

MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

November 19, 1971



The November meeting of The Board of Trustees of the University of Illinois was held at Allerton House in Allerton Park, Monticello, Illinois, on Friday, November 19, 1971, beginning at 9:30 a.m.

President Earl M. Hughes called the meeting to order and asked the Secretary to call the roll. The following members of the Board were present: Mr. William D. Forsyth, Jr., Mr. Ralph C. Hahn, Mr. George W. Howard III, Mr. Earl M. Hughes, Mr. Earl Langdon Neal, Mr. Roger B. Pogue, Mr. Timothy W. Swain, Dr. Michael J. Bakalis, Mr. Donald R. Grimes, Governor Richard B. Ogilvie, and Mr. Russell W. Steger were absent.

Also present were President John E. Corbally Jr.; Executive Vice President and Provost Lyle H. Lanier; Chancellor J. W. Peltason, Urbana-Champaign campus; Chancellor Joseph S. Begando, Medical Center campus; Chancellor Warren B. Cheston, Chicago Circle campus; Dr. Eldon Johnson, Vice President; Mr. Norman A. Parker, Vice President for Public Service; Mr. Vernon L. Kretschmer, Associate Director of Physical Plant Planning and Construction; Mr. C. E. Flynn, Assistant to the President and University Director of Public Information; Mr. James J. Costello, University Counsel; Mr. George H. Bargh, Executive Assistant to the President; and the officers of the Board, Mr. H. O. Farber, Comptroller, and Dr. Earl W. Porter, Secretary.

MINUTES APPROVED

The Secretary presented the minutes of the meetings of the Board of Trustees on July 22, 1970, August 12, 1970, September 16, 1970, October 21, 1970, November 13, 1970, and December 10, 1970, press proof copies of which had previously been sent to the Board.

On motion of Mr. Swain, these minutes were approved as printed on pages 1 to 151 inclusive.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY
The Board considered the following reports and recommendations from the President of the University.

PRESIDENT'S REPORTS

President Corbally presented a report on selected topics of current interest, copies of which were distributed at the meeting, and a copy was filed with the Secretary of the Board.

Increases in Tuition and Fees for 1972-73

The President also presented a recommendation on Increases in Tuition and Fees for 1972-73 (see December 17, 1971, minutes for complete text of this item).

President Corbally stated that in the preparation of the recommendation the administrative officers had been in contact with the Illinois State Scholarship Commission (ISSC). The University has been informed, he indicated, that the ISSC will seek funds from the General Assembly based upon the implications of increased tuition levels as recommended by the Illinois Board of Higher Education. Reportedly, the Commission is still considering its position regarding the provision of scholarship aid to graduate students and to part-time students. By the December meeting of the Board of Trustees the University may have sufficient information to enable the trustees to arrive at a position with regard to the ISSC proposals.

Mr. Hughes asked that the recommendation be referred to the Committee on General Policy, with the understanding that the Committee will conduct hearings before the next meeting of the Board of Trustees. It was suggested that the hearings be sufficiently broad to provide an opportunity for appropriate faculty, students, and other groups to be heard. In addition, it was suggested that the Director of the Bureau of the Budget and the Executive Director of the Board of Higher Education be invited to attend to provide background information.

On motion of Mr. Hahn, the Trustees approved the referral of this item to the Committee on General Policy and the plan for the hearings as indicated above.

AWARD OF CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES

(1) The Committee on Accountancy recommends that the certificate of Certified Public Accountant be awarded, under Section 5 of the Illinois Accountancy Act of 1943, as amended, to ten candidates who have presented evidence that they are holders of valid and unrevoked Certified Public Accountant certificates obtained by passing a standard written examination in another state or territory of the United States and who qualify in all other respects under this provision of the law. A list of the candidates is filed with the Secretary.

I concur.

On motion of Mr. Pogue, these certificates were awarded.

**COLLEGE OF PHYSICAL EDUCATION ADVISORY COMMITTEE,
URBANA**

(2) The Dean of the College of Physical Education at Urbana has recommended and the Chancellor has approved the following appointments and reappointments to the Advisory Committee for the College for three-year terms ending June 30, 1974:

Appointments

EDWARD R. HOUSER, President, Elk Grove Park District Board, Elk Grove Village

WILLIAM LYON, Managing Editor of the Champaign-Urbana News-Gazette, Champaign

Reappointments

THOMAS M. JANEWAY, Supervisor of Health Education, Department of Public Instruction, Office of Superintendent of Public Instruction, Springfield

ALFRED SLICER, Director, State Division of Vocational Rehabilitation, Springfield

The following new appointments are recommended for one-year terms ending June 30, 1972 to complete the terms of members who have resigned:

GERALDINE YOUNG, Assistant Principal, Washington Junior High School, Evanston; to complete the term of Arthur Beuhler, Director of Health and Physical Education, Board of Education of Chicago

THEODORE DAMOS, Head, Department of Physical Education, Waukegan Township High School, Waukegan; to complete the term of Arthur Schultz, Executive Vice President, Illinois Association of Park Districts, Springfield
I concur.

On motion of Mr. Swain, these appointments were approved.

**HEADSHIP OF THE DEPARTMENT OF INFORMATION ENGINEERING,
CHICAGO CIRCLE**

(3) The Dean of the College of Engineering at the Chicago Circle campus has recommended to the Chancellor the appointment of Dr. Bruce H. McCormick, presently Professor of Computer Science and Physics at the Urbana campus, as Professor of Information Engineering on indefinite tenure and Head of the Department of Information Engineering, beginning September 1, 1972, on an academic year service basis, at an annual salary of \$25,000.

The appointment is to succeed Dr. Leon H. Fisher who resigned September 1, 1971.

The nomination is supported by a search committee for the headship¹ and by the faculty of the Department of Information Engineering. The Chancellor and the Dean of the Graduate College at Chicago Circle have approved the recommendation. The Executive Vice President and Provost concurs.

I recommend approval.

On motion of Mr. Hahn, this appointment was approved.

APPOINTMENTS TO THE FACULTY

(4) The following new appointments to the faculty of the rank of Assistant Professor and above, and involving tenure, have been approved since the previous meeting of the Board of Trustees.

Positions in the University are classified in the following categories and are designated in the budget by the symbols indicated: A — indefinite tenure; P — indefinite term appointment for part-time service only; B — two years; D — one

¹ P. Uslenghi, Associate Professor of Solid State and Quantum Electronics in Information Engineering, *Chairman*; R. C. Arzbaecher, Professor of Electrical Engineering in Information Engineering; R. C. Conant, Assistant Professor of Electrical Engineering in Information Engineering; J. D. Ferguson, Assistant Professor of Electrical Engineering in Information Engineering; S. R. Laxpati, Assistant Professor of Electrical Engineering in Information Engineering; N. L. Nihan, Assistant Professor of Systems Engineering; P. Parzen, Professor of Electrical Engineering in Information Engineering; C. K. Sanathanan, Professor of Quantitative Methods; S. Sundaram, Professor of Physics and Head of the Department of Physics; S. Tsai, Assistant Professor of Electrical Engineering in Information Engineering.

year; E—nine months from the beginning of the academic year; F—one-year appointment ending other than August 31; G—special tenure; Q—initial term appointment for a Professor or Associate Professor; T—terminal appointment, accompanied with or preceded by notice of nonreappointment; W—one-year appointment subject to special written agreement; Y—twelve months' service required instead of two semesters; X—percentages opposite X are for the academic year; full-time summer service is indicated by "S"; 1-7—indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure. Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., D75 means one year on three-fourths time).

Chicago Circle

1. PATRICIA LEE ENGLE, Assistant Professor of Education, for the fall quarter 1971-72 on one-half time (G50), at a salary of \$2,000, and for the winter and spring quarters on full time (1), at a salary of \$8,000.
2. IRWIN E. KIPNIS, Assistant Professor, Jane Addams Graduate School of Social Work, beginning September 1, 1971, on one-fifth time (D20), at an annual salary of \$3,000.
3. GLENN K. MANACHER, Associate Professor of Computer Science in Information Engineering, beginning September 1, 1971 (A), at an annual salary of \$18,000. (He will serve during the winter, spring, and summer quarters; he is substituting the summer quarter for the fall quarter.)
4. FRANK P. SCIOLI, JR., Assistant Professor of Political Science, beginning September 1, 1971 (1), at an annual salary of \$13,500.

Medical Center

5. LAWRENCE W. ALLEN, Assistant Professor of Medicine, The Abraham Lincoln School of Medicine, beginning September 1, 1971 on 65/100 time (1Y65), at an annual salary of \$19,000.
6. MARY ELLYN CHADWICK, Assistant Professor of Nursing, College of Nursing, beginning September 1, 1971 (1), at an annual salary of \$11,300.
7. MYRON J. EVANICH, Research Assistant Professor of Medicine, The Abraham Lincoln School of Medicine, beginning September 1, 1971 (1Y), at an annual salary of \$16,500.
8. HENRY M. GELFAND, Professor of Epidemiology, School of Public Health, beginning March 1, 1972 (AY), at an annual salary of \$30,000.
9. ILSE JUDAS, Clinical Associate Professor of Psychiatry, College of Medicine, beginning September 1, 1971, on three-tenths time (WY30), at an annual salary of \$7,200.
10. MARCIA A. MILLER, Assistant Professor of Microbiology, Peoria School of Medicine, College of Medicine, beginning October 1, 1971 (1Y), at an annual salary of \$15,500.
11. PAUL JOSEPH MILLER, Clinical Assistant Professor of Pharmacy and Associate Director of Hospital Pharmacy Services, beginning July 1, 1971 (1Y, DY), at an annual salary of \$18,000.
12. MARGARET A. NOTHEISEN, Assistant Acquisitions Librarian and Associate Professor, Library of the Health Sciences, beginning September 14, 1971 (QY), at an annual salary of \$13,450.
13. SALLY PETERSON, Assistant Professor of Speech Pathology, Department of Otolaryngology, College of Medicine; Speech Pathologist, Center for Cranio-facial Anomalies, College of Dentistry; and Assistant Professor of Speech, Urbana, beginning October 1, 1971 (TY), at an annual salary of \$15,000.
14. ANDA F. SOKALSKI, Assistant Professor of Fixed Partial Prosthodontics, College of Dentistry, beginning September 1, 1971, on three-fifths time (1Y60), at an annual salary of \$10,500.
15. ALON PALM WINNIE, Professor of Anesthesiology, The Abraham Lincoln School of Medicine, and Head of Anesthesiology, University of Illinois Hospital, beginning December 1, 1971 (AY), at an annual salary of \$50,000.

Urbana-Champaign

16. DALE R. BOND, Consultant with rank of Assistant Professor of Psychology,

beginning September 1, 1971, on 15 per cent time (D15), at an annual salary of \$3,000.

17. RUDOLF G. BREITMEYER, Consultant with rank of Assistant Professor of Psychology, beginning September 1, 1971, on 15 per cent time (D15), at an annual salary of \$3,000.
18. A. THOMAS BUCKINGHAM, Assistant Professor of English as a Second Language and Director in the Field in Puerto Rico, beginning September 1, 1971 (1Y, DY), at an annual salary of \$13,000.
19. ROBERT W. BURPEE, Assistant Professor of Meteorology, Laboratory for Atmospheric Research, Graduate College, beginning January 1, 1972 (1), at an annual salary of \$11,500.
20. MARGARET A. CHAPLAN, Institute of Labor and Industrial Relations Librarian and Assistant Professor of Library Administration, Library, beginning November 15, 1971 (1Y), at an annual salary of \$12,000.
21. J. RONAYNE COWAN, Assistant Professor of English as a Second Language and Director of the University of Illinois-Tehran University Teaching Internship Program, beginning September 1, 1971 (1Y, DY), at an annual salary of \$16,000.
22. CATHERINE D. DADE, Assistant Professor of Mathematics, beginning September 1, 1971 (1), at an annual salary of \$12,000.
23. EVERETT C. DADE, Professor of Mathematics, beginning September 1, 1971 (A), at an annual salary of \$25,000.
24. WAYNE B. DICKERSON, Assistant Professor of English as a Second Language, beginning September 1, 1971 (1), at an annual salary of \$11,500.
25. CAMILLE FERENCE, Assistant Professor of Educational Psychology, beginning September 1, 1971 (W), at an annual salary of \$10,500.
26. JAMES B. HARTLE, Associate Professor of Physics, beginning September 1, 1971 (A), at an annual salary of \$16,800.
27. ROBERT J. LENTZ, Consultant with rank of Assistant Professor of Psychology, beginning September 1, 1971, on 15 per cent time (D15), at an annual salary of \$3,000.
28. LOUIS A. SPOMER, Assistant Professor of Plant Physiology in Horticulture, beginning October 15, 1971 (1Y), at an annual salary of \$13,500.
29. BILLY B. TUCKER, Professor of Soil Fertility Extension in Agronomy, for the period from October 15, 1971, through January 14, 1972 (G), at a salary of \$7,080.
30. KAREN K. UHLENBECK, Assistant Professor of Mathematics, beginning September 1, 1971 (1), at an annual salary of \$11,700.
31. OLKE C. UHLENBECK, Assistant Professor of Biochemistry and Chemistry, beginning September 1, 1971 (1), at an annual salary of \$13,000.
32. GARY D. WIGGINS, Slavic Acquisition Librarian and Assistant Professor of Library Administration, Library, beginning January 1, 1972 (1Y), at an annual salary of \$12,000.

Visiting Staff

33. BERNARD DOLNICK, Visiting Associate Professor, Administration of Criminal Justice, Chicago Circle, for the academic year 1971-72 on one-third time (E33), at an annual salary of \$6,000.
34. SUE-ELLEN JACOBS, Visiting Associate Professor, Department of Urban and Regional Planning, Urbana, beginning September 1, 1971 (D), at an annual salary of \$14,000.
35. WILLIAM E. KINSER, Visiting Assistant Professor of Art, Urbana, beginning September 1, 1971 (D), at an annual salary of \$14,000.
36. SADA O NAKAJIMA, Visiting Professor of Physics and in the Materials Research Laboratory, Urbana, for five months from February 1, 1972 (G), at a salary of \$15,000.
37. DAVID A. NYBERG, Visiting Assistant Professor of Education, Urbana, beginning October 1, 1971 (DY), at an annual salary of \$17,250.
38. JEAN OAK, Visiting Assistant Professor of Education, Chicago Circle, for the academic year 1971-72 (E), at an annual salary of \$12,500.

39. ROBERT J. SCHILL, Visiting Assistant Professor of Architecture, Urbana, for the first semester 1971-72, on one-third time (D33), at a salary of \$1,500.
40. FRITZ SCHLENK, Visiting Professor of Biological Sciences, Chicago Circle, for the fall quarter 1971-72 on one-half time (G50), at a salary of \$3,705.
41. RICHARD J. SCLAFANI, Visiting Assistant Professor of Philosophy, Chicago Circle, for the academic year 1971-72 (D), at a salary of \$14,500.
42. LONNIE J. WILSON, Visiting Assistant Professor of Chemistry, Urbana, beginning September 1, 1971 (D), at an annual salary of \$9,500.

On motion of Mr. Howard, these appointments were confirmed.

NONSALARIED FACULTY OF THE COLLEGE OF MEDICINE FOR 1971-72

(5) On recommendation of the Executive Dean of the College of Medicine and the Chancellor at the Medical Center, and with the concurrence of the Executive Vice President and Provost, I have approved appointments and reappointments to the nonsalaried faculty of the College of Medicine for the academic year beginning September 1, 1971. The list of these appointments is being filed with the Secretary of the Board for record, and his office will issue the usual notices to the appointees.

Attached is a summary of the number of appointments in each department. The total number is 1,684 of which 106 are on emeritus status. The total for 1970-71 was 1,513 of which 99 were on emeritus status.

Summary

The Abraham Lincoln School of Medicine

Dermatology	30	(6) ¹
Medical Social Work.....	7	
Medicine	310	(31)
Neurology.....	3	(1)
Neurosurgery.....	11	
Obstetrics and Gynecology.....	73	(7)
Ophthalmology.....	56	(4)
Orthopaedic Surgery	42	(3)
Otolaryngology	66	(10)
Pathology	61	(3)
Pediatrics	63	(11)
Physical Medicine and Rehabilitation.....	17	
Preventive Medicine and Community Health.....	23	(2)
Psychiatry.....	144	(1)
Radiology	36	(3)
Surgery (including Anesthesiology and Urology).....	232	(22)
<i>School Total</i>	<u>1 174</u>	<u>(104)</u>

School of Basic Medical Sciences at Urbana..... 134

School of Basic Medical Sciences at the Medical Center

Anatomy.....	8	
Biological Chemistry	6	
Microbiology	14	(1)
Pharmacology	6	
Physiology	1	(1)
<i>School Total</i>	<u>35</u>	<u>(2)</u>

School of Associated Medical Sciences

Occupational Therapy..... 4

Rockford School of Medicine..... 191

Peoria School of Medicine..... 146

Grand Total..... 1 684 (106)

On motion of Mr. Neal, these appointments were approved.

¹ The figures in parentheses indicate the number of emeritus members.

SABBATICAL LEAVE OF ABSENCE, 1971-72, URBANA

(6) The Chancellor at Urbana-Champaign has recommended that the following faculty member be given a sabbatical leave of absence in accordance with the provisions of the University of Illinois *Statutes* and on the terms and for the period indicated.

College of Liberal Arts and Sciences*Department of English*

YVONNE NOBLE, Associate Professor of English, second semester, 1971-72, one-half pay.

This recommendation is supplementary to the applications recommended to the Board of Trustees on March 17, 1971.

I concur.

On motion of Mr. Howard, this leave was granted as recommended.

SPECIAL UNDERGRADUATE INSTRUCTIONAL AWARDS FOR PROJECTS COMPLETED DURING THE SUMMER OF 1971

(7) At its meeting on February 17, 1971, the Board of Trustees approved a total of sixteen projects, involving eighteen individuals, for support during the summer of 1971 under the program of Undergraduate Instructional Awards. These awards provided a salary for two months—in all but two cases for full time—to the recipients for work on projects designed to improve the quality of undergraduate instruction.

In the fall of 1970 the Standard Oil (Indiana) Foundation made available a total of \$8,000 for special awards for outstanding teaching by undergraduate faculty—\$6,000 for the teaching awards and \$2,000 to be deposited in the President's Contingency Fund. The sum of \$6,000 has been held for special awards for projects conducted during the summer of 1971.

The chancellors at the Chicago Circle and the Urbana-Champaign campuses each appointed a special committee to review the reports submitted by the grantees following the completion of their projects last summer. The committees were asked to select the most meritorious projects for recommendation to their respective chancellors. In the light of these recommendations, a total of seven proposals were submitted to the Executive Vice President and Provost for consideration (two from the Chicago Circle campus and five from the Urbana-Champaign campus). After reviewing the reports and the endorsements, the Executive Vice President and Provost recommends that special awards of \$1,000 be made for six of the seven projects as follows:

Chicago Circle Campus

ROLAND PRIEMER, Assistant Professor of Electrical Engineering in Information Engineering: "Library of Computer Subroutines Concerned with Modern Network Theory."

DANIEL J. SANDIN, Instructor in Art: "The Design and Construction of a Prototype Video Image Processor."

Urbana-Champaign Campus

JAMES A. GENTRY, Associate Professor of Finance: "Simulating the Investment and Financial Decision-Making Process."

STEPHEN P. COHEN, Associate Professor of Political Science and in Asian Studies: "Development of International Political Simulations and Their Introduction into Political Science Courses."

DAVID J. CHERRINGTON, Assistant Professor of Business Administration: "Understanding Cultural Differences in Industry."

CHERIS R. KRAMER, Instructor in Verbal Communications in Speech: "The Development of Instructional Materials in American Dialects for Use in the Freshman Course in Verbal Communication."

I concur.

On motion of Mr. Hahn, this recommendation was approved.

**NATIONAL SCIENCE FOUNDATION SUPPORT
FOR THE PLATO IV PROGRAM**

(8) The Computer-based Education Research Laboratory (CERL) at the Urbana-

Champaign campus has been discussing with the National Science Foundation (NSF) a proposed contract for the support of a major field test, demonstration, and evaluation of PLATO IV, a large computer-based education system. The contract would cover a four-year period from January 1, 1972, to December 31, 1975.

The major objectives of the project are:

1. Develop, test, and operate a large, geographically dispersed PLATO IV computer-based education network serving at least 400 student consoles at several educational institutions at university, community college, and elementary levels. (An effort will be made to add at least 100 consoles to this minimum.)
2. Implement an educational program involving educational liaison (cooperative programs) with participating institutions, teacher/author training, curriculum planning, and the development of curricular materials.
3. Carry out a two-year (FY 1974 and FY 1975) field test and demonstration, with the PLATO IV system providing a substantial component of direct computer-based instruction at each institution.
4. In cooperation with a qualified external evaluation team, develop plans and strategies and assist in a systematic evaluation during the field-test period—including an assessment of technical and economic system performance, as well as educational effectiveness of the PLATO IV computer-based education system.

This program will be carried out in the Computer-based Education Research Laboratory at the Urbana-Champaign campus under the direction of Professor Donald L. Bitzer. The proposed participating educational institutions include three elementary schools of the City of Chicago Board of Education, two community colleges of the City Colleges of Chicago, two elementary schools in Urbana-Champaign, and a community college in Champaign or the Champaign area.

To implement this initial demonstration phase of the PLATO IV program, the National Science Foundation will provide \$5,000,000 over the four-year period. This sum is to be matched by a total of \$5,160,000 from the University of Illinois and from other sources. The detailed budget is filed with the Secretary of the Board. The non-NSF components may be described as follows:

University of Illinois funds (\$2,780,000). This four-year total includes funds from: (a) the present recurring budget of CERL (\$345,000 per year for four years, or \$1,380,000); (b) the requested FY 1973 increase of \$180,000 per year in CERL's recurring budget, or \$630,000 from July 1, 1972, to December 31, 1975; (c) the FY 1972 capital budget for student consoles in the Foreign Languages Building (\$450,000); (d) contributed departmental staff time for curriculum planning and development (\$320,000).

Support from outside agencies and institutions (\$1,850,000). The largest component of such support relates to reduced cost of computer equipment (\$950,000). Special grants (\$520,000) and resources provided by cooperating educational institutions (\$380,000) make up the remainder.

Funds from other state and local sources (\$530,000). Funds in this total amount must be secured if the projected program in the elementary schools is to be carried on through FY 1974 (\$230,000) and FY 1975 (\$300,000). No definite commitments of funds have yet been secured to cover these costs, but it is believed they will be forthcoming as this aspect of the project unfolds.

The above (Phase I) program, totaling \$10,160,000, would provide for the procurement, installation, operation, and maintenance of the PLATO system with at least 400 student consoles at various educational institutions. In addition, the program would include curriculum planning and development at the following minimal levels:

At the University level, at least fifteen basic courses or the equivalent.

At the community college level, at least eight basic courses or the equivalent.

At the elementary level, reading and mathematics courses for two grades.

The program would include a major evaluation, in cooperation with a qualified evaluation team, of the educational effectiveness and the economic and technical performance of the system.

In order to prepare for the future expansion and widespread use of the PLATO system beyond the Phase I period, additions to the above program are desirable for systems planning and educational programs, particularly at the elementary education level. At least 100 and as many as 200-400 student consoles may be added to the network as systems capability is demonstrated and as funds are made available for that purpose on the initiative of participating institutions. In addition, a major continuing effort will be required in elementary curriculum development in order to make available a complete curriculum for all elementary grades. Hence, additional funds for the completion and careful revision of the curriculum program at elementary schools, for teacher/author training, and for an expanded program of educational liaison will be required. For these objectives related to the improvement of elementary education, it is estimated that as much as \$1,500,000 in additional funds will be necessary. It is hoped that state and federal agencies primarily concerned with elementary education will provide such support.

The Chancellor at the Urbana-Champaign campus and the Executive Vice President and Provost recommend approval of this proposal and the use allocation of University resources, as indicated above, subject to availability of appropriations.

I concur and request approval subject to action by the Illinois Board of Higher Education. If approved by that Board, I request that the Vice President and Comptroller of the University be authorized to negotiate and execute a contract with the National Science Foundation which shall contain a provision that all commitments by the University thereunder shall be contingent upon and subject to funds being made available to the University for the program as outlined above.

On motion of Mr. Swain, this recommendation was approved and authority was given as requested by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, none; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger.

REQUEST TO ILLINOIS BUILDING AUTHORITY FOR IMPROVEMENTS TO ABBOTT POWER PLANT, URBANA

(9) The President of the University, with the concurrence of appropriate administrative officers, recommends that the Illinois Building Authority be requested to award the following contracts for improvements to the Abbott Power Plant at the Urbana-Champaign campus, the award in each case being to the low bidder.

Division IV — General Work: Kuhne-Simmons Co., Inc., Champaign.... \$353,300
Division VI — Electrical Work: Aldridge Electric, Inc., Libertyville.... \$ 74,698

Funds for this work are available in the project budget.

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

On motion of Mr. Howard, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, none; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger.

CONTRACTS FOR EXTENSIONS OF UTILITIES DISTRIBUTION SYSTEM, URBANA

(10) The President of the University, with the concurrence of appropriate administrative officers, recommends award of the following contracts for construction and thermal insulation of a fourteen-inch steam main in the Oak Street tunnel from the Abbott Power Plant to Peabody Drive extended and in the Peabody Drive tunnel from Oak Street to Euclid Street at the Urbana-Champaign campus, the award in each case being to the low bidder.

Tunnel Piping: Healy Mechanical Contractors, Inc.,
St. Paul, Minnesota..... \$174,700
Thermal Insulation: Champaign A & K Insulation
Company, Champaign..... \$ 44,990

Funds are available in state capital appropriations and have been released by the Governor.

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

On motion of Mr. Hahn, these contracts were awarded by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, none; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger.

CONTINUATION OF EMPLOYMENT OF ARCHITECT FOR LONG-RANGE PLANNING, MEDICAL CENTER

(11) The President of the University, with the concurrence of appropriate administrative officers, recommends that the contract for the employment of Richardson, Severns, Scheeler & Associates, Inc., Champaign, for long-range campus planning studies at the Medical Center campus be extended to June 30, 1972, at a fee of actual cost of technical personnel, plus 150 per cent for overhead and profit, plus normal reimbursables with the total fee and reimbursables for FY 1972 not to exceed \$20,000.

Funds for this work are available in state capital appropriations to the University and have been released by the Governor.

On motion of Mr. Swain, this recommendation was approved, with the understanding that a report on the capability of the University's architectural staff to conduct this kind of planning service would be prepared, and that the funds involved would not be spent until the report was submitted at the next meeting of the Board of Trustees. This action was taken by the following vote: Aye, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, Mr. Forsyth; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger. Mr. Hahn asked to be recorded as not voting. (Subsequently, the Trustees were sent a report on this subject and gave their concurrence informally in the implementation of the recommendation. This report is filed with the Secretary of the Board for record.)

LEASE OF PROPERTY AT 216 GRIGGS STREET, URBANA

(12) The President of the University, with the concurrence of appropriate administrative officers, recommends entering into a lease of a warehouse building at 216 Griggs Street, Urbana, for the use of the University of Illinois Press at a rental of \$2,800 for the period beginning December 1, 1971, through June 30, 1972. The lease will further provide for six additional one-year option periods at an annual rental of \$4,800.

Funds are available for the current year in the University Press Auxiliary Account. The exercise of the single-year options will be contingent upon continuing need and availability of funds for this purpose in the account.

On motion of Mr. Swain, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, none; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger.

LEASE OF SPACE FOR PEORIA SCHOOL OF MEDICINE

(13) At its meeting on September 15, 1971, the Board of Trustees authorized a lease agreement with Bradley University, Peoria, for space for the Peoria School of Medicine. Funds for the total rental, which covers operating costs, remodeling reimbursement, and parking, for FY 1972, were estimated to be \$63,500. Under the lease agreement Bradley University is to be reimbursed for remodeling costs incurred as a result of the requirements of the University of Illinois. Bids for the initial remodeling required have now been received by Bradley University and are in excess of the original estimates by approximately \$21,500. The Office of Physical Plant Planning and Construction has examined the bids and determined that the bids received are reasonable and recommends that Bradley University award construction contracts for this work.

Accordingly, the President of the University, with the concurrence of appro-

prate administrative officers recommends that the previous authorization for funds for this project for FY 1972 be increased by \$21,500 to \$85,000.

The additional funds required for FY 1972 are available in the operating budget of the College of Medicine.

On motion of Mr. Swain, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, none; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger.

ESTATE OF MARIE KESERIC

(14) Mrs. Marie Keseric who died August 16, 1970, has left a will making bequests to the St. John Evangelical Lutheran Church, Michigan City, Indiana (\$20,000); to the Indiana University Foundation (\$10,000); and to the University of Illinois at Urbana-Champaign, Illinois, for use on that campus (\$10,000). The remainder of her estate was left to the First Presbyterian Church of Gary, Indiana.

At the time Mrs. Keseric executed her will, her estate was in an amount adequate to satisfy the three specific bequests and to provide some residue for the First Presbyterian Church. Because of large medical expenses incurred during Mrs. Keseric's last illness, her gross estate was depleted so that at the time of her death it amounted to approximately \$43,440. Expenses of administration have not been finally determined but will not exceed \$4,400. The executor has proposed an adjustment in the specific bequests in order to carry out Mrs. Keseric's intention that something be available to the First Presbyterian Church, the members of which have been assisting the administration of the estate without payment. The executor has proposed that 50 per cent of the expenses of administration be paid out of the bequest to St. John Evangelical Lutheran Church, 25 per cent from the bequest to Indiana University Foundation, and 25 per cent out of the bequest to the University. St. John Evangelical Lutheran Church and Indiana University Foundation have agreed to the executor's proposal.

The Vice President and Comptroller and University Council recommend approval of the proposed adjustment.

I concur.

On motion of Mr. Howard, this recommendation was approved.

LITIGATION INSTITUTED BY ILLINOIS BUILDING AUTHORITY

(15) In 1968 the Illinois Building Authority (IBA) awarded a construction contract in the approximate amount of \$5,500,000 to Talandis Construction Corporation for the Small Animal Clinic and Hospital at the Urbana-Champaign campus. Earlier this year, Talandis filed suit against IBA (Circuit Court of Cook County, 71 CH 3786) alleging breach of contract, requesting an accounting, and asking damages in the approximate amount of \$2,000,000. The allegations in the complaint are to the effect that IBA required Talandis to alter its plan for the progress of the work and, as a direct result, Talandis was unable to complete its contract in accordance with its bid, thereby incurring substantial additional expense.

The University has now been served with a Third Party Complaint filed in the litigation by the Illinois Building Authority against the University and the architects for the project. In essence, IBA alleges that, without the consent, approval, or advice of IBA, the University directed Talandis to stop work on a portion of the project, and that any damages which Talandis may have incurred were caused by the University. Substantially the same allegations are made against the architects. IBA seeks alternative relief in its Third Party Complaint, being (1) that the University be required to protect and indemnify IBA from any judgment entered against it and costs, or (2) a reformation of the lease between the University and IBA to provide for amortization of the amount of any judgment and costs over the unexpired portion of the lease. Indemnification only is being sought from the architects.

The University Counsel states that in his opinion the University should resist the claim, and recommends that he be authorized to take such steps as are necessary or appropriate, including the employment of special counsel, to defend the University in this proceeding.

I concur.

On motion of Mr. Swain, this recommendation was approved.

INVESTMENT IN MINORITY BANKS

(16) There is a national effort to secure new bank deposits for the thirty-three minority banks across the country, and it is appropriate that the University of Illinois cooperate in this effort. There are three such banks in the Chicago area: Highland Community Bank, the Independence Bank of Chicago, and Seaway National Bank.

It is proposed that a \$20,000 one-year Certificate of Deposit be purchased from each of these banks at the established rate which currently is 5½ per cent. If the investments work out well, it is proposed that the program be continued indefinitely. The certificates will be held and the interest received by The First National Bank of Chicago.

Under the By-Laws of the Board of Trustees, the Treasurer does not have the authority to invest any permanent funds or convert any securities in his hands except as directed by the Board.

After consultation with appropriate administrative officers, the President recommends the Treasurer be directed to implement this program.

On motion of Mr. Neal, this recommendation was approved.

PURCHASES

(17) The President submitted, with his concurrence, a list of purchases recommended by the Directors of Purchases and the Vice President and Comptroller.

This list of purchases was presented in two categories: purchases from appropriated funds (i.e., from state appropriations to the University) and purchases from institutional funds. The latter term designates funds received by the University under contracts with the United States government, contracts with private corporations and other organizations, funds from foundation grants, and grants from corporations and other donors, and University revolving funds authorized by law.

The total amounts of these purchases were:

From Appropriated Funds

Recommended..... \$168 333 36

From Institutional Funds

Recommended..... 270 368 11

Grand Total..... \$438 701 47

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

On motion of Mr. Forsyth, the purchases recommended were authorized.

COMPTROLLER'S REPORT OF PURCHASES APPROVED

(18) The Vice President and Comptroller also submitted a report of purchases approved by him on recommendation of the Directors of Purchases in amounts of \$5,000 to \$7,500. A copy of this report is filed with the Secretary.

This report was received for record.

COMPTROLLER'S MONTHLY REPORT OF CONTRACTS EXECUTED

(19) The Comptroller's monthly report of contracts executed was presented.

Chicago Circle*Change Orders*

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid by the University</i>
Tal Rauhoff, Inc.	General work—Parking lot: Furnish and install concrete curbs and walkways, asphalt paving, and chain link fence	\$ 5 891
<i>Total</i>		<hr/> \$ 5 891

Medical Center*New Contracts*

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid to the University</i>
City of Chicago Board of Health	Physical and psychological growth and development evaluations of infants	\$ 111 000
Illinois Regional Medical Program	Implement tissue typing component of Illinois Kidney Disease Program	36 176
The Population Council	Test the effectiveness of 20 OC-hydroxysteroid dehydrogenase as a contraceptive and abortifacient agent	23 597
State of Illinois Institute for Environmental Quality	Professional and technical services for the Institute	79 347
<i>Total</i>		<hr/> \$ 250 120

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid to the University</i>
Illinois Regional Medical Program	Development of an educational support resource	\$ 246 934
United States Army: DADA-17-69-C-9110	Antiradiation drugs: Synthesis of mercaptoamides	34 960
DADA-17-70-C-0004	Comparison of hemoglobin solution vs. albumin solution in the treatment of hemorrhagic shock in the baboon	18 000
DADA-17-70-C-0114	Immediate metal implants into extraction sockets	20 000
United States Department of Health, Education, and Welfare: PH-43-67-45	Continuing medical education project	\$ 135 227
HSM-110-70-351	Training of health professionals in the characteristics of effective evaluation	65 642
NIH-70-2307	Study of the rat estrous cycle	46 594
<i>Total</i>		<hr/> \$ 567 357

Urbana-Champaign*New Contracts*

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid to the University</i>
Illinois Pork Producers Association	Surveillance and control of disease in pork production	\$ 10 000
Illinois Pork Producers Association	The development of objective criteria for selecting stress-resistant pigs for breeding purposes	8 850
National Aeronautics and Space Administration NGR 14-005-175	Studies in the physiology of expectancy and motor preparedness	24 000
State of Illinois Department of Conservation	Forest user preference analysis and estimated demands for basic uses of Illinois forest lands	10 000
United States Army: DACA 88-72-C-0003	Survey of family housing preferences of personnel living on U.S. Army installations	14 697
DACW 23-72-C-0001	Oakley-Sangamon environment research program	93 960
United States Air Force: F 11602-72-C-0112	Tuition assistance for on-campus courses	6 985
F 30602-72-C-0031	Geometric codes for military application	144 586
United States Department of the Interior Bureau of Reclamation 14-06-D-7197	Research and evaluation of precipitation management in Southern Illinois	948 188
<i>Total</i>		<hr/> \$1 261 266

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid to the University</i>
State of Illinois Board of Vocational Education and Rehabilitation	Conducting Roving Leader Training Station and evaluating Roving Leader Training Guide	\$ 8 133
United States Atomic Energy Commission:		

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid to the University</i>
AT(11-1)-1469	Computer systems research	\$ 530 000
AT(11-1)-2118	Development of picture processing methods	230 000
United States Department of Health, Education, and Welfare OEG-0-9-232175-4370	Development and description of syntactic structure in language of deaf children	16 633
United States Department of Labor-Nelghorhood Youth Corps R5-9000-15	Neighborhood Youth Corps work training program	48 430
United States Navy N00014-67-A-0305-0007	Research in the design and development of computer circuits and components with emphasis on hybrid analog-digital devices for use in display on switching circuits	40 000
<i>Total</i>		<u>\$ 873 196</u>

New Leases

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid by the University</i>
Metropolitan Fair and Exposition Authority	Rental of space in McCormick Place for Certified Public Accountant examination	\$ 6 000
<i>Total</i>		<u>\$ 6 000</u>

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to be Paid by the University</i>
Gladney Brothers	Cost plus—general work: Tuckpointing of the six stacks and connecting dormer of the Natural Resources Building	\$ 15 260
Reliable Plumbing & Heating Co.	Cost plus—heating, piping, and refrigeration work: Remodeling of pressure reducing station Steam Distribution System	22 000
	Mechanical work required in remodeling at the President's House	5 857
<i>Total</i>		<u>\$ 43 117</u>

Summary

Amount to be paid to the University:	
Medical Center.....	\$ 817 477
Urbana-Champaign.....	2 134 462
<i>Total</i>	<u>\$2 951 939</u>
Amount to be paid by the University:	
Chicago Circle.....	5 891
Urbana-Champaign.....	49 117
<i>Total</i>	<u>\$ 55 008</u>

This report was received for record.

**COMPTROLLER'S REPORT OF GIFTS AND FUNDS RECEIVED
FROM OUTSIDE SOURCES**

(20) The Comptroller presented a report of gifts, grants, and contract funds (including funds from private donors and funds received from governmental agencies) received by the University during the fiscal year July 1, 1970, through June 30, 1971.

The complete report was sent to each member of the Board in advance of the meeting and a copy is being filed with the Secretary of the Board.

A summary of the total amounts of funds received and sources follows:

Summary*Funds from Private Donors*

To the University:	
For Urbana-Champaign.....	\$ 6 131 104 66
For Medical Center.....	1 600 409 22
For Chicago Circle.....	363 704 55
	<u>(8 095 218 43)</u>
To the University of Illinois Foundation.....	2 819 731 65
<i>Total</i>	<u>\$10 914 950 08</u>

Funds from United States Government

For Urbana-Champaign (including \$1,121,473 (1970-71) from National Defense Education Act and \$72,000 (1970-71) from Health Professions Act for student loans).....	\$49 845 816 64
For Medical Center (including \$393,449 (1970-71) from Health Professions Act and \$55,082 (1970-71) from Nurses Training Act for student loans).....	10 214 301 86
For Chicago Circle (including \$430,138 (1970-71) from National Defense Education Act and \$68,000 (1970-71) from Educational Opportunity Grants for student loans).....	5 789 795 84
<i>Total</i>	\$65 849 914 34

Funds from Contracts with State of Illinois Agencies

For Urbana-Champaign	\$ 1 802 354 99
For Medical Center	426 661 17
For Chicago Circle	432 011 01
<i>Total</i>	\$ 2 661 027 17
<i>Grand Total</i>	\$79 425 891 59

This report was received for record.

INVESTMENT REPORT
For the Month of September 1971
Report of the Finance Committee

(21) The Finance Committee reported the following changes in investments of endowment funds:

*Miller**Sales:*

1 100 shares Commonwealth Edison common stock	\$ 39 755 44
52 shares Monarch Capital common stock	1 274 00
36 shares Northern Illinois Gas 1.90 convertible preferred stock	1 054 47

Purchase:

1 000 shares Burns International Security System common stock	23 302 89
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Report of the Comptroller

The Comptroller reported the following changes in investments of current and unexpended plant funds, which he has been authorized to make:

*Current Funds**Restricted Group*

Purchases:	Per Cent	
\$1 000 000 American Brands note due 11/3/71	5.55	\$ 991 597 22
1 000 000 Genesco note due 11/5/71	5.67	991 718 75
1 000 000 Motorola note due 11/12/71	5.68	990 625 00
1 000 000 Caterpillar Tractor note due 12/2/71	5.57	988 083 33
1 000 000 Clark Equipment Credit note due 12/2/71	5.82	987 222 22
1 000 000 Gamble Alden Finance note due 12/6/71	5.83	986 583 33
1 000 000 Cargill note due 12/9/71	5.69	987 968 75
1 000 000 Commonwealth Edison note due 12/30/71	5.45	985 368 06
1 000 000 Continental Illinois National Bank 5¼ per cent Certificate of Deposit due 12/31/71	5.76	999 969 93
1 000 000 Atlantic Richfield note due 1/5/72	5.86	981 152 78
1 000 000 Creditthrift Financial note due 1/7/72	5.85	983 069 44
1 000 000 B-W Acceptance note due 2/3/72	5.87	978 916 67
1 000 000 International Harvester note due 6/2/72	5.99	960 229 17

*Plant Funds**Krannert Center**Purchase:*

\$240 000 Boise Cascade Home and Land 7 per cent notes due 6/30/76	7.00	\$ 240 000 00
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*Assembly Hall**Sinking Funds*

Purchases:		Per Cent	
\$ 10 000 U.S. Treasury bills due 3/31/72.....	5.65	\$	9 749 41
150 000 U.S. Treasury 6½ per cent notes due 2/15/73	5.62		151 828 13

Illini Union and Health Center

Purchases:			
\$60 000 U.S. Treasury bills due 7/31/72.....	5.17	\$	57 300 60
85 000 U.S. Treasury 2½ per cent bonds due 12/15/72	4.89		82 157 81

Revenue Bonds of 1952

Sale:			
\$75 000 U.S. Treasury 3¾ per cent bonds due 11/15/74...		\$	70 429 69

Women's Residence Halls of 1956

Sale:			
\$8 000 U.S. Treasury 5¾ per cent notes due 2/15/75.....		\$	7 935 00

This report was received for record.

STATE EMPLOYEES GROUP INSURANCE ACT OF 1971

(22) The Seventy-seventh General Assembly passed the "Employees Group Insurance Act of 1971" (House Bill 2601) which will provide, at state expense, group life and health insurance for persons in service of the State of Illinois. This act becomes effective January 1, 1972, and repeals the "Illinois State Employees' Insurance Benefits Act" approved August 18, 1965.

The State Department of Personnel awarded the group life and health insurance contract to the Northeastern Life Insurance Company of New York. The qualified employee or annuitant (those retired after January 1, 1966) will receive certain life insurance and health insurance benefits without cost. However, optional additional benefits and insurance for dependents will be entirely at the employee or annuitant's expense. The cost of the optional and dependent's coverage will be higher under the state plan than the cost of comparable coverage under the contracts which the University has previously purchased. The state plan will not provide coverage for everyone currently insured under the University contracts, i.e. persons retired prior to January 1, 1966, survivors not eligible for benefits under the State Universities Retirement System, and University employees under the federal retirement program.

Representatives of the Urbana-Champaign, Chicago Circle, and Medical Center Campuses Senate Faculty Benefits Committees, and the Nonacademic Employees Councils, the University Nonacademic Employees Advisory Committee, and the Urbana-Champaign Annuitants Association have recommended the continuation of the health insurance contract with the Continental Assurance Company of Chicago, Illinois.

The Continental Assurance Company's premium quotations are guaranteed for the 1972 policy year and have been adjusted to conform with the state's plan which will provide certain employees and annuitants medical insurance under the state's contract with the Northeastern Life Insurance Company, but will accommodate the enrollment of their dependents under the University's plan.

Plan Benefits

The University High and Low Option Plans will continue to provide the same benefits.

The Medicare Supplemental Plan will be discontinued and the participants will be insured under the High Option Plan (excluding Dental Insurance) with a reduced premium for those eligible for the Federal Social Security MEDICARE Plans A and B. The current practice has been to transfer the participant from the High or Low Option Plan to the Medicare Supplemental Plan when he becomes eligible for MEDICARE. This change will provide the same maximum level of benefits for all insureds regardless of age. (This proposal has the recommendation of the Executive Committee of the Urbana-Champaign Annuitants Association.)

Monthly Premiums

The premium for the State of Illinois Plan is included for comparison.

	<i>University of Illinois Plan</i>		<i>State of Illinois Plan</i>		
	<i>Continental Assurance Company</i>		<i>Northeastern Life Insurance Company</i>		
	<i>High Option</i>	<i>Low Option</i>	<i>High Option</i>	<i>Low Option I</i>	<i>Low Option II</i>
Employee or Annuitant (if ineligible for state plan).....	\$18 00 ^b	\$10 00	State Paid ^b	Not Available	Not Available
One Dependent.....	24 00 ^a	11 00	28 98 ^a	15 52	13 24
Two or More Dependents.....	39 80 ^a	20 50	52 18 ^a	29 50	26 04
Sponsored Dependent (each).....	22 00 ^a	14 00	25 00 ^a	15 00	15 00
Employee Dental Insurance (No eligible dependents).....	2 50	5 00
Retired Employees (Retired prior to 1-01-66).....			No Insurance Available		
With Medicare A and B.....	9 00 ^b				
Without Medicare.....	18 00 ^b				

^a Includes Dental Insurance for Employee and Dependents

^b Excludes Dental Insurance

The Continental Assurance Company has agreed to continue the current contract and succeeding contracts on their Experience Rating Plan under the terms approved by the Board, June 17, 1968. The University will not incur any liability for additional premium if the claim payments exceed the premium paid.

The Vice President and Comptroller recommends the continuation of the contract with the Continental Assurance Company, with the adjustment in premium for the 1972 policy year.

I concur.

On motion of Mr. Forsyth, this recommendation was approved.

SALARY INCREASES FOR 1971-72

(23) Assuming approval of Senate Bill 1299 by the Governor, an additional appropriation of \$2.1 million will become available for salary increases during 1971-72. These funds would be provided through the transfer of this sum from Section 6 (Equipment) in Senate Bill 717 to Section 1 (Personal Services). The transferred amount, together with salary-increase funds previously allotted and unassigned institutional funds, will permit salary increases averaging five per cent for continuing employees from December 1, 1971, through June 30, 1972. The guidelines thus far announced by the federal pay board indicate that such an average increase would be within the allowable maximum for Phase II of the federal wage-control program.

The University Budget Committee has recommended that the President be authorized to allot the newly appropriated funds and other available funds (appropriated, institutional, and restricted) to the chancellors and to general University officers in amounts sufficient to provide salary increases averaging approximately five per cent of the total payroll base for eligible employees. (Generally speaking, newly appointed staff members are not eligible for salary increases, and salary items for vacant positions are not usually increased.) The Committee recommends further that the increases to be recommended by administrative officers conform to the following general policy guidelines (subject to the regulations issued by the federal Pay Board and the Cost of Living Council):

1. That for individuals to whom prior commitments for salary increases had been made, but not implemented because of the initial federal wage "freeze," the promised increase become effective as of November 15, 1971.
2. That the funds available be allotted so that the total amounts for academic staff, nonacademic staff, and student employees, respectively, be five per cent of the payroll base for eligible employees in each group. Transfers of salary-increase funds among these groups would not be allowed.
3. That staff members paid from institutional or restricted funds receive increases in accordance with the policies and guidelines that prevail for staff members paid from state appropriations.

4. That allotments be made for nonacademic employees so as to provide funds sufficient to permit increases averaging five per cent for eligible staff members in each of the following categories: prevailing-wage groups, negotiated-wage groups, open-range groups.

The University Budget Committee has proposed further that the President be authorized to approve recommendations for salary increases submitted by the chancellors and other administrative officers, under the general conditions outlined herein — effective December 1, 1971, or as soon thereafter as possible. It is believed that the necessary payroll changes can be made in time to be reflected in salary payments for the month beginning December 1, 1971 (including the increases to meet prior commitments, which would become effective as of November 15, 1971). If the payroll procedures cannot accommodate the regular payment date for the month beginning December 1, the increases applicable to that month shall be incorporated into the payments made on the next regular date.

I concur, subject to the applicable regulations issued under Phase II of the federal wage-control program.

On motion of Mr. Swain, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, none; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger.

In acting upon this matter the Trustees directed the Secretary to convey the deep appreciation of the Trustees to the legislative leaders of both parties whose efforts to develop a workable compromise made the general salary increases feasible.

CHANGE ORDER, COMPUTING SERVICES DATA PROCESSING EQUIPMENT, URBANA

(24) The President, with the concurrence of appropriate administrative officers, recommends a change order in the existing IBM lease agreement to permit the lease-purchase of certain computer equipment at the Urbana-Champaign campus.

The Computing Services Office is presently leasing a 360/75 computing system from the IBM Corporation which was installed on December 5, 1967, to replace then-existing data processing equipment and to meet the computer requirements of the campus. Since that time, a network of computing facilities has been deployed on the campus which is supported by this IBM 360/75 computer. Because of the rapid changes in computer technology and to maintain the most suitable equipment for the Computing Services Office, commensurate with the needs and funds available, it has been to this date advantageous to lease such equipment.

A current review of the cost of leasing as compared to that of a lease-purchase arrangement has been made, and it has been determined to be to the University's advantage to lease-purchase selected components of the 360/75 "main frame." The main frame consists of the central processing unit (CPU) and certain devices for the storage and transfer of information within the computer. Lease-purchase procurement of selected components of the main frame will result in substantial savings to the University over the period of the proposed five-year lease-purchase plan as delineated below. The anticipated useful life of the components to be acquired is expected to exceed the payout period.

It is to the advantage of the University to continue to lease most of the peripheral equipment for processing information into and out of the computer, such as printers, readers, etc., because of the rapidly changing technology, capacity requirements, and short operational life characteristics.

Negotiations with the IBM Corporation have resulted in a proposal for a change order in our existing lease agreements whereby selected components of the existing main frame would be operated on a lease-purchase basis — with allowances for past rental payments and educational discounts.

Therefore, it is recommended that a change order be authorized effective November 22, 1971, to (1) cancel the present lease payments for the selected components of the 360/75 main frame, (2) make a payment of \$74,323 on November 22, 1971, and the first payment of \$181,345.90 on December 1, 1971, and (3)

make five additional annual payments, subject to availability of funds, for a grand total of \$1,607,025.81. Upon completion of these payments, full title to the equipment will vest with The Board of Trustees of the University of Illinois. In addition, maintenance services currently at the annual rate of \$38,496 will continue to be purchased from the IBM Corporation.

Funds are available for the down payment of \$74,323 and the first payment of \$181,345.90 from institutional funds in the operating budget of the Computing Services Office. It is contemplated that funds for the subsequent annual lease-purchase payments will become available to the Computing Services Office through charges to those departments using the computer.

The change order agreement will include a provision that all payments be subject to availability of funds and in accordance with existing statutory requirements pertaining to lease-purchase of automatic data processing equipment.

This action will result in an estimated saving of \$106,531.55 during the current fiscal year and a total savings of \$1,384,849.14 over the five-year period, in comparison with the cost of continuing the present leasing arrangement.

On motion of Mr. Swain, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, none; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger.

LEASE-ACQUISITION OF COMPUTER ACCESSORIES. URBANA

(25) The President of the University, with the concurrence of appropriate administrative officers, recommends that a lease-purchase agreement be entered into with the Ampex Corporation for two large core storage units to be used with the existing IBM 360/75 computer of the Computing Services Office at the Urbana-Champaign campus.

Currently the University is leasing an IBM large core storage unit used with the IBM 360/75 computer. Recent studies have shown that a better utilization of the existing computer system can be obtained by acquiring two units with faster operational characteristics than that presently on lease.

Sealed bid proposals were solicited by newspaper advertisements and direct mail solicitations to eleven known potential sources, to determine the operational characteristics and costs of core storage units currently available and suitable for use with the University's 360/75 computer installation. This resulted in four responses of which only one proposal, submitted by the Ampex Corporation, offered equipment that meets the technical and operational requirements such as operational speed, proven compatibility with the 360/75 system, technical support (maintenance), and warranty.

On the basis of proven performance at similar existing installations, the addition of the Ampex core memory units to replace the presently rented IBM core memory unit will effectively increase the "job throughput" capability of the 360/75 system by an estimated 55 per cent. This will provide for greater capacity for instructional and research applications at a lower overall operational cost. In addition, the two Ampex units would enable the present 360/75 system to begin support of a new network of interactive remote terminals which is urgently needed for research and instructional users.

The Ampex Corporation offered the two units under the following optional plans:

- (1) Outright purchase at a cost of \$346,000.
- (2) Lease-purchase over a sixty-month period:
 - a. \$85,808 payable annually at a total cost of \$429,040;
 - b. \$7,528 payable a month at a total cost of \$451,680.
- (3) At a straight rental basis of \$9,695 per month which would result in a total cost of \$581,700 over a five-year period.

None of the above figures includes the cost of maintenance, which is \$1,000 per month.

Sufficient funds are not available to make an outright purchase; therefore, the lease-purchase plan on an annual basis, subject to availability of funds, would be the most advantageous to the University. Sufficient funds are available for fiscal

year 1971-72 for the first annual payment of \$85,808 in January 1972, plus maintenance cost from institutional funds in the operating budget of the Computing Services Office. It is contemplated that funds for the annual lease-purchase payments subsequent to fiscal year 1971-72 will become available to the Computing Services Office from charges to those departments using the computer. The agreement will include a provision that all payments after fiscal year 1971-72 be subject to availability of funds and conform to existing statutory procedures pertaining to lease-purchase of automatic data processing equipment.

Therefore, it is recommended that a lease-purchase agreement be authorized for the acquisition of two core storage units from the Ampex Corporation, Elk Grove Village, Illinois, with annual payments of \$85,808 over a five-year period, for a total cost of \$429,040, plus maintenance costs. The payments would be subject to availability of funds. Upon completion of all payments, the full title to the equipment will vest in The Board of Trustees of the University of Illinois.

On motion of Mr. Swain, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, none; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger.

SECRETARY'S REPORT

The Secretary presented for record appointments to the faculty made by the President; resignations and terminations; leaves of absence and retirements. A copy of the report is filed with the Secretary.

ANNOUNCEMENTS

Future Board Meetings

President Hughes called attention to the schedule of the next four meetings of the Board: December 17, 1971, at the Medical Center campus (having been changed by action of the Board, on motion of Mr. Hahn, from Wednesday, December 15, 1971); January 19, 1972, at the Chicago Circle campus; February 16, 1972, at the Urbana-Champaign campus; and March 15, 1972, at the Urbana-Champaign campus (having been changed by the Board from Tuesday, March 14).

REGULAR MEETING RECESSED

The regular meeting of the Board was recessed and the President of the Board stated that an executive session had been requested and was being ordered to consider reports and recommendations relating to acquisition of property and pending litigation.

EXECUTIVE SESSION

When the Board reconvened, the same members of the Board, officers of the Board, and officers of the University as recorded at the beginning of these minutes were present.

The Board considered the following recommendations from the President of the University.

AUTHORIZATION TO EXCHANGE AND RECOMMENDATION FOR THE SALE OF PROPERTIES, URBANA

(26) The President of the University, with the concurrence of appropriate administrative officers, requests: authorization to transfer title to the University-owned properties at 605 and 607 East White Street, Champaign (which were acquired at a cost of \$38,800), to the University of Illinois Foundation for land now held by the Foundation at 309 South Lincoln Avenue, Urbana (which was acquired at a price of \$42,500); authorization to terminate the presently existing

lease of 608 East White Street, Champaign, between the Foundation and the University with payment to the Foundation of the sum of \$3,700; and adoption of the attached resolution authorizing such transactions.

Funds for the \$3,700 payment are available in the Housing Division reserves. The Division now uses the Lincoln Avenue property for parking. The property being leased from the Foundation at 608 East White Street, Champaign, is not income-producing and it is no longer deemed desirable to hold it for future campus expansion.

It is further recommended that the Foundation be requested to sell the properties at 605, 607, and 608 East White Street at an amount no less than their acquisition cost and that the funds be used to reduce the Foundation's borrowing and/or to acquire other property in areas of the campus which are considered more critical for University expansion. A recommendation on such acquisitions would be submitted to the Board at a later date.

Resolution Authorizing Exchange of University Property Located at 605 and 607 East White Street, Champaign, Illinois for Foundation Property Located at 309 South Lincoln Avenue, Urbana, Illinois

Be It, and It Hereby Is, Resolved by THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS, a public Corporation of the State of Illinois, hereinafter referred to as "UNIVERSITY," that the Comptroller and Secretary of this Corporation be, and they hereby are, authorized for, and in the name of, and on behalf of, UNIVERSITY to enter into an agreement with the UNIVERSITY OF ILLINOIS FOUNDATION, a not-for-profit Corporation of the State of Illinois, with its principal office in Urbana, Illinois, hereinafter referred to as "FOUNDATION," providing for the conveyance to FOUNDATION of title to the property hereinafter described and referred to as Tract A in consideration of the conveyance by FOUNDATION to UNIVERSITY of title to the following described property which is hereinafter referred to as Tract B, viz:

The South Fifty (50) feet of Lot 1, and all of Lot 2 except the North 170 feet, of Charles A. Besore's Subdivision of Lot 1 in Block 3 of Burpee, Curtiss and Somer's Addition to the City of Urbana, situated in the City of Urbana, in the County of Champaign, and State of Illinois; also known as 309 S. Lincoln Avenue, Urbana, Illinois;

and upon the following terms and conditions:

1. FOUNDATION to convey title to Tract B, to UNIVERSITY in fee simple absolute, free and clear of all liens and encumbrances by Warranty Deed and UNIVERSITY shall pay to FOUNDATION the sum of Three Thousand Seven Hundred Dollars (\$3,700.00) and whereupon the presently existing lease of said premises between UNIVERSITY and FOUNDATION and the presently existing lease of the premises at 608 East White Street, Champaign, Illinois between FOUNDATION and UNIVERSITY shall be cancelled and terminated and UNIVERSITY shall have no further rental obligations under either of said leases.

2. UNIVERSITY to convey title to Tract A to FOUNDATION in fee simple absolute, free and clear of all liens and encumbrances by Warranty Deed and pay for all abstracting, title fees, and recording costs.

3. Possession of Tract A and Tract B shall be delivered concurrently with the conveyances of title and free and clear of the rights of any tenants.

4. Such other terms and conditions as said Comptroller and Secretary may deem necessary or desirable.

It Hereby Is Further Resolved that upon compliance with the terms of said agreement by FOUNDATION, and in accordance with the terms thereof, said Comptroller and Secretary be, and they hereby are, authorized and directed, to execute, acknowledge, and deliver, in the name, and in behalf of, this Corporation, and under its Corporate Seal, a Warranty Deed and such other documents in connection therewith as said Comptroller and Secretary may deem necessary or desirable in order to convey to FOUNDATION title to the following-described property, viz:

Lot One Hundred Seventy (170) of a subdivision of the South part of Lot

One (1) of the Southwest Quarter (SW $\frac{1}{4}$) of Section Seven (7), in Township Nineteen (19) North, Range Nine (9) East of the Third Principal Meridian (3rd P.M.), situated in the City of Champaign, in the County of Champaign, and State of Illinois, and also known as 605 E. White Street, Champaign, Illinois; and

The North One-half (N $\frac{1}{2}$) of Lot One Hundred Seventy-One (171) of a Subdivision of the South part of Lot One (1) of the Southwest Quarter (SW $\frac{1}{4}$) of Section Seven (7), in Township Nineteen (19) North, Range Nine (9) East of the Third Principal Meridian (3rd P.M.), situated in the City of Champaign, in the County of Champaign, and State of Illinois, and also known as 607 E. White Street, Champaign, Illinois;

and which property is hereinabove referred to as Tract A.

On motion of Mr. Swain, authority was given as requested, the recommendation was approved, and the foregoing resolution was adopted by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Hughes, Mr. Neal, Mr. Pogue, Mr. Swain; no, none; absent, Dr. Bakalis, Mr. Grimes, Governor Ogilvie, Mr. Steger.

LITIGATION INITIATED BY CERTAIN FACULTY MEMBERS

(27) The University of Illinois, President Corbally, Secretary Porter, Chancellor Cheston, Dean Doner, and Department Head Johnson have been named as defendants in an action filed in the United States District Court for the Northern District of Illinois, Eastern Division (Case No. 71 C 2732) by eleven members of the faculty in the Department of English, College of Liberal Arts and Sciences at the Chicago Circle campus. The Complaint alleges that the defendants conspired to deprive the plaintiffs of their constitutional rights in connection with notices of nonreappointment issued to each of them in 1971. The Complaint seeks cancellation of the notices of nonreappointment, an injunction against the University issuing such notices of nonreappointment to these plaintiffs, regular damages in the amount of \$100,000 for each plaintiff, punitive damages of \$100,000 for each plaintiff, and payment of the plaintiffs' attorneys fees and costs.

Some of the individual defendants have requested the University to provide representation for them in their defense of the suit on the ground that all actions by them in the matter were taken in their respective capacities as employees of the University. It is anticipated that similar requests will be received from other individual defendants.

The University Counsel recommends that he be authorized to take such steps as are necessary or appropriate, including the employment of special counsel, to protect the University's interests in this proceeding, and to represent the University employees named as defendants therein who request him to do so.

On motion of Mr. Neal, this recommendation was approved.

On motion of Mr. Swain, the Board adjourned.

EARL W. PORTER
Secretary

EARL M. HUGHES
President