reported that most public hospitals in Illinois are in the red; however, the University of Illinois Hospital is not.

Dean Flaherty briefed the Board on developments in the College of Medicine and said that the physicians' group is making progress and growing, and cited growth in Urbana and Peoria. He said that there have been eight new department heads appointed in the college in the last two years. He also reported that the University Hospital treats more Medicaid patients than other public hospitals in the State. He announced new areas for strategic planning including management of stroke patients. He also informed the Board that the College of Medicine ranks first in the nation in robotic surgery and that the hospital now owns three surgical robots. He also stated that the level of risk for this type of surgical procedure must be balanced with the fact that recovery is shorter. He acknowledged some liability related to robotic surgery. In discussion, Dr. Schmidt observed that purchases for the medical center are impressive in cost and then realized that these are related to the highly complex cases that are treated there.

BOARD MEETING RESUMED¹

The Board meeting resumed in regular session at 3:10 p.m. and Mr. Eppley announced that the items on the agenda would be presented and discussed. He then called on various administrators to present the agenda items.

¹Mr. Vickrey left the meeting at this time.

PRESENTATION AND DISCUSSION OF AGENDA ITEMS

Agenda item no. 3, “Appoint New Member to the Advisory Board of the Division of Specialized Care for Children (DSCC) in Springfield, Chicago”--Interim Chancellor Gislason stated that Keith R. Gabriel, a pediatric orthopaedic surgeon, currently a member of the Southern Illinois University Physicians and Surgeons, and an associate professor at the Southern Illinois University School of Medicine, Department of Surgery, is recommended to serve a three-year term from November 1, 2008, through October 31, 2011, on the advisory board. Dr. Gislason added that the Division of Specialized Care for Children has been administered by the University of Illinois since 1957 and it is the Title V agency in Illinois that provides care coordination for families and children with special health care needs and financial assistance for those who meet financial and medical eligibility requirements. He said the Board is comprised of 15 members, representative of a broad professional, experiential, and geographic cross-section of the State.

Agenda item no. 5, “Designate the Robert Dickman Classroom, UIC College of Pharmacy Program in Rockford, Chicago”--Dr. Gislason said that Mr. Robert Dickman’s gift of \$750,000 will help fund the construction of the College of Medicine building addition at Rockford and was motivated by Mr. Dickman’s fondness for the Rockford community, his dedication to the pharmacy profession, and his loyal support of the College of Pharmacy. Dr. Gislason stated that the \$31.5 million project to renovate and add to the College of Medicine at Rockford includes plans to add a

pharmacy program at this location. He added that Mr. Dickman's gift is for the naming of the largest of the three pharmacy classrooms.

Next, Mr. Eppley announced that the recommendations for capital projects would be presented by Mr. Michael Bass and that these had been grouped into two groups--deferred maintenance projects, and other capital projects.

Mr. Bass stated that all of these projects had been reviewed by the chair and vice chairs of the Buildings and Grounds Committee. He said he would present the deferred maintenance projects first.

Agenda item no. 12, "Approve Project for Heating, Ventilation, and Air Conditioning Remediation for Krannert Art Museum, Urbana"--Mr. Bass said that funding for this project was to come from the Certificates of Participation Series, 2007A.

Agenda item no. 14, "Approve Project for Heating, Ventilation, and Air Conditioning Upgrades for the Education, Performing Arts, and Social Work Building, Chicago"--Mr. Bass indicated that the funding for this project would come from the academic facilities maintenance fund assessment funds.

Agenda item no. 18, "Award Contract for Masonry Repairs and Window Replacement, College of Medicine West Tower, Phase 2, Chicago"; agenda item no. 21, "Employ Architect/Engineer for Heating, Ventilation, Air Conditioning, and Electrical Remediation, David Kinley Hall, Urbana"--There were no comments on these two recommendations.

Mr. Bass then presented the other capital projects recommended in the agenda.

Agenda item no. 13, “Approve Project for Stanley O. Ikenberry Commons Phases C and D, Residence Hall West and Garner Hall Demolition, Urbana”--Mr. Bass said that this was a 99,000 square foot project and that the entire project was scheduled for completion in summer 2012.

Agenda item no. 15, “Award Contracts for Job Order Contracting System, Urbana”--Mr. Bass said that the source of funds for these contracts is the restricted funds of the State appropriation.

Agenda item no. 16, “Award Contracts for National Center for Supercomputing Applications Petascale Computing Facility, Urbana”--Mr. Bass said that the source of funds for this project was certificates of participation.

Agenda item no. 17, “Award Contract for Natural Gas Pipeline Relocation for Curtis Road, Phase III, Urbana”--Mr. Bass said that this \$540,093 project would be funded by the restricted funds of the University’s operating budget with anticipated refunding from the City of Champaign and the State of Illinois.

Agenda item no. 19, “Increase Project Budget for Landscape and Lighting for Stanley O. Ikenberry Commons, Urbana”--Mr. Bass said that this amends the earlier project which was approved by the Board and will increase the project budget by \$1,522,036.

Agenda item no. 20, “Amend Construction Manager Agreement for Instructional Facility, College of Business, Urbana”--Mr. Bass indicated that this contract was with Gilbane Building Company, Chicago, for an amount not to exceed \$129,468 plus reimbursables estimated to be \$24,188.

Discussion followed and Mr. Montgomery asked if any preference was given Illinois companies for these contracts. Mr. Bass indicated that this was not the case because the Illinois Procurement Code called for a sealed bidding process that requires acceptance of the lowest responsible bid. Mr. Winters asked if the proposal for establishing internships for faculty and students was under consideration. Mr. Bass said he was working on this. Related to Mr. Winters' query, Mr. Shah suggested that each student trustee review the contracts and suggest one student to work on each and then ask the administration to suggest that the contractor hire one student. Mr. Shah also commented on the construction of the College of Business Instructional Facility and was critical of the work and the need to amend the contract.

Agenda item no. 22, "Purchase and Change Order Recommendations"--
Dr. Heather J. Haberaecker, executive assistant vice president for business and finance, indicated that she had reviewed these with Trustee Shah, chair of the Buildings and Grounds Committee, and Trustees Carroll and Vickrey, vice chairs of the committee. She said that the total of the purchases and change order recommended is \$25,713, 254 and that there are 21 purchases and one change order recommended. She indicated that there is a recommendation concerning streamlining the University's "P-Card" system. She also noted that there are two purchases on the agenda for the Petascale Computing Facility and that on advice of Trustee Shah these were bid separately.

AGENDA

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

By consensus, the Board agreed that one vote would be taken and considered the vote on each agenda item nos. 2 through 7 inclusive. The recommendations were individually discussed earlier but acted upon at one time.

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

Approve Minutes of Board of Trustees Meeting

(2) The Secretary presents for approval the minutes of the Board of Trustees meeting of May 17, 2007.

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

Appoint New Member to the Advisory Board of the Division of Specialized Care for Children (DSCC) in Springfield, Chicago

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

DSCC. The Board of Trustees is charged with appointing members to this advisory board.

The Interim Chancellor at Chicago recommends the following appointment to the DSCC Advisory Board for the term November 1, 2008, through October 31, 2011:

Keith R. Gabriel, M.D., Pediatric Orthopaedic Surgeon, SIU Physicians & Surgeons, and Associate Professor, SIU School of Medicine, Department of Surgery

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. Sperling, seconded by Dr. Carroll, this appointment was approved.

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

Appointments to the Faculty

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

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

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

Urbana-Champaign

Anupam Agrawal, Assistant Professor of Business Administration, summer appointment, on 100 percent time, at a monthly rate of \$5,181, August 1-15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$130,000, effective August 16, 2008.

Teresa Ann Barnes, Associate Professor of History, summer appointment, on 100 percent time, at a monthly rate of \$9,556, July 16-August 15, 2008, and continuing on indefinite tenure, on an academic year service basis, on 50 percent time, at an annual salary of \$43,000, effective August 16, 2008; and Associate Professor, Gender and Women's Studies Program, on indefinite tenure, on an academic year service basis, on 50 percent time, at an annual salary of \$43,000, beginning August 16, 2008, for a total salary of \$86,000.

Michael Kay Bednar, Assistant Professor of Business Administration, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$130,000, beginning August 16, 2008.

Kristine Brown, Assistant Professor of Economics, College of Liberal Arts and Sciences, probationary faculty on tenure track year one, on an academic year service basis, on 51 percent time, at an annual salary of \$49,222, beginning August 16, 2008; and Assistant Professor, School of Labor and Employment Relations, probationary faculty on tenure track year one, on an academic year service basis, on 49 percent time, at an annual salary of \$48,153, beginning August 16, 2008, for a total salary of \$97,375.

Matthew Chapman Caesar, Assistant Professor of Computer Science, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$87,000, beginning August 16, 2008.

Kirstie Dorr, Assistant Professor of African American Studies (formerly African American Studies and Research Program), probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$29,000, beginning August 16, 2007; and Assistant Professor, Gender and Women's Studies Program, probationary faculty on tenure track year one, on an academic year service basis, on 50 percent time, at an annual salary of \$29,000, beginning August 16, 2007, for a total salary of \$58,000. She will continue as Assistant Professor, Gender and Women's Studies Program, probationary faculty on tenure track year two, on an academic year

service basis, on 75 percent time, at an annual salary of \$44,153, beginning August 16, 2008; and Assistant Professor, Latina/Latino Studies Program, probationary faculty on tenure track year two, on an academic year service basis, on 25 percent time, at an annual salary of \$14,700, beginning August 16, 2008, for a total salary of \$58,853.

Kevin N. Erickson, Assistant Professor, School of Architecture, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$56,000, beginning August 16, 2008.

Chatham Ewing, Assistant Professor of Library Administration and Special Collections Curator, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 100 percent time, at an annual salary of \$60,000, beginning July 16, 2008.

Er Fang, Assistant Professor of Business Administration, summer appointment, on 100 percent time, at a monthly rate of \$17,778, July 1-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$160,000, effective August 16, 2008.

Don Fullerton, Professor of Finance, College of Business, on indefinite tenure, on an academic year service basis, on 50 percent time, at an annual salary of \$125,000, beginning August 16, 2008; and Professor, Institute of Government and Public Affairs, University Administration, on indefinite tenure, on an academic year service basis, on 50 percent time, at an annual salary of \$125,000, beginning August 16, 2008. Dr. Fullerton will also be appointed as Gutzgell Professor of Finance, College of Business, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2008, for a total salary of \$250,000.

Richard S. Gates, Professor of Agricultural and Biological Engineering, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$132,000, beginning August 16, 2008.

Dirk Hackbarth, Associate Professor of Finance, summer appointment, on 100 percent time, at a monthly rate of \$23,333, June 16-August 15, 2008, and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$210,000, effective August 16, 2008.

Gaines B. Hall, Professor, School of Architecture, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$100,000, beginning August 16, 2008.

Stewart Roger Hicks, Assistant Professor, School of Architecture, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$60,000, beginning August 16, 2008.

Naira Hovakimyan, Professor of Mechanical Science and Engineering, summer appointment, on 100 percent time, at a monthly rate of \$15,000, July 16-August 15, 2008, and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$135,000, effective August 16, 2008.

Carla Desi-Ann Hunter, Assistant Professor of Psychology, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$67,000, beginning August 16, 2008.

Margaret S. Kelley, Associate Professor of Sociology, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$72,000, beginning August 16, 2008.

Russell F. Korte, Assistant Professor of Human Resource Education, summer appointment, on 100 percent time, at a monthly rate of \$6,889, July 16-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$62,000, effective August 16, 2008.

Bumsoo Lee, Assistant Professor of Urban and Regional Planning, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$65,000, beginning August 16, 2008.

Wen-Tso Liu, Associate Professor of Civil and Environmental Engineering, summer appointment, on 100 percent time, at a monthly rate of \$12,222, August 1-15, 2008, and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$110,000, effective August 16, 2008.

Vicki Mahaffey, Professor of English, summer appointment, on 31 percent time, at a monthly rate of \$5,000, July 16-August 15, 2008, and continuing on indefinite tenure, on an academic year service basis, on 75 percent time, at an annual salary of \$106,875, effective August 16, 2008; and Associate Professor, Gender and Women's Studies Program, on indefinite tenure, on an academic year service basis, on 25 percent time, at an annual salary of \$35,625, beginning August 16, 2008. Dr. Mahaffey will also be appointed as Clayton and Thelma Kirkpatrick Professor in English, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 16, 2008, for a total salary of \$142,500.

Sayan Mitra, Assistant Professor of Electrical and Computer Engineering, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$85,000, beginning August 18, 2008.

Rita Hogan Mumm, Associate Professor of Crop Sciences, summer appointment, on 100 percent time, at a monthly rate of \$13,333, June 1-August 15, 2008, and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$120,000, effective August 16, 2008. Dr. Mumm was also appointed as Director of the Plant Breeding Center, Department of Crop Sciences, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, beginning June 1, 2008, for a total salary of \$120,000.

John M. Murphy, Associate Professor of Speech Communication, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$85,000, beginning August 16, 2008.

Eric J. Neuman, Assistant Professor of Business Administration, summer appointment, on 100 percent time, at a monthly rate of \$14,778, June 16-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$133,000, effective August 16, 2008.

Abel Saldivar Ramirez, Associate Professor, School of Music, Q probationary faculty, on an academic year service basis, on 100 percent time, at an annual salary of \$79,000, for four years beginning August 16, 2008.

Yvonne Gonzales Redman, Associate Professor, School of Music, Q probationary faculty, on an academic year service basis, on 100 percent time, at an annual salary of \$65,000, for four years beginning August 16, 2008.

Naomi B. Rothman, Assistant Professor of Business Administration, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$130,000, beginning August 16, 2008.

Tammie Renee Rubin, Assistant Professor, School of Art and Design, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$55,000, beginning August 16, 2008.

Jamelle C. Sharpe, Assistant Professor, College of Law, summer appointment, on 69 percent time, at a monthly rate of \$10,000, July 1-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$130,000, effective August 16, 2008.

Sanjiv Sinha, Assistant Professor of Mechanical Science and Engineering, summer appointment, on 100 percent time, at a monthly rate of \$9,778, July 31-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$88,000, effective August 16, 2008.

Douglas Cary Smith, Assistant Professor, School of Social Work, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$62,000, beginning August 16, 2008.

Deepak Somaya, Assistant Professor of Business Administration, summer appointment, on 100 percent time, at a monthly rate of \$15,556, June 16-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$140,000, effective August 16, 2008.

Paul J. Stancil, Assistant Professor, College of Law, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$130,000, beginning August 16, 2008.

Reynold Tharp, Assistant Professor, School of Music, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$55,000, beginning August 16, 2008.

Suja A. Thomas, Professor, College of Law, summer appointment, on 41 percent time, \$15,000, June 16-August 15, 2008, and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$163,000, effective August 16, 2008.

Tod E. Treat, Assistant Professor of Human Resource Education, summer appointment, on 100 percent time, at a monthly rate of \$6,444, July 16-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$58,000, effective August 16, 2008.

Alexander F. Vakakis, Professor of Mechanical Science and Engineering, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$145,000, beginning August 16, 2008; and W. Grafton and Lillian B. Wilkins Professor in Mechanical Science and Engineering, non-tenured, on an academic year service basis, on zero percent time, with an annual increment of \$7,500, beginning August 16, 2008, for a total salary of \$152,500.

Jacqueline M. Wypij, Assistant Professor of Veterinary Clinical Medicine, on initial/partial term appointment, on a twelve-month service basis, on 80 percent time, at an annual salary of \$76,000, August 4-15, 2008, and continuing as probationary faculty

on tenure track year one effective August 16, 2008; and Assistant Professor, Veterinary Teaching Hospital, on initial/partial term appointment, on a twelve-month service basis, on 20 percent time, at an annual salary of \$19,000, August 4-15, 2008, and continuing as probationary faculty on tenure track year one effective August 16, 2008, for a total salary of \$95,000. Tenure eligibility will be maintained at 100 percent in the Department of Veterinary Clinical Medicine.

Emeriti Appointments

Richard C. Alkire, Charles and Dorothy Prizer Chair Emeritus in the Department of Chemical and Biomolecular Engineering, September 1, 2008

Mark M. Clark, Professor Emeritus of Civil and Environmental Engineering, September 1, 2008

Susan I. Cohen, Associate Professor Emerita of Business Administration, July 1, 2008

Fred Delcomyn, Professor Emeritus of Entomology, October 1, 2008

David M. Desser, Professor Emeritus, Unit for Cinema Studies, and Professor Emeritus, Program in Comparative and World Literature, August 16, 2008

Louise M. Fitzgerald, Professor Emerita of Psychology, May 16, 2008

Phillip H. Geil, Professor Emeritus of Materials Science and Engineering, June 16, 2008

Thomas E. Goetz, Professor Emeritus of Veterinary Clinical Medicine, September 1, 2008

John W. Hill, Professor Emeritus, School of Music, August 16, 2008

Ann L. Johnson, Professor Emerita of Veterinary Clinical Medicine, September 1, 2008

James F. Keene, Professor Emeritus, School of Music, September 1, 2008

George E. Monahan, Professor Emeritus of Business Administration, July 1, 2008

Out-of-Cycle Faculty Promotion/Tenure

To the rank of Professor Without Change in Tenure:

Lisa Nakamura, from Associate Professor, Institute of Communications Research, College of Media, to the rank of Professor, on indefinite tenure, effective August 16, 2008

Chicago

Sunil M. Agnani, Assistant Professor of English, probationary faculty on tenure track year two, on an academic year service basis, on 50 percent time, at an annual salary of \$33,500, beginning August 16, 2008; and Assistant Professor of History, probationary faculty on tenure track year two, on an academic year service basis, on 50 percent time, at an annual salary of \$33,500, beginning August 16, 2008, for a total salary of \$67,000.

Saad Alvi, Assistant Professor of Internal Medicine, College of Medicine at Peoria, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 56 percent time, at an annual salary of \$83,275, beginning June 18, 2008; and Physician Surgeon in Internal Medicine, College of Medicine at Peoria, non-tenured, on a twelve-month service basis, on 44 percent time, at an annual salary of \$66,725, beginning June 18, 2008, for a total salary of \$150,000.

Laura L. Anderson, Assistant Professor of Chemistry, summer appointment, on 100 percent time, at a monthly rate of \$7,944, July 16-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$71,500, effective August 16, 2008.

Richard Cavanaugh, 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 \$73,000, beginning August 16, 2008.

Alexey Cheskidov, Assistant Professor of Mathematics, probationary faculty on tenure track year three, on an academic year service basis, on 100 percent time, at an annual salary of \$78,000, beginning August 16, 2008.

Joshua M. Drucker, Assistant Professor of Urban Planning and Policy, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$65,000, beginning August 16, 2008.

David Dumas, Assistant Professor of Mathematics, Statistics, and Computer Science, summer appointment, on 100 percent time, at a monthly rate of \$8,556, June 16-August 15, 2008, and continuing as probationary faculty on tenure track year three, on an academic year service basis, on 100 percent time, at an annual salary of \$77,000, effective August 16, 2008.

Kimberly D. Farris, Assistant Professor, Jane Addams College of Social Work, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$63,000, beginning August 16, 2008.

Mauricio E. Flores, Assistant Professor of Pediatrics, College of Medicine at Peoria, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 51 percent time, at an annual salary of \$72,420, beginning July 1, 2008; and Physician Surgeon in Pediatrics, College of Medicine at Peoria, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$69,580, beginning July 1, 2008, for a total salary of \$142,000.

Praveen Kumar Gajendrareddy, Assistant Professor of Periodontics, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 100 percent time, at an annual salary of \$96,000, beginning July 1, 2008.

Rebekah Hamilton, Assistant Professor of Women, Children, and Family Health Science, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$75,000, beginning August 16, 2008.

Seungpyo Hong, Assistant Professor of Pharmaceutics, Department of Biopharmaceutical Sciences, summer appointment, on 100 percent time, at a monthly rate of \$8,888, July 1-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$80,000, effective August 16, 2008.

Steven Edward Lacey, Assistant Professor, Division of Environmental and Occupational Health Sciences, School of Public Health, probationary faculty on tenure track year three, on an academic year service basis, on 70 percent time, at an annual salary of \$52,500, beginning August 16, 2008; Research Scientist, Division of Environmental and Occupational Health Sciences, School of Public Health, non-tenured, on an academic year service basis, on 30 percent time, at an annual salary of \$27,000, beginning August 16, 2008; and Program Director, Industrial Hygiene and Occupational Safety Program, Division of Environmental and Occupational Health Sciences, School of Public Health, non-tenured, on an academic year service basis, with an administrative increment of \$10,000, beginning August 16, 2008, for a total salary of \$89,500.

Raj Mashruwala, Assistant Professor of Accounting, summer appointment, on 100 percent time, at a monthly rate of \$16,666, June 16-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$150,000, effective August 16, 2008.

Emily Minor, Assistant Professor of Biological Sciences, probationary faculty on tenure track year one, on an academic year service basis, on 51 percent time, at an annual salary of \$35,190, beginning August 16, 2008; and Research Assistant Professor, Institute of Environmental Science and Policy, non-tenured, on an academic year service basis, on 49 percent time, at an annual salary of \$33,810, beginning August 16, 2008, for a total salary of \$69,000.

Thomas Murtha, Professor of Managerial Studies, on indefinite tenure, on an academic year service basis, on 50 percent time, at an annual salary of \$62,500, beginning August 16, 2008.

Shailendra Pandit, Assistant Professor of Accounting, summer appointment, on 100 percent time, at a monthly rate of \$16,667, June 16-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$150,000, effective August 16, 2008.

Pravin K. Patel, Professor of Surgery, College of Medicine at Chicago, on indefinite tenure, on a twelve-month service basis, on 24 percent time, at an annual salary of \$60,000, beginning August 16, 2008. Dr. Patel will continue to serve as Physician Surgeon in Surgery, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 26 percent time, at an annual salary of \$65,000, effective August 16, 2008, for a total salary of \$125,000.

Wenjing Rao, Assistant Professor of Electrical and Computer Engineering, 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, 2008.

Dale W.R. Rosenthal, Assistant Professor of Finance, summer appointment, on 100 percent time, at a monthly rate of \$15,488, July 16-August 15, 2008, and continuing as probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$139,400, effective August 16, 2008.

Marc A. Singer, Assistant Professor of Surgery, College of Medicine at Chicago, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 51 percent time, at an annual salary of \$100,000, beginning July 1, 2008. Dr. Singer will continue to serve as Physician Surgeon in Surgery, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 49 percent time, at an annual salary of \$75,000, effective July 1, 2008, for a total salary of \$175,000.

Emeriti Appointments

Yair M. Babad, Professor Emeritus of Information and Decision Sciences, June 16, 2008

Mary E. Bay, Associate Professor Emerita of Special Education, August 16, 2008

Robert Paul Becker, Associate Professor Emeritus of Anatomy and Cell Biology, College of Medicine at Chicago, January 1, 2008

William P. Bridges, Professor Emeritus of Sociology, June 16, 2007

Paul J. Goldstein, Professor Emeritus and Research Professor Emeritus, Division of Epidemiology and Biostatistics, January 16, 2008

Joseph Thomas Hjelle, Associate Professor Emeritus of Cancer Biology and Pharmacology, College of Medicine at Peoria, November 1, 2007

King-Tim Mak, Associate Professor Emeritus of Information and Decision Sciences, August 16, 2008

Lawrence S. Ross, Professor Emeritus of Urology, College of Medicine at Chicago, July 1, 2006

Springfield

Christine Marie Ross, Assistant Professor, Library Instructional Services, probationary faculty on tenure track year one, on a twelve-month service basis, on 100 percent time, at an annual salary of \$50,000, beginning June 2, 2008; and Director of Collections Services, Library Instructional Services, non-tenured, on a twelve-month service basis, with an administrative increment of \$4,500, beginning June 2, 2008, for a total salary of \$54,500.

Frances Chi-Hui Shen, Assistant Professor of Psychology, probationary faculty on tenure track year one, on an academic year service basis, on 100 percent time, at an annual salary of \$48,000, beginning August 16, 2008.

Emeriti Appointments

William H. Jordan, Associate Professor Emeritus of Legal Studies and Associate Professor, Experiential and Service-Learning Programs, September 1, 2008

Sandra J. Mills, Associate Professor Emerita of Social Work, August 16, 2008

Kent D. Redfield, Professor Emeritus of Political Studies, September 1, 2008

Administrative/Professional Staff

Rodney P. Allen, Assistant Dean of Libraries for Business Operations and Management Information, University Library, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$98,000, beginning September 15, 2008. Mr. Allen was appointed to serve as Interim Assistant Dean of Libraries for Business Operations and Management Information, non-tenured, on a

twelve-month service basis, on 100 percent time, at an annual salary of \$93,751, beginning July 16-August 15, 2008, and at an annual salary of \$98,000, effective August 16-September 14, 2008.

David William Bartels, Vice Dean for the College of Pharmacy at Rockford Program, Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$40,000, beginning September 16, 2008. Dr. Bartels was appointed to serve as Visiting Vice Dean for the College of Pharmacy at Rockford Program under the same conditions and salary arrangement beginning October 16, 2007. He will be appointed to the rank of Clinical Professor of Pharmacy Practice, College of Pharmacy, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$115,214, beginning September 16, 2008. Dr. Bartels will continue to hold the rank of Clinical Pharmacist in Pharmacy Practice, College of Pharmacy, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2008, for a total salary of \$155,214.

Evan H. Delucia, Director of the School of Integrative Biology, College of Liberal Arts and Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$11,000, beginning October 1, 2008. In addition, Dr. Delucia will receive an amount equal to one-ninth of his total academic year salary for one month's service during each summer of his appointment as Director (\$18,222 for Summer 2009). He will be appointed as G. William Arends Professor of Integrative Biology, School of Integrative Biology, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, on zero percent time, with an annual increment of \$10,000, beginning August 16, 2008. Dr. Delucia will continue to hold the rank of Professor of Plant Biology, School of Integrative 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 \$153,000, effective August 16, 2008; Professor, Institute for Genomic Biology, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2008; and Head of the Department of Plant Biology, School of Integrative Biology, College of Liberal Arts and Sciences, non-tenured, on an academic year service basis, with an administrative increment of \$5,500, effective August 16, 2008, for a total salary of \$197,722.

Margaret Elen Deming, Head of the Department of Landscape Architecture, College of Fine and Applied Arts, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$4,000, beginning October 16, 2008. In addition, Dr. Deming will receive an amount equal to two-ninth's of her academic year base salary for two months' service during each summer of her appointment as Head (\$21,556 for Summer 2009). She will also be appointed to the rank of Professor of Landscape Architecture, College of Fine and Applied Arts, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$97,000, beginning October 16, 2008, for a total salary of \$122,556.

William Marc DeVar, Senior Revenue Cycle Director, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$140,000, beginning September 15, 2008.

Jason Lee Emmert, Assistant Dean of Academic Programs, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$82,000, beginning September 15, 2008. In addition, Dr. Emmert will receive an amount equal to two-ninth's of his academic year base salary for two months' service during each summer of his appointment as Assistant Dean of Academic Programs (\$18,222 for Summer 2009). He was appointed to serve as Interim Assistant Dean of Academic Programs, summer appointment, on 100 percent time, at a monthly rate of \$9,111, August 1-15, 2008. Dr. Emmert was also appointed to the rank of Professor of Animal Sciences, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure, on an academic year service basis, on zero percent time, non-salaried, beginning August 1, 2008, for a total salary of \$100,222.

Janet P. Engle, Head of the Department of Pharmacy Practice, College of Pharmacy, Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$10,000, beginning September 16, 2008. Dr. Engle was appointed to serve as Interim Head of the Department of Pharmacy Practice under the same conditions and salary arrangement beginning December 16, 2007. She will be appointed to the rank of Professor of Pharmacy Practice, College of Pharmacy, on indefinite tenure, on a twelve-month service basis, on 60 percent time, at an annual salary of \$102,000, beginning September 16, 2008; and Clinical Pharmacist, University of Illinois Hospital and Clinics, non-tenured, on a twelve-month service basis, on 40 percent time, at an annual salary of \$68,000, beginning September 16, 2008. Dr. Engle will continue to serve as Executive Associate Dean, College of Pharmacy, non-tenured, on a twelve-month service basis, with an administrative increment of \$20,000, effective September 16, 2008, for a total salary of \$200,000. Funding equivalent to a 40 percent time appointment as Professor on indefinite tenure, is being provided by the University of Illinois Hospital and Clinics.

Barbara Fiese, Director of the Family Resiliency Center, Department of Human and Community Development, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, non-tenured, on a twelve-month service basis, on zero percent time, with an annual increment of \$15,000, beginning September 15, 2008. Dr. Fiese was appointed to serve as Interim Director of the Family Resiliency Center under the same conditions and salary arrangement beginning August 16, 2008. She was also appointed as Professor in Human Development and Family Studies, Department of Human and Community Development, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$115,000, beginning August 16, 2008; and

Pampered Chef, Ltd. Endowed Chair in Family Resiliency, Department of Human and Community Development, College of Agricultural, Consumer and Environmental Sciences, non-tenured, on a twelve-month service basis, on zero percent time, with an annual increment of \$20,000, beginning August 16, 2008, for a total salary of \$150,000.

Mary Elizabeth Fitzgerald, Director of Anesthesiology, University of Illinois Hospital and Clinics, Chicago, non-tenured, on a twelve-month service basis, on 63 percent time, at an annual salary of \$72,500, beginning September 15, 2008; and Director of Anesthesiology, College of Medicine, Chicago, non-tenured, on a twelve-month service basis, on 37 percent time, at an annual salary of \$42,500, beginning September 15, 2008, for a total salary of \$115,000. Ms. Fitzgerald was appointed to serve as Visiting Director of Anesthesiology under the same conditions and salary arrangement beginning July 1, 2008.

Michael C. Hirschi, Assistant Dean for Undergraduate Programs, College of Engineering, Urbana-Champaign, non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$112,000, beginning September 15, 2008. In addition, Dr. Hirschi will receive an amount equal to two-ninth's of his academic year base salary for two months' service during each summer of his appointment as Assistant Dean for Undergraduate Programs (\$24,889 for Summer 2009). He was appointed to serve as Interim Assistant Dean for Undergraduate Programs under the same conditions and salary arrangement beginning August 16, 2008. Dr. Hirschi will continue to hold the rank of Professor of Agricultural and Biological Engineering, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2008, and Professor of Agricultural Engineering, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2008, for a total salary of \$136,889.

Stafford L. Hood, Head of the Department of Curriculum and Instruction, College of Education, Urbana-Champaign, non-tenured, on a twelve-month service basis, with an administrative increment of \$20,000, beginning September 15, 2008. Dr. Hood was appointed to serve as Interim Head of the Department of Curriculum and Instruction under the same conditions and salary arrangement beginning August 1, 2008. He will also be appointed to the rank of Professor of Curriculum and Instruction, College of Education, on indefinite tenure, on zero percent time, non-salaried, August 1-15, 2008, and continuing on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$150,000, effective August 16, 2008; Professor of Educational Psychology, College of Education, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 1, 2008; and Sheila M. Miller Professor, Department of Curriculum and Instruction, College of Education, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning August 1, 2008, for a total salary of \$170,000.

Stephen Marshak, Director of the School of Earth, Society and Environment, College of Liberal Arts and Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$7,700, beginning September 15, 2008. In addition, Dr. Marshak will receive an amount equal to two-ninth's of his total academic year salary for two months' service during each summer of his appointment as Director (\$28,822 for Summer 2009). He was appointed to serve as Interim Director of the School of Earth, Society and Environment under the same conditions and salary arrangement beginning August 16, 2008. Dr. Marshak will continue to hold the rank of Professor of Geology, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$122,000, effective August 16, 2008, for a total salary of \$158,522.

Robert J. McKim, Head of the Department of Religion, College of Liberal Arts and Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$4,400, beginning September 15, 2008. Dr. McKim was appointed to serve as Interim Head of the Department of Religion under the same conditions and salary arrangement beginning August 16, 2008. He will continue to hold the rank of Professor of Religion, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$120,000, effective August 16, 2007; Professor of Philosophy, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2007; and Campus Honors Faculty, non-tenured, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2007.

Curtis Perry, Head of the Department of English, College of Liberal Arts and Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$7,700, beginning September 15, 2008. In addition, Dr. Perry will receive an amount equal to two-ninth's of his total academic year salary for two months' service during each summer of his appointment as Head (\$26,156 for Summer 2009). He was appointed to serve as Interim Head of the Department of English under the same conditions and salary arrangement beginning August 16, 2008. Dr. Perry will continue to hold the rank of Professor of English, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$110,000, effective August 16, 2008, for a total salary of \$143,856.

Roslyn R. Pitts, Director of Meetings, Conferences and Dining Services, Campus Auxiliary Services, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$95,000, beginning September 16, 2008. Ms. Pitts was appointed to serve as Visiting Director of Meetings, Conferences and Dining Services under the same conditions and salary arrangement beginning June 16, 2008.

Robert M. Rauber, Head of the Department of Atmospheric Sciences, College of Liberal Arts and Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$4,400, beginning September 15, 2008. In addition, Dr. Rauber will receive an amount equal to one-ninth of his total academic year salary for one month of service during each summer of his appointment as Head (\$13,822 for Summer 2009). He was appointed to serve as Interim Head of the Department of Atmospheric Sciences under the same conditions and salary arrangement beginning August 16, 2008. Dr. Rauber will continue to hold the rank of Professor of Atmospheric Sciences, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$120,000, effective August 16, 2008, for a total salary of \$138,222.

Kenneth E. Rowe, Director of Enterprise Systems Assurance and Information Security, University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$125,000, beginning October 1, 2008.

David Sansone, Head of the Department of the Classics, College of Liberal Arts and Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$4,400, beginning September 15, 2008. In addition, Dr. Sansone will receive an amount equal to one-ninth of his total academic year salary for one month of service during each summer of his appointment as Head (\$12,156 for Summer 2009). He was appointed to serve as Interim Head of the Department of the Classics under the same conditions and salary arrangement beginning August 16, 2008. Dr. Sansone will continue to hold the rank of Professor of the Classics, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$105,000, effective August 16, 2008, for a total salary of \$121,556.

Marieke Dekker Schoen, Associate Dean for Academic Affairs, College of Pharmacy, Chicago, non-tenured, on a twelve-month service basis, with an administrative increment of \$20,000, beginning September 16, 2008. Dr. Schoen will continue to hold the rank of Clinical Associate Professor of Pharmacy Practice, College of Pharmacy, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$127,157, effective August 16, 2008; Clinical Associate Professor of Pharmacy, Department of Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2008; and Clinical Pharmacist in Pharmacy Practice, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, effective August 16, 2008, for a total salary of \$147,157.

Jeffrey M. Schrader, Assistant Dean of Libraries for Facilities, University Library, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$99,497, beginning September 15, 2008. Mr. Schrader was

appointed to serve as Interim Assistant Dean of Libraries for Facilities, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$98,269, beginning July 16-August 15, 2008, and at an annual salary of \$99,497, effective August 16-September 14, 2008.

Suresh Sharma, Director of Finance, Department of Pediatrics, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$100,000, beginning September 15, 2008. Mr. Sharma was appointed to serve as Visiting Director of Finance under the same conditions and salary arrangement beginning June 18, 2008.

Mark K. Smith, Executive Director of the Universal Parallel Computing Research Center, Department of Computer Science, College of Engineering, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$125,000, beginning September 15, 2008. Dr. Smith was appointed to serve as Interim Executive Director of the Universal Parallel Computing Research Center under the same conditions and salary arrangement beginning July 22, 2008.

Mo-Yin S. Tam, Vice Provost for Faculty Affairs, Office of the Provost and Vice Chancellor for Academic Affairs, Chicago, non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$125,000 and an administrative increment of \$25,000, beginning September 15, 2008. Dr. Tam will receive an amount equal to two-ninth's of her total academic year base salary for two months' service during each summer of her appointment as Vice Provost (\$33,333 for Summer 2009). Dr. Tam was appointed to serve as Interim Vice Provost for Faculty Affairs under the same conditions and salary arrangement beginning August 16, 2008. She will continue to hold the rank of Professor of Economics, College of Business Administration, on indefinite tenure, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2008, for a total salary of \$183,333.

Molly M. Tracy, Associate Dean for Advancement, College of Engineering, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$80,000, beginning September 15, 2008; and Associate Dean for Advancement, Office of the Vice Chancellor for Institutional Advancement, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$90,000, beginning September 15, 2008, for a total salary of \$170,000. Ms. Tracy was appointed to serve as Interim Associate Dean for Advancement under the same conditions and salary arrangement beginning August 16, 2008.

Vicki L. Trimble, Assistant Dean of Libraries for Advancement, University Library, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$62,500, beginning September 15, 2008; and Assistant Dean of Libraries for Advancement, Office of the Vice Chancellor for Institutional Advancement,

non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$62,500, beginning September 15, 2008, for a total salary of \$125,000. Ms. Trimble was appointed to serve as Interim Assistant Dean of Libraries for Advancement, University Library, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$60,978, beginning July 16-August 15, 2008, and at an annual salary of \$62,500, effective August 16-September 14, 2008; and Assistant Dean of Libraries for Advancement, Office of the Vice Chancellor for Institutional Advancement, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$60,978, beginning July 16-August 15, 2008, and at an annual of \$62,500, effective August 16-September 14, 2008.

Connie D. Walsh, Chief Financial Officer, The Consortium of Academic and Research Libraries in Illinois (CARLI), University Administration, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$116,000, beginning September 15, 2008. Ms. Walsh was appointed to serve as Interim Chief Financial Officer under the same conditions and salary arrangement beginning July 16, 2008.

Richard Eugene Warner, Director, Office of Sustainability, Office of the Vice Chancellor for Public Engagement, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$228,267, beginning September 16, 2008. Dr. Warner will continue to hold the rank of Professor of Natural Resources and Environmental Sciences, College of Agricultural, Consumer and Environmental Sciences, on indefinite tenure, on an academic year service basis, on zero percent time, non-salaried, effective September 16, 2008, for a total salary of \$228,267.

Robert Warrior, Director, Native American House and American Indian Studies Program, College of Liberal Arts and Sciences, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$4,400, beginning September 15, 2008. In addition, Dr. Warrior will receive an amount equal to two-ninth's of his total academic year salary for two months' service during each summer of his appointment as Director (\$27,644 for Summer 2009). He was appointed to serve as Interim Director, Native American House and American Indian Studies Program, under the same conditions and salary arrangement beginning August 16, 2008. Dr. Warrior was also appointed to the rank of Professor, American Indian Studies Program, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 75 percent time, at an annual salary of \$90,000, beginning August 16, 2008; and Professor of English, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 25 percent time, at an annual salary of \$30,000, beginning August 16, 2008, for a total salary of \$152,044.

Angela L. Yudt, Director of Faculty Affairs Human Resources, Office of the Vice Provost for Faculty Affairs, Chicago, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$120,000, beginning September 15, 2008.

Ms. Yudt was appointed to serve as Interim Director of Faculty Affairs Human Resources under the same conditions and salary arrangement beginning August 1, 2008.

Sarah Marie Zehr, Assistant Dean for Communications, College of Engineering, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$49,000, beginning September 15, 2008. Ms. Zehr was appointed to serve as Interim Assistant Dean for Communications under the same conditions and salary arrangement beginning July 16, 2008. She will continue to hold the position of Assistant Dean and Director of Engineering Career Services, College of Engineering, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$49,000, effective July 16, 2008, for a total salary of \$98,000.

Intercollegiate Athletic Staff

Thomas R. Michael, Associate Athletic Director of Student Services, Division of Intercollegiate Athletics, Urbana-Champaign, non-tenured, on a twelve-month service basis, on 100 percent time, at an annual salary of \$92,000, beginning September 15, 2008. Mr. Michael was appointed to serve as Interim Associate Athletic Director of Student Services under the same conditions and salary arrangement beginning August 16, 2008.

Addendum

Amendments To Previously Confirmed Faculty Appointments

Chicago

Min J. Joo, Assistant Professor of Pulmonary, Critical Care and Sleep Medicine, Department of Medicine, College of Medicine at Chicago, probationary faculty on initial/partial term appointment, on a twelve-month service basis, on 51 percent time, at an annual salary of \$57,350, beginning June 1, 2008, ~~and~~ **Dr. Joo will continue to serve as** Physician Surgeon in Pulmonary, Critical Care and Sleep Medicine, Department of Medicine, College of Medicine at Chicago, non-tenured, on a twelve-month service basis, on 12 percent time, at an annual salary of \$17,075, ~~beginning June 1, 2008~~ **effective August 16, 2007**, for a total salary of \$74,425.

Administrative/Professional Staff

Approved In Executive Committee Meeting, August 14, 2008

Appoint Interim Dean, College of Liberal Arts and Sciences, Urbana

The Chancellor at Urbana has recommended the appointment of Philip M. Best, presently Professor of Physiology, Basic Sciences, College of Medicine at Urbana-Champaign; Professor of Bioengineering, College of Engineering; Professor of Physiology in the Department of Molecular and Integrative Physiology, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences; and Associate Dean, College of Liberal Arts and Sciences, as Interim Dean of the College of Liberal Arts and Sciences, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, beginning August 16, 2008. He will serve as Interim Dean until a succeeding Dean is named to a fixed-term appointment following a search internal to the University.

While serving as Interim Dean, Dr. Best will continue as Professor of Physiology, Basic Sciences, College of Medicine at Urbana-Champaign, on indefinite tenure on an academic year service basis, on 25 percent time, at an annual salary of \$40,704; Professor of Bioengineering, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried; Professor of Physiology in the Department of Molecular and Integrative Physiology, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 25 percent time, at an annual salary of ~~\$40,796~~ **\$40,533**; and Associate Dean, non-tenured, on an academic year service basis, on 50 percent time, at an annual salary of ~~\$82,500~~ **\$88,763** and an administrative increment of \$15,000, for a total salary of ~~\$179,000~~ **\$185,000**, beginning August 16, 2008.

Dr. Best succeeds Dean Sarah C. Mangelsdorf, who will leave the position August 15, 2008, in order to accept an appointment as Dean of the Weinberg College of Arts and Sciences at Northwestern University, Evanston, Illinois.

Clifford Christians, Director, Institute of Communications Research, College of Communications, Urbana-Champaign, non-tenured, on ~~a twelve-month~~ **an academic year** service basis, with an administrative increment of \$12,000, beginning November 16, 2007. Dr. Christians was appointed to serve as Interim Director, Institute of Communications Research, under the same conditions and salary arrangement beginning August 16, 2007. He will continue to hold the rank of Research Professor, Institute of Communications Research, College of Communications, on indefinite tenure, on an academic year service basis, on 100 percent time, at an annual salary of \$100,330, effective August 16, 2007; Professor of Journalism, College of Communications, ~~non-tenured~~ **on indefinite tenure**, on an academic year service basis, on zero percent time, non-salaried, effective August 16, 2007; and Charles H. Sandage Distinguished Professor in Advertising, College of Communications, non-tenured, on an academic year service

basis, with an annual increment of \$12,000, effective August 16, 2007, for a total salary of \$124,330.

Donna J. Cox, Director, Digital Arts and Media Initiative, ~~Office of the Provost and Vice Chancellor for Academic Affairs~~ **School of Art and Design, College of Fine and Applied Arts**, Urbana-Champaign, non-tenured, on an academic year service basis, with an administrative increment of \$5,000, beginning January 21, 2008. In addition, Ms. Cox will receive an amount equal to one-ninth of her total academic year salary for one month's service during each summer of her appointment as Director (\$19,667 for Summer 2008). She was appointed to serve as Interim Director, Digital Arts and Media Initiative, under the same conditions and salary arrangement beginning January 16, 2008. Ms. Cox was appointed to serve as Special Advisor to the Provost on Arts and Media, **Office of the Provost and Vice Chancellor for Academic Affairs**, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, beginning January 16, 2008. She was also appointed as Michael Aiken Endowed Chair, ~~National Center for Supercomputing Applications~~ **School of Art and Design, College of Fine and Applied Arts**, non-tenured, on an academic year service basis, on zero percent time, non-salaried, beginning January 1, 2008. She will continue to hold the rank of Professor, School of Art and Design, College of Fine and Applied Arts, on indefinite tenure, on an academic year service basis, on zero percent time, non-salaried, effective January 1, 2008; and Senior Research Scientist, National Center for Supercomputing Applications, non-tenured, on an academic year service basis, on 100 percent time, at an annual salary of \$172,000, effective January 1, 2008, for a total salary of \$196,667.

David E. Deutsch, Chair of the Department of Pediatrics, College of Medicine at Rockford, non-tenured, on a twelve-month service basis, with an administrative increment of \$25,000, beginning May 26, 2008; Associate Professor of Clinical Pediatrics, College of Medicine at Rockford, non-tenured, on a twelve-month service basis, on 10 percent time, at an annual salary of \$5,000, beginning May 26, 2008; and ~~Clinical Physician~~ **Physician Surgeon** in Pediatrics, College of Medicine at Rockford, non-tenured, on a twelve-month service basis, on 50 percent time, at an annual salary of \$30,000, beginning May 26, 2008, for a total salary of \$60,000.

Robin J. Mermelstein, Director, Institute for Health Research and Policy, School of Public Health, Chicago, non-tenured, on an academic year service basis, with an administrative increment of \$50,000, beginning August 16, 2008. In addition, Dr. Mermelstein will be appointed to the rank of Clinical Professor of Community Health Sciences, School of Public Health, Chicago, non-tenured, on an academic year service basis, on 25 percent time, at an annual salary of \$40,000, beginning August 16, 2008. ~~He~~ **She** will continue to hold the rank of Professor of Psychology, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 75 percent time, at an annual salary of \$120,000, effective August 16, 2008, for a total salary of \$210,000.

Funding equivalent to a 25 percent time appointment as Professor, on indefinite tenure, is being provided by the School of Public Health.

Feniosky A. Peña-Mora, Associate Provost, Office of the Provost and Vice Chancellor for Academic Affairs, Urbana-Champaign, non-tenured, on an academic year service basis, on ~~75~~ **76** percent time, at an annual salary of \$129,000, beginning January 21, 2008. Dr. Peña-Mora was appointed to serve as Interim Associate Provost under the same conditions and salary arrangement beginning January 16, 2008. He will continue to hold the rank of Professor of Civil and Environmental Engineering, College of Engineering, on indefinite tenure, on an academic year service basis, on ~~25~~ **24** percent time, at an annual salary of \$40,000, effective January 16, 2008. Dr. Peña-Mora will continue as William E. O'Neil Faculty Scholar, Department of Civil and Environmental Engineering, College of Engineering, non-tenured, on an academic year service basis, with an increment of \$3,000, effective January 16, 2008; and Center Affiliate, National Center for Supercomputing Applications, non-tenured, on ~~an academic year~~ **a twelve-month** service basis, on zero percent time, non-salaried, effective January 16, 2008, for a total salary of \$172,000.

On motion of Mr. Sperling, seconded by Dr. Carroll, these appointments were confirmed.

Designate the Robert Dickman Classroom, UIC College of Pharmacy Program in Rockford, Chicago

(5) The Interim Chancellor at Chicago has recommended the naming of a yet to-be-constructed classroom at the College of Medicine at Rockford located at 1601 Parkview Avenue, as the Robert Dickman Classroom in recognition of Mr. Dickman's \$750,000 gift. This gift will help fund the construction of the College of Medicine at Rockford building expansion project. Specifically, Mr. Dickman is supportive of the establishment of a regional pharmacy program in Rockford. In 2007, the UIC College of Pharmacy obtained approval from the Illinois Board of Higher Education to offer the Doctor of Pharmacy degree at the Rockford campus.

The \$31.5 million renovation and expansion of the College of Medicine at Rockford will add 58,000 square feet of new space, including three new classrooms built and dedicated to the pharmacy curriculum. The renovation includes the proposed Robert Dickman Classroom, with seating for approximately 50 students. The classroom will be located on the second floor, in the space presently occupied by the medical library, Room E204, and adjacent to the existing auditorium, Room E207.

Mr. Dickman who was originally from Kankakee, Illinois, graduated from the College of Pharmacy in 1951, after serving in the U.S. Navy during World War II. Following his graduation he served two years in the U.S. Army. After this, he held professional positions as a professional pharmacist including: Director of Pharmacy at a Chicago hospital, Supervisor for In-Patient Pharmacy at the University of Wisconsin Hospitals, and Director of Pharmacy and Medical Services for the State of Illinois Mental Health Center at Rockford. In the last position, he served for thirteen years prior to his retirement. His dedication to the pharmacy profession and his loyal support of the UIC College of Pharmacy motivated him to make this generous gift commitment.

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. Sperling, seconded by Dr. Carroll, this recommendation was approved.

Approve Tuition Rates, Global Campus Programs in Business Management

(6) At the meeting on March 13, 2007, members of the Board of Trustees approved the establishment of the University of Illinois Global Campus. The Global Campus offers fully accredited University of Illinois master's degrees, bachelor's completion degrees, and certificate programs across an array of disciplines. These academic programs and courses are developed and delivered in partnership with University of Illinois colleges and departments.

Global Campus programs are being implemented according to a phased roll-out schedule. Degree programs scheduled for launch on May 6, 2009, include the following:

In partnership with the College of Business, Department of Business Administration, Urbana-Champaign

- Master of Science in Technology Management

In partnership with the College of Business Administration, Department of Information and Decision Sciences, Chicago

- Master of Science in Management Information Systems

All programs offered by the Global Campus will be self-supporting and operated on a “full cost recovery” basis. Tuition rates for Global Campus programs are market driven and are priced competitively to achieve enrollment goals, cover costs, and generate revenues for investment in the University’s instructional mission. When

establishing tuition rates it is also important to recognize the University's land-grant heritage and ensure access to qualified students regardless of income level.

The Global Campus leverages the long-term investment that Illinois taxpayers have invested in the University of Illinois and will benefit budgetarily from a small amount of recurring state support. Therefore, the tuition for Illinois residents who enroll in the undergraduate, graduate, and certificate programs offered by the Global Campus will be ten percent less than the tuition for non-residents.

The Global Campus also leverages and benefits from the tuition and fees paid by and other support provided by past University of Illinois graduates that have helped maintain and strengthen the institution and its academic programs. Therefore, the tuition for University of Illinois graduates (recipients of undergraduate and graduate degrees from any University of Illinois campus), who are also contributing members of the University of Illinois Alumni Association (UIAA) will be ten percent less than the tuition for non-residents.

Approval is recommended for the following tuition rates for the certificate programs to be launched by the Global Campus in May 2009. The new tuition rates become effective March 2009.

Program	Program Type	Total Credit Hours	Tuition for Illinois Residents ¹		Tuition for Non-Residents	
			Per Credit Hour	Total Program	Per Credit Hour	Total Program
Technology Management	Master of Science Degree	40 credit hours	\$810	\$32,400	\$900	\$36,000
Management Information Systems	Master of Science Degree	32 credit hours	\$765	\$24,480	\$850	\$27,200

¹Recipients of undergraduate and graduate degrees from any University of Illinois campus who are also contributing members of the UIAA.

Tuition requirements for these programs will be reviewed and adjusted annually at the beginning of the fiscal year. It is recommended that the above tuition rates be approved for Fiscal Year 2009, with the understanding that Global Campus may adjust tuition rates on a fiscal year basis up to five percent to address inflationary cost increases and ensure adequate resources are available to operate each program. Any proposed increase above the five percent threshold requires presentation to and approval by the Board. This approval and reporting model would apply to all Global Campus programs and the differential tuition rates established for each program. An annual report of tuition increases below the five percent threshold would be made to the Board.

The undergraduate tuition levels of the Global Campus must be compatible with State law, which requires Illinois public universities to guarantee that tuition levels will not increase for a period of four consecutive years after a student's initial enrollment in an undergraduate degree program. While the State law applies only to Illinois residents, the University of Illinois provides the four-year guarantee to both resident and non-resident undergraduates.

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 and the Vice President/Chief Financial Officer and Comptroller concur with this recommendation.

The President of the University recommends approval.

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

Approve Natural Gas Cost Management Policy

(7) The Vice President/Chief Financial Officer and Comptroller has been reviewing utility operations and recommends the adoption of the policy to govern cost management activities related to the purchase of natural gas. The action establishes new University practices as Board approved 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.

Accordingly, the Vice President/Chief Financial Officer and Comptroller recommends adoption of the proposed policy.

The President of the University concurs.

**University of Illinois
Natural Gas Cost Management Policy
September 2008**

1. Statement of Purpose

Fuel (primarily natural gas) is a large component of the University's utility budget. The purpose of this policy is to minimize the price risk of natural gas consumed by the University in order to facilitate reliable budget planning.

2. Objectives

The primary policy objective is to improve energy-related budget predictability by reducing the price volatility of natural gas. The secondary policy objective is to procure the best pricing for the commodity and for the transportation of the commodity.

3. Strategy

The risk management strategy involves monitoring and analyzing natural gas consumption and pricing to determine the best method to manage price risk. Gas usage is projected on a near-term, and a longer term basis. Utilizing fundamental and technical analyses, with input from the University's third party market interface, gas consumption requirements may be managed via cash market forward purchases, and/or the use of Board approved energy risk management instruments within legal limits.

4. Definition of Duties

Vice President/Chief Financial Officer and Comptroller

The Vice President/Chief Financial Officer and Comptroller (VP/CFO) will authorize all gas forward transactions and will ensure that the Natural Gas Cost Management Policy is appropriate and effectively implemented. The VP/CFO is responsible for generating recommendations to improve/maintain the policy and shall review the policy on an annual basis or more often if needed.

The Natural Gas Cost Management Committee

The Natural Gas Cost Management Committee will be chaired by the VP/CFO. The members of the Pricing Committee will include the following personnel:

- Associate Provost -- Budget and Resource Planning (UIUC)
- Vice Provost for Resource Planning and Management (UIC)

- Director Utility Operations, Chicago Campus (UA)
- Director Utility Operations, Urbana Campus (UA)
- Director Utility Administration (UA)
- Assistant Vice President Utilities (UA)
- Executive Director Facilities and Services (UIUC)
- Vice Chancellor for Administrative Services (UIC)
- Senior Associate Vice President for Business and Finance (UA)

Participants may be added or replaced at the discretion of the University's VP/CFO. The responsibility of this committee is to follow the requirements of the Natural Gas Cost Management Policy, and to implement the policy utilizing utility industry best practices.

The Committee will meet at least quarterly to consider University consumption trends/needs and energy market pricing to determine strategies and direct implementation activities. The Committee will also review the status/valuation/results of implementation transactions.

5. Scope

The Natural Gas Cost Management Policy shall be used by the Natural Gas Cost Management Committee and University utilities staff to guide their duty to execute, monitor, and manage the hedging and procurement of natural gas at the University of Illinois.

6. Fiduciary Duty and Controls

In seeking to attain the goals of the Natural Gas Cost Management Policy, the Natural Gas Cost Management Committee and its members must act with care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person in like capacity and familiar with such matters would use in the conduct of an enterprise of like character with like aims. All actions and decisions by the Committee and its members must be based solely in the interest of the University.

To initiate this policy and to address near-term considerations, the VP/CFO is authorized to contract for future deliveries of natural gas for Fiscal Years 2010 and 2011 through the University's existing contract with Nicor. Future gas purchases cannot exceed \$60.0 million in total for any fiscal year (\$60.0 million approximates 90 percent of the budget for natural gas purchases included within the University-wide Fiscal Year 2009 utility budget of approximately \$120.0 million). Use of derivative instruments to hedge natural gas requirements is prohibited pending further analysis. A report detailing all natural gas forward transactions will be provided to the Board of Trustees at the end of each month.

On motion of Mr. Sperling, seconded by Dr. Carroll, 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. 8 through 24 inclusive. The recommendations were individually discussed but acted upon at one time.

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

Approve Operating Budget for Fiscal Year 2009

(8) The Vice President/Chief Financial Officer and Comptroller recommends approval of the University's Fiscal Year 2009 operating budget, covering the allocation of estimated operating income from all sources. This recommendation follows the Board's adoption of preliminary FY 2009 operating budgets at the May 2008 meeting. The recommended \$4.2 billion operating budget represents a \$98.5 million (6.1 percent) increase in unrestricted funds, a \$166.7 million (7.3 percent) increase in restricted funds, and a \$265.2 million (6.8 percent) increase in all operating funds from FY 2008. The priorities reflected in the proposed final budget are identical to those adopted in the preliminary operating budget. The total amount in the proposed final budget is \$35.7 million above that anticipated in the preliminary budget, following refinements of forecasts for State appropriated funds, University income fund, hospital, medical service plans, auxiliaries and department operations, and indirect cost resources. Attachment A illustrates all changes from preliminary to final budget amounts.

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

The attachment to this item is the *Budget Summary for Operations* for FY 2009 (the BSO, or "Orange Book"), and presents all University-level budget amounts by source of funds and object of expenditure. (Copy filed with the secretary of the Board.)

The BSO executive summary is divided into two major sections. The section titled "University Revenue Budget FY 2009" defines the sources of University operating revenue for FY 2009, details the budget by those revenue sources, and analyzes the change in revenue from FY 2008 to FY 2009. The section titled "University Expense Budget FY 2009" defines and details the budget by object of expenditure category. Three appendices follow the campus budget tables; the first provides critical dates in the budget process; the second provides a summary of the Board of Trustees requirement for

prior Board approval of specified budgetary transactions, the delegation of authority for specified budgetary transactions, and the required Board reporting of budgetary activities; and the third provides a glossary of terms.

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

The President of the University concurs.

	FY09 Prelim Operating Revenue	FY09 Operating Revenue	Change Prelim-Final	
			Amount	Percent
Revenue Budget				
Unrestricted Funds				
Direct Appropriation	723.2	747.1	23.9	3.3%
University Income Fund	647.5	655.5	8.0	1.2%
State Survey Transfer	16.9	16.8	(0.1)	-0.6%
ICR	132.0	151.9	19.9	15.1%
Royalties	17.0	18.2	1.2	7.1%
Administrative Allowances	116.5	113.1	(3.4)	-2.9%
Subtotal Unrestricted Funds	\$ 1,653.1	1,702.6	49.5	3.0%
Estimated Restricted Funds				
Sponsored Projects	612.5	616.1	3.6	0.6%
Federal Appropriations	20.6	20.1	(0.5)	-2.4%
Gift & Endowment Inc.	155.6	157.7	2.1	1.3%
Medical Service Plans	138.7	146.1	7.4	5.3%
Hospital	439.2	428.2	(11.0)	-2.5%
Auxiliaries & Dept. Operations	565.5	550.4	(15.1)	-2.7%
AFMFA	26.0	25.8	(0.2)	-0.8%
Payments on Behalf	518.0	517.9	(0.1)	0.0%
Subtotal Restricted Funds	\$ 2,476.1	\$ 2,462.3	(13.8)	-0.6%
Total Revenue Budget	\$ 4,129.2	\$ 4,164.9	35.7	0.9%

	FY09 Prelim Operating Expense	FY09 Operating Expense	Change Prelim-Final	
			Amount	Percent
Expense Budget				
Unrestricted Funds				
Personal Services & Benefits	1,112.0	1,139.8	27.8	2.5%
Contractual Services	263.7	260.6	16.9	6.4%
Travel & Automotive Equipment	14.5	14.6	0.1	0.7%
Commodities	62.5	59.7	(2.8)	-4.5%
Equipment	60.0	60.7	0.7	1.2%
Telecommunications	13.4	13.7	0.3	2.2%
Permanent Improvements	38.8	41.2	2.4	6.2%
Awards and Grants	54.2	57.4	3.2	5.9%
Medical Devices (DSCC)	5.3	5.3	-	0.0%
Special Appropriations	3.8	4.7	0.9	23.7%
Health Insurance	24.9	24.9	-	0.0%
Subtotal	\$ 1,653.1	1,702.6	49.5	3.0%
Restricted Funds				
Personal Services & Benefits	920.9	913.5	(7.4)	-0.8%
Contractual Services	521.8	518.7	(3.1)	-0.6%
Travel & Automotive Equipment	35.4	35.2	(0.2)	-0.6%
Commodities	196.5	193.1	(3.4)	-1.7%
Equipment	60.6	61.0	0.4	0.7%
Telecommunications	17.9	18.0	0.1	0.6%
Permanent Improvements	11.8	11.9	0.1	0.8%
Awards and Grants	101.1	101.2	0.1	0.1%
Mandatory Transfers	72.1	71.9	(0.2)	-0.3%
AFMFA	26.0	25.8	(0.2)	-0.8%
Payments on Behalf	518.0	517.9	(0.1)	0.0%
Subtotal	\$ 2,482.1	\$ 2,468.2	(13.9)	-0.6%
Total Expense Budget	\$ 4,135.2	\$ 4,170.8	35.6	0.9%

On motion of Mr. Sperling, seconded by Dr. Carroll, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Montgomery, Mr. Shah, Mr. Sperling; no, Dr. Schmidt; absent, Governor Blagojevich, Mr. Vickrey.

(The student advisory vote was: Aye, Mr. McFarland, Mr. Winters; no, Mr. Schmitt.)

Approve Academic and Administrative Appointments for Contract Year 2008-2009

(9) On May 22, 2008, the Board of Trustees approved a Preliminary Operating Budget for Fiscal Year 2009, and the Board has received a recommendation for final approval of the FY 2009 operating budget. Recommendations for academic and administrative appointments beginning August 16, 2008, have been completed within the funds available to the University reflected in the proposed final operating budget.

Accordingly, the President of the University recommends approval of the document entitled *Academic Personnel, 2008-2009* (copy filed with the secretary) and requests authorization, in accord with the needs of the University and the equitable interests involved, and within total budgeted income: (1) to accept resignations; (2) to make such additional appointments as are necessary and to approve the issuance of notices of nonreappointment, subject to the provisions of the University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure, and Policy and Rules*; and (3) to make such other personnel adjustments as needed, such

adjustments to be covered in periodic reports to the Board of Trustees (Secretary's Report).

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

On motion of Mr. Sperling, seconded by Dr. Carroll, this recommendation was approved and authority was given as recommended by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Montgomery, Dr. Schmidt, Mr. Shah, Mr. Sperling; no, none; absent, Governor Blagojevich, Mr. Vickrey.

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Approve Requests for New Operating and Capital Appropriations,
Fiscal Year 2010

(10) Requests for incremental operating funds and for new capital appropriations for the University of Illinois for the fiscal year commencing July 1, 2009, are presented for action by the Board of Trustees. Following Board action, these requests will be submitted to the Illinois Board of Higher Education for review. The accompanying tables summarize the major elements of each request, and the document, *Fiscal Year 2010 Budget Request for Operating and Capital Funds* (copy filed with the

secretary) provides detailed descriptions of each program and project included in the request.

The Fiscal Year 2010 Operating Budget Request is outlined in Table 1. The University seeks ~~\$109.0~~113.0 million in new funds, an increase of ~~7.78.0~~7.78.0 percent above the current year's budget. The FY 2010 request focuses primarily upon needs for salary competitiveness for faculty and staff, statewide priorities, (e.g., teacher education, energy research), and strategic initiatives. The FY 2010 request also continues prior efforts to secure facilities maintenance resources in the operating budget, as well as resources to meet critical operating cost increases. The request presents the most urgent funding needs confronting the University.

Table 2 identifies the twelve projects in the FY 2010 Capital Budget Request in priority order. Together, these projects represent an investment of \$454.2 million, devoted to preserving and extending facilities already in place at the campuses and to critically important new initiatives. Remodeling and renovation projects comprise a large part of the total funds requested with the highest priority given to repair and renovation projects at the three campuses. The request clearly emphasizes the importance the University places on maintenance and upkeep of existing facilities, highlighting the need to adequately fund multiple aspects of the facility plant assets. Due to their unique characteristics, funding for the Healthy Returns and Petascale Initiative projects will be pursued independently from this request.

The operating and capital requests summarized here reflect the University's highest priority budget needs, focusing on the University's mission of instruction, research, public service, and economic development. The priorities in both the operating and capital

requests presented here are consistent with those in the preliminary requests presented to the Board in July 2008.

The University's operating and capital requests for FY 2010 have been prepared by the Vice President/Chief Financial Officer based upon advice from the University Policy Council.

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

The Vice President/Chief Financial Officer recommends approval.

The President of the University concurs.

Table 1
FY 2010 Operating Budget Request
(Dollars in Thousands)

I. Strengthen Academic Quality		\$ 85,831.9
	<i>% of FY 2009 Base¹</i>	<i>6.05%</i>
A. Competitive Compensation		\$ 45,831.9
1. Salary Improvements - 3.0%	\$ 30,554.6	
2. Recruitment, Retention & Compression	15,277.3	
B. Statewide Priorities		\$ 10,000.0
1. Teacher Education		
2. Energy Research		
C. Strategic Initiatives		\$ 30,000.0
1. UIUC	\$ 14,000.0	
2. UIC	14,000.0	
3. UIS	2,000.0	
II. Address Facility Operations Needs		\$ 5,862.6
A. O & M New Areas		\$ 862.6
B. Facility Maintenance Support		\$ 5,000.0
III. Meet Inflationary and Other Cost Increases		\$ 17,352.4
A. Payroll Cost Increases		\$ 2,300.0
1. Medicare	\$ 1,300.0	
2. Workers' Compensation	500.0	
3. Legal Liability/Insurance	500.0	
B. Cost Increases		\$ 15,052.4
1. Utilities Increases	12,753.0	
2. Library Price Increases - 10%	2,299.4	
Total Request		\$ 109,046.9
	<i>% of FY 2009 Base¹</i>	<i>7.68%</i>
IV. Statewide Economic Development		\$ 1,000.0
V. Healthy Returns—The Illinois Bill Of Health		\$ 10,000.0
VI. Medical Professional Liability Insurance		\$ 10,000.0

¹ FY 2009 Base: \$1,419,352.6

Table 2
FY 2010 Capital Budget Request¹
(Dollars in Thousands)

Priority	Project	Urbana	Chicago	Springfield	Total
1	Repair and Renovation	\$13,610.4	\$8,331.8	\$687.4	\$22,629.6
2	Lincoln Hall Remodeling	56,286.0			56,286.0
3	College of Medicine Rockford		14,250.0		14,250.0
4	Electrical and Computer Engineering Bldg.	42,000.0	²		42,000.0
5	Integrated Bioprocessing & Research Lab	20,034.0	³		20,034.0
6	Dentistry Modernization/Code Compliance		20,000.0		20,000.0
7	Pharmacy Renovation & Addition		120,000.0		120,000.0
8	Public Safety Building			4,000.0	4,000.0
9	Disability Research, Res. & Educ. Srv. Bldg.	50,000.0			50,000.0
10	Burrill Hall Remodeling	35,000.0			35,000.0
11	Science and Engineering Lab Renovation Phase I		35,000.0		35,000.0
12	Brookens Library Renovation			35,000.0	35,000.0
		\$216,930.4	\$197,581.8	\$39,687.4	\$454,199.6

¹ Capital Request for *Healthy Returns—The Illinois Bill of Health* and Petascale Computing are dealt with separately.

² This project was submitted in response to a request from the Governor for Economic Development projects. In the FY 2010 request, the total project budget for ECE has been increased from \$90M to \$95M with a phasing component added. Phase I will total \$75M; Phase II will total \$20M from other sources. CDB released \$3M for planning purposes in January 2006, the amount requested from the state was \$42M, now inflated to \$44.5M.

³ The Bioprocessing Research Laboratory was submitted in response to a request from the Governor for Economic Development projects. In June 2006, CDB released \$1.9M for planning for the Bioprocessing Research Laboratory; construction funding of \$20M is needed for the Lab.

On motion of Mr. Sperling, seconded by Dr. Carroll, the requests for operating and capital appropriations for Fiscal Year 2010 were approved as amended by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Montgomery, Dr. Schmidt, Mr. Shah, Mr. Sperling; no, none; absent, Governor Blagojevich, Mr. Vickrey.

(The student advisory vote was: Aye, Mr. McFarland, Mr. Winters; no, Mr. Schmitt.)

Auxiliary Facilities System Revenue Bonds, Series 2008B

(11) The Vice President/Chief Financial Officer and Comptroller recommends approving the actions leading to the issuance of approximately \$70.0 million of Auxiliary Facilities System Revenue Bonds, Series 2008B (the “Series 2008B Bonds”) to refund the Variable Rate Demand Auxiliary Facilities System Revenue Bonds, Series 2005B (the “Series 2005B Bonds”) and to pay related costs of issuance. He further recommends that both traditional and synthetic structures be considered. The structure chosen will be within the parameters contained in the Board’s Debt Policy adopted in March 2004.

The credit and liquidity crisis that started with problems in the sub-prime mortgage market has expanded to the municipal bond market. The capital of several bond insurance firms has become impaired due to actual and anticipated losses on guarantees made to enhance sub-prime bonds and other higher risk investments. Several of the bond insurance firms have lost, or are at risk of losing, their AAA credit rating. This is a potential problem for the University’s insured Variable Rate Demand Bonds

(the “VRDBs”). When the insured rating of the VRDBs falls below AA, the VRDBs are no longer eligible for ownership by most money market funds. With the resulting reduced demand for the insured VRDBs, the interest rate will increase significantly.

The Series 2005B Bonds are insured by FSA which is rated Aaa by Moody’s Investors Service (and has been placed on Negative Watch) and AAA by Standard & Poor’s (and has a Negative outlook). The interest rate on the Series 2005B Bonds reset at 1.85 percent on August 13, 2008. For comparison, the SIFMA index of VRDBs reset at 1.66 percent on August 13, 2008. The Series 2005B Bonds reset 0.19 percent higher than SIFMA. Historically, on average, the interest rate for the Series 2005B Bonds had been resetting below SIFMA. While we continue to monitor FSA’s credit rating and the interest rate resets for the Series 2005B Bonds, we would like to be prepared to refund the Series 2005B Bonds if necessary.

Accordingly, in order to proceed with the preparation of documents and to take other actions needed prior to the issuance of Auxiliary Facilities System Revenue Bonds, Series 2008B, the Vice President/Chief Financial Officer and Comptroller and the University Counsel recommend that the Board take the following actions:

1. Retain Pugh, Jones, Johnson & Quandt, P.C., to serve as bond counsel to the University.
2. Retain Public Financial Management, Inc., to serve as financial advisor and swap advisor to the University, to the extent required.
3. Retain Citigroup Global Markets, Inc., to serve as managing underwriter and/or placement agent and/or initial remarketing agent, as required. Additional co-

managers and selling group members may be added to assist in the marketing of the bonds.

4. Retain Katten Muchin Rosenman LLP, to serve as special issuer's counsel and as swap counsel to the University, to the extent required.
5. Appoint The Bank of New York Trust Company, N.A., as Bond Registrar and Trustee.
6. Retain Grant Thornton, LLP, to serve as verification agent for the refunding, to the extent required.
7. Prepare the Preliminary Official Statement and/or the Official Statement.
8. Negotiate for credit enhancement and/or liquidity support, as needed and deemed economically beneficial following consultation with the managing underwriter and the financial advisor.
9. Analyze the economic benefit of the purchase of bond insurance in consultation with the financial advisor and managing underwriter. If such purchase is deemed economically beneficial, the bond insurance would be purchased by the managing underwriter.
10. Take actions to pursue and obtain a credit rating or ratings on the bonds.
11. Prepare the Bond Purchase Agreement.
12. Prepare additional documents including the Supplemental Bond Resolution, the Continuing Disclosure Agreement (if needed) and any related documents.
13. Prepare, to the extent required, standard ISDA agreements including the Master Agreement, Schedule, Credit Support Annex and Confirmation, and any related documents.

The recommended firms are on the approved list of providers maintained by the University. The managing underwriter also will be instructed to select its counsel from the University's approved list. Prior to the sale and delivery of the Series 2008B bonds, the Board will be asked to approve the substantially final form of the above referenced documents and ratify and confirm all actions taken or to be taken by the officers and members of the Board in connection with such sale and delivery.

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

Funding will be available from the proceeds of the Series 2008B bonds.

The President of the University concurs.

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Approve Project for Heating, Ventilation, and
Air Conditioning Remediation for Krannert Art Museum, Urbana

(12) Krannert Art Museum (KAM) is a 72,209 square foot building of National Fire Protection Association Type II construction built in 1961. The heating, ventilation, and air conditioning (HVAC) system at Krannert Art Museum is currently inadequate to accommodate the extensive KAM collection. The wide fluctuations in temperature and humidity have severely limited the ability to attract traveling exhibitions. This project involves HVAC design and replacement of the existing system and controls for better temperature and humidity control. Detailed scope of work was defined by a recent feasibility study. The project will also include connection of KAM to the campus chilled water system. Connection to the campus chilled water system will result in smaller fluctuations in temperature and humidity and more reliable monitoring.

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends the Krannert Art Museum HVAC Remediation project be approved at \$3.0 million.

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

Funds for the project are available from Certificates of Participation Series 2007A.

The President of the University concurs.

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

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

(13) As part of the ongoing Champaign Housing Redevelopment Plan, Phases C and D (construction of Residence Hall West and the demolition of Garner Hall, respectively) will provide for excellence in academic programs through services to the undergraduate students of this campus. The 99,000 square foot Residence Hall West will complete the Stanley O. Ikenberry Commons as a single building, which also includes the Dining Hall and the Residence Hall North. This \$46.7 million project includes the construction cost for the Residence Hall West, estimated to be \$29.7 million (including contingencies and escalation) at \$300 per gross square foot while the demolition cost of Garner Hall is estimated to be \$1.5 million. The expected date of completion is summer of 2012.

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends the Stanley O. Ikenberry Commons

Phases C and D, Residence Hall West and Garner Hall Demolition project be approved at \$46.7 million.

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

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

The President of the University concurs.

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Approve Project for Heating, Ventilation, and Air Conditioning Upgrades for the Education, Performing Arts and Social Work Building, Chicago

(14) This \$3,233,600 project will replace existing heating, ventilation, and air conditioning (HVAC) equipment with new state of the art equipment and controls. The existing HVAC equipment in the Education, Performing Arts and Social Work Building

is beyond its useful life and in some cases nearly inoperable. The proposed project will provide new systems to meet the current and planned future heating, ventilation, and air conditioning needs of the building occupants.

Accordingly, the Interim Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that this project to provide heating, ventilation, and air conditioning upgrades to the Education, Performing Arts and Social Work Building be approved.

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

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

The President of the University concurs.

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Award Contracts for Job Order Contracting System, Urbana

(15) The Job Order Contracting (JOC) System enhances the contracting operations for repairs, minor remodeling, new construction, and site work at the Urbana campus. Budgets will be developed on an individual project basis in connection with specific job orders.¹ Since 1999, based on past records of the campus' use of JOC for repairs, minor remodeling, new construction, and site work, the Urbana campus has ordered more than \$20.0 million in construction work under the JOC System.

Bids for the JOC Fiscal Year 2009 construction work have been solicited. In order for this project to proceed, 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 bidders on the basis of the lowest combined adjustment factor:

1. Nogle and Black Mechanical, Inc., Urbana, IL, for a Combined Adjustment Factor of 1.0350.
2. Old Veteran Construction, Inc., Chicago, IL, for a Combined Adjustment Factor of 1.1580.

(The JOC contracts will have a minimum value of \$50,000 and a maximum value of \$2.0 million during the initial term of this contract, which expires June 30, 2009. The contracts will include an option for three additional one-year terms. The maximum value of each option term shall be \$2.0 million

¹An 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 four that was competitively bid by the job order contractor).

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 funds, institutional funds, or restricted funds available in the Urbana 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. Sperling, seconded by Dr. Carroll, this recommendation was approved by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Montgomery, Dr. Schmidt, Mr. Shah, Mr. Sperling; no, none; absent, Governor Blagojevich, Mr. Vickrey.

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Award Contracts for National Center for Supercomputing Applications Petascale
Computing Facility, Urbana

(16) In November 2007, the Board approved the National Center for Supercomputing Applications (NCSA) Petascale Computing Facility with a project

budget of \$72.5 million (\$690 construction cost per gross square foot). The project provides NCSA with a facility to house the Blue Waters (Track 1) Data Processing Center and required utility infrastructure. This new 95,000 gross square foot building will be comprised of offices, storage and loading docks, water-cooled data processing machine rooms, and data processing machine room support.

In order to proceed with the project, it is necessary to award construction contracts for the first bid package--Phase I: General, Structural Steel, and Utilities Site Work. The project is required to be LEED certified with a Silver rating.

Bids for the NCSA Petascale Computing Facility--Phase I construction work have been solicited; and for the project to proceed, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the following contracts¹ be awarded. Competitive bidding procedures in accordance with the Illinois Procurement Code were followed; and the awards are to the lowest responsible bidder in each division on the basis of its base bid:

Division 1--General Work

Williams Brothers Construction, Peoria, IL	Base Bid	\$4,688,000
<i>TOTAL</i>		\$4,688,000

Division 28--Structural Steel Work

Stone City Ironworks, Inc., Bedford, IN	Base Bid	\$3,306,602
<i>TOTAL</i>		\$3,306,602

¹A contract will be awarded for Division 34--Utilities Site Work that is estimated to be within the delegated approval levels.

Funds for this construction are available from the Institutional Funds Operating Budget with Anticipated Reimbursement from State Appropriations or the Proceeds of the Variable-Rate Demand Certificates of Participation (Projects) Taxable Series 2007D.

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.

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

On motion of Mr. Sperling, seconded by Dr. Carroll, these contracts were awarded by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Montgomery, Dr. Schmidt, Mr. Shah, Mr. Sperling; no, none; absent, Governor Blagojevich, Mr. Vickrey.

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Award Contract for Natural Gas Pipeline Relocation for Curtis Road, Phase III, Urbana

(17) The Natural Gas Pipeline Relocation for Curtis Road, Phase III project will relocate the natural gas main along Curtis Road between Wynstone and Wesley in the City of Champaign. The project consists of the installation of approximately 8,000 feet

of eight-inch gas main. The project will also include the repair of all streets and sidewalks.

Bids for the project construction work have been solicited. In order for the project to proceed, 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 award is to the lowest responsible bidder on the basis of its base bid:

<u><i>Division 30--Utilities Site Work--Gas</i></u>		
Arby Construction, Inc.,	Base Bid	\$540,093
New Berlin, WI		
<i>TOTAL</i>		\$540,093 ¹

Funds for this construction are available from the restricted funds operating budget of the Utility Division with anticipated reimbursement from the City of Champaign via federal, State, or city grant or contract funds.

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.

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

¹Total contract award is \$540,093. No other contracts were awarded.

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Award Contract for Masonry Repairs and Window Replacement, College of Medicine
West Tower, Phase 2, Chicago

(18) This \$2.0 million project is the continuation of a multi-phased facade rehabilitation project, which was initiated as a Fiscal Year 2002 Repair and Renovation project managed by the Capital Development Board. The scope of this work will include repair of distressed masonry, tuckpointing, and window replacement primarily on the east facade of the College of Medicine West Tower. The need for this project is evidenced by the deterioration of masonry, lintels, limestone panels and trim, and various masonry anchorage devices.

The Interim Chancellor at Chicago with the concurrence of the appropriate administrative officers recommends that the construction contract for the masonry repairs and window replacement work 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 the acceptance of indicated alternates.¹

Division 23--Masonry Work

Simpson Construction Co., Bellwood, IL	Base Bid	\$1,036,000
	Alt. #1	149,000
	Alt #2	156,000
	Alt #3	187,000
<i>TOTAL</i>		\$1,528,000

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 the Board of Trustees policies and directives.

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

The President of the University concurs.

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

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

¹Description of Alternates: Alternates #1, 2, 3--Additional masonry work as shown on bid specs.

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

(19) The original budget for this project was approved for \$1.3 million and work included topsoil, plant material, and site lighting for the area surrounding the new Residential Programs Building, located at the corner of Gregory Drive and Euclid Street (now Stanley O. Ikenberry Commons). Subsequent to this approval, results from an area-wide storm water management study were concluded and features associated with this adjacent area needed to be included. Additional work will include storm water detention for the area, additional walks, access drives, and ramps for a sum of \$1,522,036. With the additional funds, construction cost has been estimated at \$2.5 million (including contingencies and escalation). The expected date of completion is fall of 2010.

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that the Board approve the increase in project budget for this project to \$2,822,036--an increase of \$1,522,036.

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

Funds for the project are available from the restricted funds operating budget of the Urbana Housing Division.

The President of the University concurs.

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Amend Construction Manager Agreement for Instructional Facility,
College of Business, Urbana

(20) The new \$62.0 million state-of-the-art facility of approximately 153,900 gross square feet for the College of Business will accommodate the MBA Program, the Undergraduate Affairs Program, and the Accountancy Program as well as off-campus guests. The new building will address both quantitative and qualitative space needs to support modern instructional styles. All program elements embody the college's long-standing commitment to excellence in scholarship, teaching, and service.

In September 2005, the Board approved the employment of Gilbane Building Company, Chicago, Illinois, for professional construction management services required through the construction phase for a fixed fee of \$2,295,188, including reimbursables.

The Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends an amendment to the professional services

agreement with Gilbane Building Company, Chicago, Illinois, for additional services during the construction phase for a value not to exceed \$129,468 plus reimbursables estimated to be \$24,188.

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 gift funds and the sale proceeds of Certificates of Participation Series 2006A.

The President of the University concurs.

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Employ Architect/Engineer for Heating, Ventilation, Air Conditioning, and Electrical Remediation, David Kinley Hall, Urbana

(21) In March 2008, the Board approved the David Kinley Hall (DKH) Heating, Ventilation, Air Conditioning (HVAC), and Electrical Remediation project with a budget

of \$4.5 million and in July 2008, a budget increase was approved for a total project budget of \$6.4 million.

The scope of this deferred maintenance project will include HVAC system and electrical design services to serve the first, second, third, and fourth floors and installation of mechanical and electrical systems to serve the first and second floors of DKH. The project will also address life safety deficiencies throughout the building and exterior repairs.

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).¹

Accordingly, the Chancellor at Urbana with the concurrence of the appropriate administrative officers recommends that Environmental Systems Design of Chicago, Illinois, be employed for the professional services required for the construction documents, bidding, and construction administration phases of the project. The firm's fixed fee will be \$345,750; for on-site observation on an hourly basis not to exceed \$36,480; for warranty phase on an hourly basis not to exceed \$10,000; for supplemental

¹A selection committee consisting of Kevin Duff (University Office Capital Programs and Real Estate Services), Robert Halverson (Facilities and Services), Al Marx (Facilities and Services), and Doris Reeser (Facilities and Services) interviewed the following firms (listed in ranking order): (1) Environmental Systems Design Inc., Chicago, IL; (2) KJWW Engineering Consultants, Rock Island, IL; and (3) Affiliated Engineers Inc., Chicago, IL. The committee recommends Environmental System Design Inc., Chicago, IL, as best meeting the criteria for the project.

services on a fixed fee basis \$50,875; and for authorized reimbursable expenses estimated at \$40,000.

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

Funds for the project are available from the sale proceeds of the Certificates of Participation Series 2007A and Academic Facilities Maintenance Fund Assessment.

The President of the University concurs.

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

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Purchase and Change Order Recommendations

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

These were presented in one category--purchases and change orders from institutional funds. The term designates funds received by the University under contracts

with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amounts of these purchases and change orders were:

From Institutional Funds

Purchases	\$24,365,254
Change Orders	1,348,000

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

On motion of Mr. Sperling, seconded by Dr. Carroll, the purchases and change orders recommended were authorized by the following vote: Aye, Mr. Bruce, Dr. Carroll, Mr. Dorris, Mr. Eppley, Mr. Montgomery, Dr. Schmidt, Mr. Shah, Mr. Sperling; no, none; absent, Governor Blagojevich, Mr. Vickrey.

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Authorize Settlement

(23) The University Counsel recommends that the Board approve settlement of *Jones v. Holterman, et al.* in the amount of \$1.4 million. The plaintiff alleges that the failure to diagnose and treat in timely fashion an intestinal condition resulted in the death of Preston Jones.

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

The Vice President/Chief Financial Officer and Comptroller concurs.

The President of the University recommends approval.

On motion of Mr. Sperling, seconded by Dr. Carroll, this recommendation was approved by the following vote: Aye, Dr. Carroll, Mr. Eppley, Dr. Schmidt, Mr. Shah; no, none; absent, Governor Blagojevich, Mr. Vickrey. (Messrs. Bruce, Dorris, Montgomery, and Sperling asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Authorize Settlement

(24) The University Counsel recommends that the Board approve payment of \$3.0 million as its contribution to the settlement of *Rosa v. Silverstein*. St. Paul Insurance, as the excess insurance provider, will pay the remainder of the settlement. The plaintiff, 34-year-old Richard Rosa, alleges permanent disability due to the improper performance of gastric bypass surgery.

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

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

The Vice President/Chief Financial Officer and Comptroller concurs.

The President of the University recommends approval.

On motion of Mr. Sperling, seconded by Dr. Carroll, this recommendation was approved by the following vote: Aye, Dr. Carroll, Mr. Eppley, Dr. Schmidt, Mr. Shah; no, none; absent, Governor Blagojevich, Mr. Vickrey. (Messrs. Bruce, Dorris, Montgomery, and Sperling asked to be recorded as not voting on this item.)

(The student advisory vote was: Aye, Mr. McFarland, Mr. Schmitt, Mr. Winters; no, none.)

Report of Actions by the Executive Committee

(25) 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.

Appoint Interim Dean, College of Liberal Arts and Sciences, Urbana

(1) The Chancellor at Urbana has recommended the appointment of Philip M. Best, presently Professor of Physiology, Basic Sciences, College of Medicine at Urbana-Champaign; Professor of Bioengineering, College of Engineering; Professor of Physiology in the Department of Molecular and Integrative Physiology, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences; and Associate Dean, College of Liberal Arts and Sciences, as Interim Dean of the College of Liberal

Arts and Sciences, non-tenured, on a twelve-month service basis, on zero percent time, non-salaried, beginning August 16, 2008. He will serve as Interim Dean until a succeeding Dean is named to a fixed-term appointment following a search internal to the University.

While serving as Interim Dean, Dr. Best will continue as Professor of Physiology, Basic Sciences, College of Medicine at Urbana-Champaign, on indefinite tenure on an academic year service basis, on 25 percent time, at an annual salary of \$40,704; Professor of Bioengineering, College of Engineering, non-tenured, on an academic year service basis, on zero percent time, non-salaried; Professor of Physiology in the Department of Molecular and Integrative Physiology, School of Molecular and Cellular Biology, College of Liberal Arts and Sciences, on indefinite tenure, on an academic year service basis, on 25 percent time, at an annual salary of \$40,796; and Associate Dean, non-tenured, on an academic year service basis, on 50 percent time, at an annual salary of \$82,500 and an administrative increment of \$15,000, for a total salary of \$179,000, beginning August 16, 2008.

Dr. Best succeeds Dean Sarah C. Mangelsdorf, who will leave the position August 15, 2008, in order to accept an appointment as Dean of the Weinberg College of Arts and Sciences at Northwestern University, Evanston, Illinois.

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 in consultation with leadership within the College including members of the Dean's Cabinet and the LAS Executive Committee and 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 Dr. Schmidt, seconded by Mr. Shah, this appointment was approved by members of the Executive Committee.

Approve Lease of Space for the Chicago Technology Park Research Center to Illinois Medical District Commission, Chicago

(2) The Interim Chancellor at Chicago recommends that the University enter into a lease for the Chicago Technology Park Research Center, a laboratory building located at 2201 West Campbell Park Drive, with Illinois Medical District Commission (IMDC) on behalf of Chicago Technology Park Corporation (CTPC).

The Chicago Technology Park Research Center was constructed for the University by the Capital Development Board to serve as rental space for biotechnology firms in the early stages of their development. Title to the land and building were transferred to the University and the facility was then leased by the University to CTPC at a nominal annual rental of \$10 for a term of five years through March 16, 1992. On September 12, 1991, the Board approved the transfer of control of CTPC to the IMDC. On July 30, 2007, the Board approved extensions of this lease through June 30, 2008.

The term of the proposed lease would extend from the date of execution by both parties through June 30, 2009, at a nominal rental of \$10 per year, renewable for a single term of twelve months at the sole discretion of the University and upon receipt of IMDC's request to renew at least ninety days prior to the expiration of the initial term. The IMDC, through CTPC, uses the Chicago Technology Park Research Center for the promotion and economic development of the Chicago Technology Park by leasing space in the Center to technology companies. The provisions of the new lease include regular reporting to the Vice Chancellor for Research on IMDC's use of the Chicago Technology Park Research Center, and stipulations regarding maintenance of the property in good condition.

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

The Vice President/Chief Financial Officer and Comptroller concurs.

The President of the University recommends approval.

On motion of Mr. Shah, this recommendation was approved by the following vote of members of the Executive Committee: Aye, Mr. Eppley, Mr. Shah; no, none. (Dr. Schmidt asked to be recorded as not voting on this item.)

This report was received and confirmed.

President's Report on Action of the Senate

(26) The president presented the following report:

Establish Concentrations in General Sciences and ESL/Bilingual Education in the Bachelor of Science in Elementary Education, College of Education, Urbana

The Urbana-Champaign Senate has approved a proposal from the College of Education and the Council on Teacher Education for the establishment of two new concentrations in the Bachelor of Science in Elementary Education. General Sciences and ESL/Bilingual Education are additions to the list of available areas of concentrations for the Elementary Education majors. General Sciences is proposed to better represent the broader knowledge of the science related disciplines needed by teachers. ESL/Bilingual Education is proposed to address the current and future importance of the field and its significant relevance to elementary teachers.

This report was received for record.

Comptroller's Report of Investment Transactions
July 1, 2007, Through June 30, 2008

(27) The comptroller presented the above report which includes transactions under Finance and Investment Committee guidelines. A copy has been filed with the secretary of the Board.

This report was received for record.

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

(28) 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 July 1, 2007 and June 30, 2008:

<u>AFFILIATE</u>	<u>TYPE OF AGREEMENT</u>	<u>SERVICES PROVIDED</u>	<u>EFFECTIVE DATES</u>
St. Francis Hospital	Master (Renewal)	Medical Student and Resident Rotation: Colleges of Medicine, Pharmacy, Nursing, Dentistry, Applied Health Sciences, School of Public Health	April 17, 2008- January 1, 2013
Advocate Lutheran General Hospital	Subordinate (Renewal)	Resident Rotation and Clinical Training Programs	January 1, 2008 – December 31, 2010
Jesse Brown VA Westside Medical Center	Subordinate (New)	Resident Rotation and Clinical Training Programs	September 1, 2007 – August 31, 2008

This report was received for record.

Investment Report for the Quarter Ended June 30, 2008

(29) The comptroller presented this report as of June 30, 2008. A copy has been filed with the secretary of the Board.

This report was received for record.

Capital Projects Status Report

(30) The comptroller presented this report of active projects in excess of \$5.0 million. A copy has been filed with the secretary of the Board.

This report was received for record.

Technology Commercialization Highlights,
Fiscal Year 2008, 4th Quarter and End of Year

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

This report was received for record.

University Audits Report,
Fiscal Year 2008

(32) The executive director of University Audits presented this annual plan for the year ended June 30, 2008. A copy has been filed with the secretary of the Board.

This report was received for record.

SECRETARY'S REPORT

The secretary presented for record changes to academic appointments for contract year 2007-08, new hires, reappointed retirees, resignations, and notices of nonreappointment.

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

DEGREES CONFERRED

The secretary presented for record the following list of degrees conferred on candidates at the Urbana-Champaign campus on August 4, 2008.

Summary

*Degrees Conferred August 4, 2008**Graduate Degrees*

Master of Accounting Science	9
Master of Architecture.....	4
Master of Arts.....	40
Master of Business Administration	35
Master of Computer Science	4
Master of Education	44
Master of Fine Arts.....	8
Master of Human Resources and Industrial Relations	1
Master of Landscape Architecture	3
Master of Music.....	5
Master of Music Education	12
Master of Science	285
Master of Science in Public Health	2
Master of Social Work.....	32
Master of Urban Planning	4
<i>Total, Masters</i>	(488)

Certificate of Advanced Study	
Educational Organization and Leadership	1
Special Education	1
Human Resource Education	1
<i>Total, Certificates</i>	(3)
<i>Total, Graduate Degrees</i>	491
<i>Professional Degrees</i>	
College of Law	
Juris Doctor..	3
<i>Undergraduate Degrees</i>	
College of Agricultural, Consumer and Environmental Sciences	
Bachelor of Science.....	41
College of Applied Health Sciences	
Bachelor of Science.....	70
College of Business	
Bachelor of Science.....	69
College of Media	
Bachelor of Science.....	9
Bachelor of Science in Journalism	2
<i>Total, College of Communications</i>	(11)
College of Education	
Bachelor of Science.....	9
College of Engineering	
Bachelor of Science.....	70
College of Fine and Applied Arts	
Bachelor of Arts in Urban Planning	3
Bachelor of Fine Arts	6
Bachelor of Music	3
Bachelor of Music Education	2
Bachelor of Science in Architectural Studies.....	2
<i>Total, College of Fine and Applied Arts</i>	(16)
College of Liberal Arts and Sciences	
Bachelor of Arts in Liberal Arts and Sciences	165

Bachelor of Science.....	3
Bachelor of Science in Liberal Arts and Sciences	86
<i>Total, College of Liberal Arts and Sciences.....</i>	<i>(254)</i>
Institute of Aviation	
Bachelor of Science in Aviation Human Factors	7
<i>Total, Undergraduate Degrees.....</i>	<i>547</i>
<i>Total, Degrees Conferred August 4, 2008.....</i>	<i>1,041</i>

STUDENT TRUSTEES' REPORTS¹

Mr. McFarland reported that the students at Springfield were to elect four new members to the Student Government Association in the next week. He also stated that there was an effort to register voters on campus called "Rock the Vote," that is sponsored by the three political clubs on campus--the Democrats, Greens, and Republicans. He also said that the campus hosted Senator Richard Durbin on campus recently for a discussion on textbook affordability. In addition, he said that students were working for night bus service to the campus and that the parking policy at the campus was being revised.

Mr. Winters reported that the Moving Wall exhibit was held on the Chicago campus last week and the opening ceremony included remarks by Interim Chancellor Gislason and Lieutenant Governor Pat Quinn. He said it was gratifying to see this project grow from a suggestion to the actual exhibit and that the involvement of the Undergraduate Student Government and Vietnam veterans associations was fulfilling. He said that 2,000 visitors came to campus to view the exhibit, creating an enriching

¹Mr. Sperling left the meeting at 3:35 p.m., following the voting on the agenda items.

experience for the campus and the community. He also mentioned work in progress with the Urbana campus and Mr. Schmitt to plan a day in Springfield to visit legislators and urge them to support higher education.

Mr. Schmitt commented next and thanked Mr. Eppley and Mr. Knorr for arranging to have the University's budget posted on the web. As for activities on the Urbana campus, he reported on a forum to defend free speech and First Amendment issues. He also said that the Illinois Student Senate at Urbana is planning Illini Day, a visit in spring to Springfield to encourage the legislature to support higher education. He stated that students are pleased with the new Activities and Recreation Center which is the name of the renovated Intramural Physical Education (IMPE) facility; that the renovated Memorial Stadium is a joy; that there is a voter registration drive underway on campus, as Chancellor Herman mentioned earlier; and that Senator Durbin also visited the Urbana campus recently to hear about textbook affordability.

REPORT FROM THE PRESIDENT OF THE UNIVERSITY OF ILLINOIS FOUNDATION¹

Mr. Eppley welcomed Dr. Sidney S. Micek, president of the University of Illinois Foundation, to the Board meeting and invited him to report highlights of the Foundation's work for the past year.

Dr. Micek said that he wanted to reaffirm the role of the Foundation with the University, which is that the Foundation exists to help the University with gifts and its

¹Mr. Shah departed the meeting at 3:55 p.m.

sole purpose is to serve the University. He reported that the Brilliant Futures campaign to preserve access to the University and excellence for the University had achieved 67 percent of its goal of \$2.25 billion, with three and one-half years remaining in the campaign. He said that the annual meeting of the Foundation is October 17, 2008, and that there will be 20 new gifts announced totaling \$61.0 million. He told the Board members that one of the emphases of the campaign for Brilliant Futures was to increase the number of scholarships for students at the University and named chairs for faculty members. Dr. Micek indicated that in 2003, there were 1,109 named scholarships at the University and in June 2008, the University had 1,371 named scholarships. He also said that in 2003 there were 144 named chairs for faculty members and today there are 165. He reported on trends in giving nationally and said that annual giving to the University of Illinois was up, which is against the national trend; that the new donors to the Chancellor's Circle increased by 12 percent in the last year; that there are now 10,600 members of the President's Council; and that 700 members of the President's Council have moved to a higher level of giving. He concluded his report with the statement that the goal of the campaign is to develop advocates for all the campuses.

REPORT FROM THE PRESIDENT OF THE
UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION

Mr. Eppley welcomed Mr. Loren R. Taylor, president and chief executive officer of the University of Illinois Alumni Association, to the Board meeting and asked him to present

his report on the Alumni Association's activities of the past year (materials on file with the secretary).

Mr. Taylor told the Board members that effective July 1, 2008, all alumni of the University are now members of the University of Illinois Alumni Association. He said that the new structure of the Alumni Association compliments overall advancement activities of the University. He also said that the total number of members of the Alumni Association is now 671,000, making it the largest alumni association in the country. In addition, he reported that the Illinois Ambassadors of the Illinois Connection are continuing their work of making the State legislators and others aware of the needs of the University.

REPORT FROM THE URBANA-CHAMPAIGN SENATE

Mr. Eppley invited Professor Nicholas C. Burbules to report on the work of the Urbana Senate for the past year.

Professor Burbules referred to his report circulated earlier (materials on file with the secretary) and said that the goal of the senate at Urbana was to enhance awareness of the senate and to involve others that had not been involved heretofore. He said that innovations in the conduct of senate meetings included televising senate sessions and providing streamed video recordings of the meetings. He also said that there was active recruitment for new senators and better recognition of senate activities. Among attempts to better inform the faculty on campus he said that the senate was providing information about the University's budget process. He also indicated that

interdisciplinary research was among several academic program issues discussed in the past year by the senate. In addition, he stated that the senate discussed e-learning in a wide variety of forms and concluded that the campus needs an independent strategy for promoting e-learning. He said that blended and hybrid approaches to e-learning combined with conventional on-campus course work was suggested as beneficial for the Urbana campus to support.

Mr. Eppley asked Professor Burbules what the Board might do to help the faculty members understand the University's budget. Professor Burbules indicated that making the budget available online is a first step. Also, he said that the senate will invite Mr. Knorr to speak with its members. Professor Burbules added that if all faculty members could have heard the discussion of the budget today at the Board meeting it would have been useful.

In response to a query about how many faculty view the televised senate meetings, Professor Burbules said that there was no indication of how many faculty take advantage of this offering.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

There was no business presented under this aegis.

ANNOUNCEMENTS FROM THE CHAIR OF THE BOARD

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

November 13, 2008, Springfield; January 15, 2009, Chicago; March 11, Urbana.

There being no further business, the Board adjourned.

MICHELE M. THOMPSON
Secretary

LAWRENCE C. EPPLEY
Chair