

MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

June 16, 1976



The June meeting of The Board of Trustees of the University of Illinois was held in Chicago Room C, Chicago Illini Union, Medical Center campus, Chicago, Illinois, on Wednesday, June 16, 1976, beginning at 10:00 a.m.

President Earl L. Neal 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. Robert J. Lenz, Mr. Park Livingston, Mr. Earl Langdon Neal, Mrs. Jane Hayes Rader, Mrs. Nina T. Shepherd, Mr. Arthur R. Velasquez. Governor Daniel Walker was absent. The following nonvoting student trustees were present: Mr. Robert K. Conlon, Medical Center campus; Mr. Stuart D. Summers, Urbana-Champaign campus; Mr. Steven Szegho, Chicago Circle campus.

Also present were President John E. Corbally; Dr. Eldon L. Johnson, Vice President for Academic Affairs; Chancellor Joseph S. Begando, Medical Center campus; Chancellor J. W. Peltason, Urbana-Champaign campus; Chancellor Donald H. Riddle, Chicago Circle campus; Mr. J. Frederick Green, University Director for Capital Programs; and the officers of the Board, Dr. Ronald W. Brady, Comptroller (also Vice President for Administration for the University); and Dr. Earl W. Porter, Secretary.

MINUTES APPROVED

The Secretary presented for approval the press proofs of the minutes of the Board of Trustees meetings of February 18, 1976, copies of which had previously been sent to the Board.

On motion of Mr. Livingston, these minutes were approved as printed on pages 515 to 541 inclusive.

**REPORT ON THE SELECTION OF STUDENT NONVOTING MEMBERS
OF THE BOARD AND INTRODUCTION OF THE
NEW STUDENT TRUSTEES**

President Neal reviewed a report presented on the selection of student trustees (a copy of which has been filed with the Secretary of the Board) and, noting that the two new trustees were present, introduced each of them:

Chicago Circle Campus

Mr. David Goodrich Matthews of Chicago, a junior in the College of Business Administration

Urbana-Champaign Campus

Mr. Keith A. Volgman of Park Forest, a junior in the College of Liberal Arts and Sciences

(Mr. Robert Conlon, the third student trustee, has been selected by the Medical Center campus to serve a second term as representative from that campus.)

**PRESENTATION OF CERTIFICATES OF APPRECIATION,
RETIRING STUDENT TRUSTEES, 1975-76**

Mr. Neal then asked the two retiring student trustees, Mr. Stuart Summers and Mr. Steven Szegho, to stand, and each was presented with a certificate of appreciation from the Board for their service during the past year. Each spoke briefly of his appreciation for the opportunity to serve on the Board and what it had meant to him both professionally and personally.

REPORT FROM THE PRESIDENT OF THE UNIVERSITY

President Corbally presented the following report on the status of the University appropriations for fiscal year (FY) 1977.

There is little to add to the report I provided you last month on the subjects of our appropriations bill, our financial needs, and our financial problems. As I write this report (6/15/76), the House of Representatives is looking forward to acting upon amended SB 1628 later in the day, and, as I read this report to you, it is hoped that I can add specific information about that action.

We have undergone intensive questioning about our appropriations this year in the General Assembly. Our Senate hearing consumed about one hour and a quarter, and two hearings before the House Appropriations Committee lasted over

four hours in total. This time was devoted to the University of Illinois, and other systems have had shorter, but equally intensive, hearings. The members of the General Assembly seem to recognize both our quality and the importance of our quality to Illinois, but the fiscal pressures which they face seem to loom larger in their minds than do our financial needs. In spite of a new willingness to discuss and even to propose tuition increases and to discuss new tax programs, this willingness has not yet led to action to meet our needs and the needs of other public agencies in Illinois.

It seems clear that the appropriations bill which will emerge from the General Assembly will provide *at best* the minimum maintenance continuation elements I described to you in March, augmented by sufficient funds to permit us to provide average salary increases of about 4.5 percent instead of 2.5 percent and with a very small amount of "new program" money which can be devoted to some deficiencies in library and equipment funding. In other words, allocation options are minimal because the amounts available provide simply for salary increases, general price increases, utility price increases, and the opening of new buildings.

It would be premature to predict the fate of our appropriations bills once they reach Governor Walker's desk for his action upon them. We are hard at work studying a variety of options for FY 1977, and I must stress again our view of the importance of doing everything we can to provide salary increases averaging 4.5 percent. This goal may be impossible to achieve, but it must remain as our minimum goal. The "tuition question" remains crucial, and we shall provide you with further data related to that question as we move toward the completion of the legislative process. I remain convinced that the failure of tuition charges to keep pace with inflation is a major component in our inability to keep up with comparable universities in salaries and in support services.

The President indicated that the administration was proceeding to prepare budgets in accord with the Governor's budget recommendations.

He asked Vice President Brady to present background information concerning recent work of the planning committee, especially with regard to the gap between present and projected income and needs. Mr. Brady presented a number of tables and schematic materials. The presentation dealt with various assumptions with regard to funding requirements, enrollment, income from general revenue and from tuition, and the projections of such assumptions to 1982. (Copies of the materials are filed with the Secretary of the Board.)

REGULAR AGENDA

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

Interim Operating Budget for FY 1977

(1) In recent years the Board of Trustees has approved the continuation of the previous year's budget into the next fiscal year because legislative action upon University appropriations was not completed in time to be translated into detailed budget recommendations.

Inasmuch as the same situation is expected to occur this year, the President of the University requests authorization to continue in effect, commencing July 1, 1976, and continuing thereafter until further action of the Board in September 1976, the internal budget for FY 1976 as it exists on June 30, 1976. Authorization

is also requested, in accordance with the needs of the University and the equitable interests involved and within total income, to: (a) accept resignations, (b) make such additional appointments as are necessary subject to the provisions of the University *Statutes* and the *Policy and Rules—Nonacademic*, and (c) make such changes and adjustments in items included in the interim budget as are needed. All such changes are to be covered in the Comptroller's quarterly financial reports or in reports to the Board by its Secretary.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Forsyth, authority was given as requested by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Award of Certified Public Accountant Certificates

(2) 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. The names of the candidates are filed with the Secretary.

I concur.

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

Appointments to Board of Examiners in Accountancy

(3) The Committee on Accountancy recommends the appointments of R. Neal Fulk, a partner in the firm of Ernst & Ernst, Chicago, and Ronald H. Bates, a partner in the firm of Winakor, Bates & Brunson, Champaign, as members of the Board of Examiners in Accountancy for three-year terms beginning with the November 1976 Certified Public Accountant Examination and continuing through the May 1979 examination. Mr. Fulk and Mr. Bates will succeed Robert F. Dickey and N. V. Filbey whose terms expire with the completion of the grading of the May 1976 examination.

I concur.

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

Appointment to the Board of Directors of the Athletic Association, Urbana

(4) On recommendation of the Chancellor at the Urbana-Champaign campus, I submit the nomination of Mrs. Elisabeth R. Lyman to fill the vacancy on the Athletic Association Board of Directors created by the resignation of Jo Mancuso from the University of Illinois at Urbana-Champaign. The appointment would become effective immediately.

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

Executive Dean of the College of Medicine, Medical Center

(5) The Chancellor at the Medical Center campus has recommended the appointment of Dr. Truman O. Anderson, presently Dean of the School of Basic Medical Sciences at the Medical Center (SBMS-MC), as Executive Dean of the College

of Medicine beginning July 1, 1976, on a twelve-month service basis, at an annual salary of \$56,000.

Dr. Anderson will continue to hold appointments as Professor of Medicine and Professor of Microbiology on indefinite tenure.

Dr. Anderson will succeed Dr. William J. Grove who was appointed Vice Chancellor for Academic Affairs at the Medical Center effective March 1, 1976. Dr. Jerome J. Hahn has served as interim Executive Dean since March 1, 1976.

The nomination is made with the advice of a search committee¹ and with the concurrence of the Academic Council of the College of Medicine. The Vice President for Academic Affairs concurs.

I recommend approval.

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

Acting Dean of the School of Basic Medical Sciences at the Medical Center

(6) The Chancellor at the Medical Center campus has recommended the appointment of Dr. Henry Jeffay, presently Professor of Biochemistry, as Acting Dean of the School of Basic Medical Sciences at the Medical Center, beginning July 1, 1976, on a twelve-month service basis, at an annual salary of \$40,000.

Dr. Jeffay will continue to hold the rank of Professor of Biochemistry on indefinite tenure. He would succeed Dr. Truman O. Anderson who is being recommended for appointment as Executive Dean of the College of Medicine.

The nomination is made with the advice of the Executive Committee² of the School of Basic Medical Sciences at the Medical Center. The Vice President for Academic Affairs concurs.

I recommend approval.

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

Directorship of the Jane Addams School of Social Work, Chicago Circle

(7) The Chancellor at the Chicago Circle campus has recommended the appointment of Dr. Shirley M. Buttrick, presently Professor of Social Work at the University of Minnesota, as Professor of Social Work on indefinite tenure and Director of the Jane Addams School of Social Work at Chicago Circle, beginning August 1, 1976, on a twelve-month service basis, at an annual salary of \$40,000.

Dr. Buttrick will fill the vacancy created by the resignation of Director George W. Wagner February 1, 1975. Dr. Samuel Weingarten has been Acting Director since Dr. Wagner's resignation.

¹ Joseph S. Begando, Chancellor, Medical Center, *Chairman*; Edmund G. Anderson, Professor and Head, Department of Pharmacology, SBMS-MC; Martin S. Bogetz, second-year medical student, Abraham Lincoln School of Medicine (ALSM); Dean R. Bordeaux, Associate Professor and Acting Chairman, Department of Family Practice, Peoria School of Medicine; Michael G. Gabridge, Assistant Professor, School of Basic Medical Sciences, Urbana-Champaign; John S. Garvin, Professor and Head, Department of Neurology, ALSM; William H. Langewisch, Professor of Pediatrics, Rockford School of Medicine; Thomas F. Zimmerman, Dean, School of Associated Medical Sciences.

² Truman O. Anderson, Dean, School of Basic Medical Sciences, Medical Center, *Chairman*; Edmund G. Anderson, Professor and Head, Department of Pharmacology, SBMS-MC; Carl Cohen, Professor and Director, Center for Genetics, SBMS-MC; Sheldon Dray, Professor and Head, Department of Microbiology, SBMS-MC; Thomas O. Henderson, Associate Professor and Acting Head, Department of Biological Chemistry, SBMS-MC; Henry Jeffay, Professor of Biological Chemistry, SBMS-MC, and Acting Director, Division of Basic Medical Sciences, Rockford School of Medicine; Robert E. Kelly, Associate Professor of Anatomy, SBMS-MC; Marten M. Kernis (ex officio), Associate Dean, SBMS-MC, and Basic Sciences Coordinator, Area Health Education System; Newton Khoobyarian, Professor of Microbiology, SBMS-MC; Robert F. Loizzi, Associate Professor of Physiology, SBMS-MC; Keen A. Rafferty, Professor and Head, Department of Anatomy, SBMS-MC; Theodore R. Sherrod, Professor of Pharmacology, SBMS-MC; Roderick W. Walter, Professor and Head, Department of Physiology, SBMS-MC; Bernard Weissmann, Professor of Biological Chemistry, SBMS-MC.

The nomination was made with the advice of a search committee¹ and after consultation with the Executive Committee of the school. The Vice President for Academic Affairs concurs.

I recommend approval.

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

Headship of the Department of Sociology, Chicago Circle

(8) The Dean of the College of Liberal Arts and Sciences has recommended to the Chancellor at Chicago Circle the appointment of Dr. David P. Street, presently Professor of Social Work and of Sociology at the University of Michigan, as Professor of Sociology on indefinite tenure and Head of the Department of Sociology, beginning September 1, 1976, on an academic-year service basis, at an annual salary of \$35,000.

Professor Street will succeed Professor Robert Hall, who has served as Acting Head since October 1, 1975.

The nomination of Professor Street is supported by the consultative committee² and by the faculty of the department. The Chancellor has approved the recommendation, and the Vice President for Academic Affairs concurs.

I recommend approval.

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

Headship of the Department of Spanish, Italian, and Portuguese, Chicago Circle

(9) The Dean of the College of Liberal Arts and Sciences has recommended to the Chancellor at Chicago Circle the appointment of Mario J. Valdes, presently Professor of Spanish Literature, University of Toronto, as Professor of Spanish (on a "Q" contract) and Head of the Department of Spanish, Italian, and Portuguese, beginning July 1, 1976, on a twelve-month basis at an annual salary of \$41,500.

Professor Valdes will replace Professor Klaus Müller-Bergh who has served as Acting Head of the department since October 1, 1975.

The nomination is supported by the consultative committee³ and by the faculty of the department. This recommendation has been approved by the Chancellor, and the Vice President for Academic Affairs concurs.

I recommend approval.

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

Chairmanship of the Department of Elementary and Early Childhood Education, Urbana

(10) The Dean of the College of Education has recommended to the Chancellor at Urbana-Champaign the appointment of Dr. Harold H. Lerch, presently Professor of Elementary and Early Childhood Education, as Professor of Elementary and Early Childhood Education on indefinite tenure and Chairman of the depart-

¹ Almera Lewis, Associate Professor of Social Work, *Chairman*; Robert Constable, Associate Professor of Social Work; John Gardiner, Professor of Political Science and Head of the Department; Kenneth Krause, Associate Professor of Social Work; Seymour Mirelowitz, Assistant Professor of Social Work; John Johnstone, Professor of Sociology; Mary Sullivan, Professor of Social Work; Barbara K. Wickell, Assistant Professor of Social Work; Joan Dworkin, student; Joan Remini, student; and Cathy Seitz, student.

² Mildred Schwartz, Professor of Sociology, *Chairman*; Kathleen Crittenden, Associate Professor of Sociology; Phyllis Ewer, Assistant Professor of Sociology; John Johnstone, Professor of Sociology; Roger Little, Professor of Sociology; James Norr, Assistant Professor of Sociology; Richard Videbeck, Professor of Sociology and Associate Dean of the Graduate College.

³ John C. Johnson, Associate Dean, College of Liberal Arts and Sciences, *Chairman*; Robert Hallowell, Professor of French; Audrey Kouvel, Professor of Spanish; Anthony Pasquariello, Professor of Spanish and Head of the Department of Spanish, Italian, and Portuguese, Urbana-Champaign campus; Leroy Shaw, Professor of German.

ment, beginning June 21, 1976, at his present salary rate. For 1976-77 Dr. Lerch's recommended annual salary, on a twelve-month service basis, is \$34,500.

Dr. Lerch will succeed Professor James D. Rath who has asked to be relieved of this administrative assignment.

The nomination was made with the advice of the Executive Committee of the department. In addition, two faculty members of professorial rank within the College of Education helped in the selection process and consulted with all faculty members in the department. The Chancellor at Urbana-Champaign has approved the recommendation, and the Vice President for Academic Affairs concurs.

I recommend approval.

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

Appointments to the Faculty

(11) The following new appointments to the faculty of the rank of Assistant Professor and above, and to certain administrative positions, 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
- N — Term appointment not eligible to be appointed for an indefinite term and not credited toward probationary period
- 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 basis
- 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., N75 means one year on three-fourths time).

Chicago Circle

1. MICHAEL R. BROWN, Assistant Professor of English, beginning September 1, 1976 (1), at an annual salary of \$14,500.
2. JOHN W. HUNTINGTON, JR., Assistant Professor of English, beginning September 1, 1976 (1), at an annual salary of \$12,500.
3. DAVID E. RADFORD, Associate Professor of Mathematics, beginning September 1, 1976 (A), at an annual salary of \$16,000.
4. YORAM SAGHER, Associate Professor of Mathematics, beginning September 1, 1976 (A), at an annual salary of \$17,500.
5. ROBERT L. SPILKER, Assistant Professor of Structural Mechanics in Materials Engineering, beginning September 1, 1976 (1), at an annual salary of \$15,300.

Medical Center

6. ROY J. KORN, Professor of Medicine, Abraham Lincoln School of Medicine, on 15 percent time, beginning May 1, 1976 (W15), at an annual salary of \$2,000.
7. THOMAS J. LAYDEN, Assistant Professor of Medicine, Area Health Education System, on 7 percent time, and Assistant Professor of Medicine, Abraham Lincoln School of Medicine, on 6 percent time, beginning May 1, 1976 (NY7; NY6), at an annual salary of \$6,700.
8. RAO V. P. MANTRAVADI, Assistant Professor of Medical Radiology, Abraham Lincoln School of Medicine, beginning July 1, 1976 (1Y), at an annual salary of \$30,000.

Urbana-Champaign

9. WILLIAM P. ALSTON, Professor of Philosophy, beginning August 21, 1976 (A), at an annual salary of \$37,000.
10. JERRY L. BAKER, Assistant Professor of Agricultural Engineering, beginning May 1, 1976 (1Y), at an annual salary of \$18,000.
11. GEORGE R. KARLAN, Assistant Professor of Special Education, beginning August 21, 1976 (1), at an annual salary of \$14,000.
12. INGA KARLINER, Research Assistant Professor of Physics, beginning August 21, 1976 (1Y), at an annual salary of \$15,500.
13. ROBERT G. LUNT, Assistant Professor of Veterinary Clinical Medicine, beginning June 14, 1976 (1Y), at an annual salary of \$19,000.
14. WALTER F. MANGEL, Assistant Professor, School of Basic Medical Sciences, and in Biochemistry, beginning April 1, 1976 (1Y,NY), at an annual salary of \$21,000.
15. MORDEHAI MILGROM, Research Assistant Professor of Physics, beginning August 21, 1976 (1Y), at an annual salary of \$15,500.
16. RONALD J. PETERS, Associate Professor, Institute of Labor and Industrial Relations, for the period July 1, 1976, through August 20, 1976 (NY), and for three years beginning August 21, 1976 (QY), at an annual salary of \$24,000.
17. DAVID R. SEIBOLD, Assistant Professor of Speech Communication, beginning August 21, 1976 (2), at an annual salary of \$16,000.
18. ROBERT M. SKIRVIN, Assistant Professor of Horticulture, beginning June 21, 1976 (1Y), at an annual salary of \$18,000.

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

Sabbatical Leaves of Absence, 1976-77, Chicago Circle

(12) The Chancellor at Chicago Circle has recommended that the following faculty members be given sabbatical leaves of absence in accordance with the provisions of the *University of Illinois Statutes* and on the terms and for the periods indicated.

The programs of research and study for which the leaves are requested have been examined by the Research Board at the campus, and the Vice President for Academic Affairs has reviewed the applications for the leaves and recommends approval.

I concur.

College of Liberal Arts and Sciences

Department of Biological Sciences

RUTH L. WILLEY, Associate Professor, fall and winter quarters, 1976-77, one-half pay, or fall quarter, 1976-77, full pay; two-quarter leave contingent upon receipt of supplementary financial aid.

Department of French

JUNE MORAVCEVICH, Assistant Professor, winter and spring quarters, 1976-77, three-fourths pay.

Department of Psychology

BRUCE KORTH, Assistant Professor, fall quarter, 1976-77, full pay.

On motion of Mr. Howard, these leaves were granted as recommended.

Student Health Service Fee, Urbana

(13) The Chancellor at the Urbana-Champaign campus has recommended the Hospital-Medical-Surgical (HMS) fee of \$44.00 per semester be increased by \$1.00,

effective with the fall term 1976. The fee is composed of two portions. One covers the cost of the student health insurance program which continues to be \$15.00 per semester. The second supports the costs associated with existing student health services and is presently \$29.00 per semester. The adjustment for fall 1976 affects only the health service portion of the fee on the Urbana campus.

The health service portion of the fee is designed to cover the cost of providing on-campus services to students. The fee is not subject to waiver. A \$1.00 increase in this portion of the fee is proposed.

A request for increased health service funds originated with the Director of the Health Service. It was reviewed by the McKinley Health Center Advisory Board¹ which recommended a \$3.00 per student per semester increase for 1976-77. The recommendation assumed a salary increase for all health service staff at a higher rate than is now projected for staff members, a 20 percent increase for expense and equipment, and the establishment of an equipment reserve fund.

The Service Fee Advisory Committee² reviewed the recommendations and concluded that the cost projections of the health center committee were higher than would be allowed elsewhere on the campus. Further, the establishment of an equipment amortization fund was not viewed as a necessity for the coming year. The increase of \$1.00 was proposed to meet rising cost levels; it provides for no new programs or services, but permits the maintenance of health services at the same level as the 1975-76 academic year.

The Vice Chancellor for Campus Affairs further examined the recommendations in consultation with other campus administrative officers, and based on this recommendation the Chancellor at Urbana has proposed a \$1.00 increase.

The increase in the HMS fee will be covered by the Illinois State Scholarship Commission (ISSC) for Illinois resident undergraduate students with financial need who hold full-value ISSC awards.

I concur.

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

¹ Members of the McKinley Health Center Advisory Board are: students — Richard E. Mansell, *Chairman*; Maureen A. Culleeney; Nina J. Edidin; Deborah J. Freehling; Alan L. Hinderliter; James E. Memmen; Edward L. Passen; E. Jeann Rice; Pamela D. Sass; Christine L. Storter; Charles W. Suits; David L. Whitehill. Faculty/staff — Charlotte Bossi, Medical Record Librarian I, McKinley Health Center; Diana M. Brewer, Financial Aids Adviser III, Student Financial Aids; Mina Coy, Staff Nurse II, McKinley Health Center; Lucille B. Isdale, Medical Technologist III, McKinley Health Center; Julie Mallak, Resident Director-Coordinator, Housing Division; Jack Thompson, Pharmacist, McKinley Health Center; Raymond C. Nelson, Staff Physician and Emergency Duty Physician, McKinley Health Center, and Director of Preventive Medicine, Health Service; David G. Owen, Staff Physician, Health Service; Demitri B. Shimkin, Professor of Anthropology.

² Members of the Service Fee Advisory Committee are: Paul J. Doebel, *Chairman*; Kevin P. Connor, student; William H. Painter, Professor of Law; Gerald G. Pape, student; Harold G. Poindexter, Director of Business Affairs; Willard Radell, Graduate Teaching Assistant, Economics; Keith A. Volgman, student; Julian Frankenberg, Director of Health Professions Information Office; Laurence M. Hursh (ex officio), Professor and Director, McKinley Health Center; Francis Fillingham (ex officio), Administrator II, McKinley Health Center.

Student Health Insurance, All Campuses, 1976-77

(14) Bids have been received on the Student Health Insurance Program for all campuses for the 1976-77 academic year.

Benefits to be provided under the proposed contract are as follows:

	<i>Urbana- Champaign Campus</i>	<i>Medical Center Campus</i>	<i>Chicago Circle Campus</i>
Maximum lifetime benefit	\$50,000	Same	Same
Hospital room and board and extra expense	\$50 deductible each confinement, policy pays 100% of next \$500 of hospital expense, and then 80% of excess expense	100% of the first \$500 of hospital expense, and then 80% of excess expense	Same
Medical visits — in hospital	\$15 first day, \$10 ¹ per day thereafter	Same ¹	Same ¹
Surgical schedule	1969 California Relative Value Schedule with a per unit value of \$25	\$30 per unit ¹	\$30 per unit ¹
Ambulance benefit	\$35 per disability	Same	Same
Supplemental accident benefit	\$300 per accident	Same ¹	Same ¹
Accidental death and dismemberment	\$1,000 principal sum	Same	Same
Maternity benefit	100% of the first \$400, and then 80% of the expense after the Maternity Deductible of \$600	Same	Same
Prescription drugs	None ²	None ²	100%, \$20 maximum
X-ray and laboratory expense	None	None ²	100%, \$30 maximum

The following premium schedule will be required to provide the benefits under the contract:

Current Program, 1975-76

	<i>Urbana per semester</i>		<i>Medical Center per quarter</i>		<i>Chicago Circle per quarter</i>	
Student	\$15.00	(\$14.85)	\$11.00	(\$ 9.78)	\$10.00	(\$ 9.78)
Spouse	39.75	(39.50)	29.00	(28.08)	29.00	(28.08)
Child	23.75	(23.67)	18.00	(17.60)	18.00	(17.60)

Proposed Program, 1976-77

	<i>Urbana per semester</i>		<i>Medical Center per quarter</i>		<i>Chicago Circle per quarter</i>	
Student	\$15.00	(\$13.92)	\$16.00	(\$14.17)	\$17.00	(\$15.12)
Spouse	40.00	(37.03)	42.00	(39.59)	45.00	(43.37)
Child	25.00	(22.18)	26.00	(24.79)	29.00	(27.16)

¹ Increase in benefit.

² Benefit deleted because of increased cost of the benefit and administrative expense.

(The insurance premiums in parentheses are the base rates paid to the insurance company, and the balance of the premium is for administration of the program.)

The University will not incur any liability for additional premiums if the claim payments exceed the premium paid. The programs will be under an Experience Rating Plan which will limit the insurance company's retention of any premiums in excess of claim payments to 5.8 percent of the paid premium for the first year.

The Deans of Students, Directors of Health Services, and representatives of student organizations on each campus concurred in the schedule of benefits to be provided under the contract and the related costs thereof.

The Vice President for Administration recommends award of the contract for the policy year 1976-77 to the lowest bidder for all campuses, Blue Cross-Blue Shield Plan of Health Care Service Corporation, Chicago, Illinois.

I concur.

On motion of Mrs. Rader, this contract was awarded.

PLATO Interinstitutional Agreements with City Colleges of Chicago and Southern Illinois University

(15) The PLATO program of the Computer-based Education Research Laboratory is an exploratory research and development activity designed to develop, implement, and test the PLATO IV computer-based education system. Because of the exploratory nature of the system, it is necessary to test it in a variety of instructional settings and under parallel demand from a variety of users. The University is making an effort to provide access to the system to a large number of users because of the testing needs of the program and because many entities have indicated a desire to investigate the application of this unique development in their instructional programs.

As reviewed with the Board on April 14, 1976, the University proposes to enter into research agreements to provide equipment, services, and maintenance support to other parties that desire to make use of the system. The general objectives are to (1) study the cost effectiveness of the system, (2) determine student and instructor attitudes toward utilizing it, (3) investigate modes of utilizing the system, (4) investigate the educational effectiveness of the system in various modes of utilization, and (5) develop user data to guide the continuing development of PLATO technology.

It is to the benefit of the University to have other parties make use of the system to aid in testing, developing, modifying, and evaluating it. The value to the University will vary from party to party, based on their extent of participation and their missions.

The other parties fall into two broad categories: (1) *joint venture institutions* and (2) *participating institutions*. Joint venture institutions are parties that cooperate with the University in joint research programs, typically oriented toward system implementation/evaluation or the development of new methods and procedures to enhance the system. They pay a portion of the cost of such joint research programs. The portion is subject to individual negotiation with the University, according to the value to the University of the other party's participation.

Participating institutions are parties that wish to utilize the system primarily for their teaching or research efforts and are willing to pay full costs of all equipment, services, communications, and maintenance support received. They aid the University's research program primarily by testing the ability of the system to respond to the needs of large groups of users in various environments.

Both types of institutions use PLATO terminals made available to them

through externally funded sources or purchase PLATO terminals from their own funds. In addition, they are expected to pay for the cost of communication lines to provide access to the system.

An agreement setting forth the proposed terms and conditions of contractual relationships between the University of Illinois and a joint venture institution (City Colleges of Chicago) is attached as Appendix A.¹ This agreement defines:

1. Agreement term;
2. General objectives to be accomplished;
3. Responsibilities of the University of Illinois;
4. Responsibilities of the City Colleges of Chicago;
5. Costs;
6. Other general provisions.

Also attached as Appendix B is a proposed "Contract for PLATO Services" between the University and a participating institution (Southern Illinois University). This document specifies:

1. The equipment, supplies, and services to be furnished by the University;
2. Charges and billing for such equipment, supplies, and services;
3. Period of performance and other general provisions.

As an indication of the magnitude of the demonstration/evaluation and research program envisaged, Appendix C provides a list of the joint venture and participating institutions presently under consideration.

With the concurrence of the appropriate administrative officers, I recommend that authority be granted to execute agreements with the institutions identified and to enter into agreements with other institutions desiring to use PLATO system services, using the attached agreements as guidelines for future agreements with joint venture and participating institutions. Future agreements executed will be included in the Comptroller's report to the Board of contracts executed.

On motion of Mr. Livingston, authority was given as recommended. Mr. Howard asked to be recorded as not voting with regard to the agreement with Southern Illinois University.

Contract for Educational Services with East Central Illinois Medical Education Foundation, Medical Center

(16) On June 18, 1975, the Board of Trustees approved the renewal of a contract with the East Central Illinois Medical Education Foundation for the development of a residency program in family practice in Danville, Illinois. The contract is funded by the Federal government under the Area Health Education System contract.

The College of Medicine wishes to renew the contract for the period July 1, 1976, through June 30, 1977, to continue the development and the implementation of the residency program. Under the contract, East Central Illinois Medical Education Foundation will provide approximately 1,280 hours of graduate medical education instruction, at the rate of \$23.44 per hour, and will provide necessary space for the program.

Federal funds not to exceed \$33,000 are currently available to fund the contract. This amount represents a reduction of \$16,000 from the amount authorized by the Board for the fiscal year ending June 30, 1976. The amount has been reduced because funds are available from patient care revenue to offset the cost of the residency program.

The Chancellor at the Medical Center has recommended approval of the contract, subject to approval by the Department of Health, Education, and Welfare.

¹ This and the remaining appendices are filed with the Secretary.

The Vice President for Academic Affairs and the Vice President for Administration concur.

I recommend approval.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Livingston, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Contracts for Educational Services with Metropolitan Chicago Group of Affiliated Hospitals, Medical Center

(17) In several prior actions the Board of Trustees has approved contracts with the Metropolitan Chicago Group of Affiliated Hospitals for educational services to assist in the expansion of the medical education programs of the College of Medicine.

The Chancellor at the Medical Center has recommended that the University continue to contract for these educational services for FY 1977. Specifically, it is proposed that contractual arrangements be developed between the University and the hospitals listed below to support in part the further implementation and conduct of medical education programs of the College of Medicine in the following amounts:

Illinois Masonic Medical Center	\$100 000
L. A. Weiss Memorial Hospital	100 000
Lutheran General Hospital	100 000
MacNeal Memorial Hospital	100 000
Mercy Hospital	100 000
Ravenswood Hospital	100 000
<i>Total</i>	<u>\$600 000</u>

Contracts with the Metropolitan group for the remainder of the required educational services for FY 1977 will be recommended to the Board at a later date. The present recommendation seeks to obligate Federal funds prior to June 30, 1976, to avoid the lapse of such funds. The total contract with the Metropolitan group is estimated to be \$3,000,000 for the fiscal year.

It is further recommended that the Chancellor at the Medical Center, with the concurrence of the Comptroller, be granted authority to approve changes in the amounts of any of the individual contractual arrangements within the total (\$600,000).

Federal funds are currently available in the College of Medicine budget to fund the contracts in the amounts shown.

The Vice President for Academic Affairs and the Vice President for Administration concur.

I recommend approval.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Livingston, these contracts were awarded, and authority was given as recommended by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Renewal of Contract with Valley Outpost Health Clinic Organization, Inc., Medical Center

(18) Since 1969 the Medical Center campus and the Valley Outpost Health Clinic Organization, Inc., have operated a clinic in the "valley" neighborhood — an area bounded by Ashland Avenue, Western Avenue, Roosevelt Road, and Sixteenth Street, populated principally by persons of low income.

The Valley Outpost Health Clinic Organization, Inc. (established by the residents), and the University have entered into contractual arrangements to enable the University to deliver health care effectively in the neighborhood setting. The most recent contract was approved by the Board on June 18, 1975, and expires June 30, 1976.

The Medical Center campus wishes to renew the contract for FY 1977, for an amount not to exceed \$30,000 for services — including clinic publicity, community liaison and coordination, recruitment of residents for employment, and the transportation of patients and materials.¹ It is considered important that there be community involvement in the operation of the clinic, in order to deliver health care in the community in an effective manner.

Funds are available in the University of Illinois Hospital Income Account.

The Chancellor at the Medical Center has recommended renewal of this contract. The Vice President for Administration concurs.

I recommend approval.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Hahn, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Renewal of Contract for Administrative Computing Services to Be Provided the Illinois Community College Board

(19) On September 18, 1974, the Board of Trustees authorized the Consolidated Administrative Computer Center (CACC) to provide teleprocessing services to the Illinois Community College Board (ICCB) for the purpose of establishing and operating a management information system through the University's central computer facilities. A one-year renewal was authorized by the Board on July 16, 1975. Computer time-sharing has been accomplished primarily by means of two terminals in Springfield, Illinois, with access to the IBM 370/168 system located at the Roosevelt Road Building, Chicago.

The Illinois Community College Board has requested that the agreement be extended through June 30, 1977.

The agreement will provide for time sharing for ten hours per day, Monday through Friday, with no specific operational guarantee. (The support to ICCB will be on a "best-effort" basis.) Charges to ICCB for services through June 30, 1977, are estimated to be \$30,000, based on University-wide administrative data processing rate for system usage. University charges will be revised by agreement of both parties to reflect changes in University equipment. The agreement may be terminated by either party upon thirty days' written notice.

ICCB will provide terminals, modems, data access arrangements, and switch-work network service at the terminal end, with the CACC communications staff assisting in specifying the characteristics of such equipment.

¹ The present contract is for \$26,400.

The Vice President for Administration has recommended that the contract be renewed as outlined above.

I concur.

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

Renewal of Contract for Administrative Computing Services to Be Provided the Illinois Board of Higher Education

(20) The Consolidated Administrative Computer Center (CACC) has provided since 1974 teleprocessing services to the Illinois Board of Higher Education (IBHE) for the purpose of establishing and operating a management information system through the University's central computer facilities. Computer time-sharing has been accomplished primarily by means of terminals in the IBHE offices, with access to the IBM 370/168 system located at the Roosevelt Road Building, Chicago.

The Board of Higher Education has requested that the current services be extended through June 30, 1977.

The agreement will provide for time sharing for ten hours per day, Monday through Friday, with no specific operational guarantee. (The support to IBHE will be on a "best-effort" basis.) Charges to IBHE for services through June 30, 1977, are estimated to be \$16,000, based on University-wide administrative data processing rate for system usage. University charges will be revised by agreement of both parties to reflect changes in University equipment. The agreement may be terminated by either party upon thirty days' written notice.

IBHE will provide terminals, modems, data access arrangements, and switch-work network service at the terminal end, with the CACC communications staff assisting in specifying the characteristics of such equipment.

The Vice President for Administration has recommended that the contract be renewed as outlined above.

I concur.

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

Bibliographic and Library Processing Services

(From the Ohio College Library Center)

(21) Among the most time-consuming but vital processes in library operations are the gaining of access to bibliographic data and the cataloging of new or replacement publications. Because of the volume of entries and the time required for cataloging new publications, the manual systems employed heretofore in most libraries are giving way to automation. Developed individually, such systems are extremely costly to implement and maintain. Therefore, some collective technique has been needed.

The Ohio College Library Center, a nonprofit corporation organized in Ohio, has developed a computer-assisted bibliographic and library process data base. It has been providing services, via electronic communications, successfully for several years.

By use of this system requests for reference data or for catalog file cards for new publications are entered into a local terminal and passed to the center via dedicated telephone lines. Reference data will be returned by the same method. Catalog cards will be produced automatically at the center and sent by mail to the requesting institution.

The University of Illinois Library at Urbana-Champaign has collaborated with the State Librarian to test the Ohio system during the last two years. The Office of the State Librarian has funded the service costs and provided equipment for the initial test period.

The Ohio center, in order to manage its systems more efficiently within states or regions, has designated the Illinois State Library as its regional agent to coordinate the use of its services in the public university libraries in Illinois.

The University of Illinois campus librarians have agreed that the Ohio automated system will provide a more efficient means of assisting in bibliographic search and cataloging processes at all three campuses and improve the service to the inter-library loan program as well. In order to take full advantage of the system, the following would be required:

1. The purchase of certain terminal equipment, all of which is either on loan or under short-term lease from the Ohio center. 10 — Terminals, OCLC/Beehive @ \$3,000.00: \$30,000.00¹

(This transaction is considered exempt from sealed bid procedures as a purchase of data processing equipment.)

2. The establishment of an operating service contract for the three University libraries with the Secretary of State (Office of the State Librarian) for the Ohio center services. FY 1977 Estimated Expenditures: \$157,205.00²

(This transaction is considered exempt from sealed bid procedures as a service procured from another governmental agency.)

The Vice President for Administration, with the concurrence of appropriate administrative officers, has recommended that the Comptroller and the Secretary of the Board be authorized to acquire the terminal equipment and execute the appropriate contracts with the Office of the Secretary of State (Illinois State Librarian) for implementing the services as indicated above.

I concur.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Forsyth, authority was given as recommended by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Improvement Program for University of Illinois—Willard Airport, Urbana

(This item is a substitute for the May 19, 1976, item which did not report the Capital Development Board participation for FY 1977.)

(22) On September 17, 1975, the Board of Trustees authorized the University to submit an application for a Federal grant for certain projects required to bring Willard Airport to a minimum acceptable level for commercial operations.³ The projects, which involve runways, lights, and airport grounds, are normally funded on a tripartite basis with the Federal Aviation Administration providing 75 percent of the funds, the State Division of Aeronautics 12½ percent, and the "local airport authority" 12½ percent. Since there is no local airport authority for Willard Airport, the portion funded by local sources is to be provided by the Division of Aeronautics of the Illinois Department of Transportation.

The Division of Aeronautics and the Federal Aviation Administration have

¹ FY 1976 equipment funds are available in the campus library budgets.

² To be included in FY 1977 budgets of the three campus libraries, subject to availability of funds.

³ The improvement program is limited to the objective indicated and goes back to initial Board action in September 1970. It bears no relationship to the consultant's recommendations in the Airport Master Plan.

included the following two projects for Willard Airport in their budget requests for FY 1976:

1. Overlay air carrier apron..... \$1 008 000
2. Light N.E./S.W. runway and connecting taxiways..... 213 000

The Federal grant also contains a Fire/Crash/Rescue Facility at an estimated cost of \$412,190. The project, if approved, will be funded with the Federal Aviation Administration providing 75 percent of the funds. The Capital Development Board has included \$100,000 in its FY 1977 capital budget request for the State's portion of the facility.

The President of the University, with the concurrence of appropriate administrative officers, recommends that the Comptroller and the Secretary of the Board be authorized to sign the grant agreement, agency and participation agreement, and all other documents necessary to accept a Federal grant for the above project for the University of Illinois-Willard Airport, subject to funds being made available.

It is also recommended that the May 19, 1976, action of the Board be rescinded.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Livingston, these recommendations were approved, and authority was given as recommended by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Medical Center Parking Revenue Bonds, Series of 1976

(23) Bids were received at 11:00 a.m. on June 16, 1976, for the sale of \$4,500,000 of Medical Center Parking Revenue Bonds, Series of 1976, of the Board of Trustees of the University of Illinois to finance the construction of a parking structure at the Medical Center campus in Chicago.

The Vice President for Administration and Comptroller recommends that the bonds be sold to John Nuveen & Co., Incorporated, at a price of \$4,500,000 plus accrued interest from April 1, 1976, and at an effective interest rate of 7.3839 percent, which represents the lowest interest cost to the University.

Tabulation of the bids received is being filed with the Secretary of the Board for record.

The Vice President for Administration and Comptroller also presents a resolution of the Board of Trustees of the University of Illinois authorizing and providing for the issuance of \$4,500,000 Medical Center Parking Revenue Bonds, Series of 1976, and recommends its adoption.

He further recommends that the Board: (1) authorize the execution of the bonds by Earl W. Porter, Secretary of the Board, by facsimile signatures of the President of the Board and by the facsimile signatures of Park Livingston and George W. Howard III, members of the Board; (2) authorize the Comptroller to name a bank as paying agent or depositor, an alternate paying agent, and a second alternate paying agent; and (3) ratify and confirm all actions taken or to be taken by the officers and members of the Board in connection with the sale and delivery of the bonds to the purchasers indicated above.

I concur.

Medical Center Parking Revenue Bonds Resolution

A resolution authorizing and providing for the issuance of revenue bonds for the purpose of paying the cost of acquiring, constructing, and equipping parking fa-

cilities at the Medical Center in the city of Chicago, Illinois, by The Board of Trustees of the University of Illinois, setting forth the terms under which such revenue bonds are to be issued, providing for the rights of the holders thereof, and providing for the acquisition, construction, and equipment of such facilities, and the management, maintenance, improvement, and operation thereof.

Whereas The Board of Trustees of the University of Illinois on due consideration and investigation does now find and determine that it is advisable and necessary and required for the good and benefit of the University of Illinois and the best interests of its students and faculty to construct and equip a parking facility on the Medical Center campus of the University. (Said parking facility is hereinafter sometimes called the "Project"); and

Whereas in order to produce the funds necessary to construct and equip said Project it is advantageous to the University and necessary that the University borrow money and issue and sell revenue bonds under the provisions of paragraphs 48.1 through 48.7 of Chapter 144 of the Illinois Revised Statutes, 1975, and all laws amendatory thereof and supplemental thereto;

Now, Therefore, Be It Resolved by The Board of Trustees of the University of Illinois:

Article One — Definitions

Unless the context otherwise requires, the terms defined in this Article One shall for all purposes of this Resolution and of any resolution supplemental hereto, have the meanings herein specified, the following definitions to be equally applicable both to the singular and plural forms of any of the terms herein defined:

The term "Authorized Officer" shall mean the President, Secretary, Treasurer, or Comptroller of the Board of Trustees, or any other person authorized by resolution of the Board of Trustees, to perform the act or sign the document in question.

The term "Board of Trustees" and the term "University" shall mean The Board of Trustees of the University of Illinois, a body corporate, created and established under the laws of the State of Illinois.

The term "Bonds" shall mean and include any and all bonds of all series, issued under this Resolution.

The term "Comptroller" shall mean the Comptroller of the University or such other person as may at the time be the acting chief fiscal officer of the University.

The term "facilities" shall include the Project and mean all facilities financed pursuant to this Resolution, the cost of which is paid in whole or in part through the issuance of Bonds and the existing facilities mentioned in Section 5.01.

The term "fiscal year" shall mean the twelve-month accounting period established by the University for its academic operations, which currently is the period from July 1 through the following June 30.

The term "Hospital Revenues" shall mean the gross revenues received by the University for patient hospital care at the University of Illinois at The Medical Center.

The term "Net Income Available for Debt Service" shall mean at any date as of which the amount thereof is to be determined the sum of

(a) the net income for the preceding fiscal year of all revenue-producing facilities (other than those included in clause (b) below) pledged for the payment of Bonds; plus

(b) the estimated annual net income of all revenue-producing facilities for the account of which Bonds have been issued and delivered but which are under construction or for which a full fiscal year's operating experience is not available; plus

(c) the estimated annual net income of revenue-producing facilities not

then completed, the cost of which is to be financed through the proceeds of the sale of additional Bonds at the time proposed to be issued; plus

(d) the net income during the preceding fiscal year from investments of funds in the Medical Center Parking Revenue Bond and Interest Sinking Fund Account; plus

(e) the maximum dollar amount of Hospital Revenues pledged or to be pledged to supplement the revenues of the facilities for the payment of all Bonds then outstanding and then to be issued.

For the purpose of this definition net income shall be determined by deducting from the gross revenues or estimated gross revenues for the period in question all operating expenses or estimated operating expenses for such period and the amounts required to be credited to the Repair, Replacement, and Resurfacing Reserve Account. Revenues and operating expenses of facilities to be constructed shall be estimated in writing by an independent consulting engineer. All computations of Net Income Available for Debt Service shall be made by the Comptroller of the University who shall certify thereto.

The term "operating expenses" shall mean and include all reasonable expenses of operation and maintenance of the facilities, including without limiting the generality of the foregoing, salaries, wages, cost of materials, supplies, insurance, light, heat, power, reasonable repairs necessary to properly maintain such facilities (including reasonable reserves therefor), taxes (if any), fees and expenses of the depository and paying agents, and any expenses required to be paid pursuant to this Resolution but excluding depreciation, provisions for the Repair, Replacement, and Resurfacing Reserve Account hereinafter provided, and all general administrative expenses of the University.

The term "owner" or "holder" whenever employed herein with respect to a Bond which shall be registered as to principal or fully registered without coupons shall mean the person, firm, or agency in whose name such Bond shall be registered and, whenever employed herein with respect to a coupon Bond which shall not be registered as to principal or a coupon, shall mean the bearer of such Bond or coupon.

The term "Paying Agent" shall mean The First National Bank of Chicago or its successors in the City of Chicago, Illinois.

The term "depository" and the term "Registration Agent" shall mean The First National Bank of Chicago or its successor in the City of Chicago, Illinois.

The term "Resolution" shall mean this Resolution as originally adopted or as it may from time to time be supplemented, modified, or amended by any resolution supplemental hereto pursuant to the provisions hereof.

Article Two — Authorization, Designation, Form, Execution, Exchange, and Registration of Bonds

SECTION 2.01. *Limitation of Issue and Equality of Bonds.* This Resolution shall constitute a continuing agreement to secure the full and final payment in the manner herein provided for the principal and interest on all Bonds which may from time to time be delivered and issued hereunder. The aggregate principal amount of Bonds which may be so delivered and issued hereunder is not limited except as restricted by law or by the provisions hereof. All Bonds at any time issued and outstanding hereunder, regardless of series, shall be equally and ratably secured hereby without preference, priority, or distinction.

SECTION 2.02. *Project and Purpose of Initial Issue of Bonds.* The initial project (hereinafter called the "Project") to be acquired, constructed, equipped, and completed hereunder is described in a general way as:

A parking facility for approximately 1,116 cars to be located on the north

side of Taylor Street between Paulina Street and Marshfield Avenue in the City of Chicago.

The estimated cost of said Project (exclusive of land) is \$4,500,000 all as more fully set forth in the plans and specifications therefor on file in the Office of Campus Services of the University of Illinois at the Medical Center, 828 South Wolcott, Chicago, Illinois.

It is hereby determined that in order to produce the funds necessary to construct and equip the Project the University borrow the sum of \$4,500,000 and in evidence thereof issue its Medical Center Parking Revenue Bonds hereunder in said principal amount.

SECTION 2.03. Terms of Series 1976 Bonds. There is hereby created and authorized a series of Bonds to be issued hereunder which shall be substantially in the form and of the tenor and purport hereinafter set forth, to be designated "The Board of Trustees of the University of Illinois Medical Center Parking Revenue Bonds, Series of 1976" (hereinafter called "Series 1976 Bonds") and shall be limited to the aggregate principal amount of \$4,500,000 at any one time outstanding.

The Series 1976 Bonds shall be issued as negotiable coupon bonds dated April 1, 1976, registrable as to principal in the denomination of \$5,000 or as fully registered Bonds without coupons, dated as of the interest payment date to which the interest was last paid, next preceding the date of issue, unless issued on an interest payment date on which interest was paid, in which case they shall be dated as of the date of issue, or unless issued prior to October 1, 1976, in which case they shall be dated April 1, 1976. Each fully registered Bond without coupons shall be of a single maturity. Fully registered Bonds without coupons shall be numbered in such manner as may be designated by the Comptroller and shall be issued in denominations of \$5,000 or multiples thereof. Bonds shall bear interest from April 1, 1976, payable semiannually on the first days of April and October in each year until paid, commencing October 1, 1976, at the rates provided below and shall mature in the following amounts on October 1 of the following years:

<i>Maturity Dates</i>	<i>Principal Amount</i>	<i>Interest Rate (Percent)</i>	<i>Maturity Dates</i>	<i>Principal Amount</i>	<i>Interest Rate (Percent)</i>
1979	\$ 45 000	7.75	1991	\$185 000	7.50
1980	70 000	7.75	1992	200 000	7.10
1981	75 000	7.75	1993	220 000	7.25
1982	80 000	7.75	1994	240 000	7.25
1983	90 000	7.75	1995	265 000	7.25
1984	100 000	7.75	1996	285 000	7.25
1985	110 000	7.75	1997	310 000	7.40
1986	115 000	7.50	1998	340 000	7.40
1987	130 000	7.50	1999	365 000	7.40
1988	140 000	7.50	2000	395 000	7.40
1989	155 000	7.50	2001	415 000	7.40
1990	170 000	7.50			
(Total) \$4 500 000					

The Series 1976 Bonds shall be redeemable, either in whole or in part, prior to their maturity at the option of the Board of Trustees on any interest payment date on and after, but not prior to April 1, 1986, in inverse order in which they mature, at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption plus a premium of the following percentages of such principal amount if redeemed during the following periods respectively:

<i>Period of Redemption</i>	<i>Applicable Premium (Percent)</i>
April 1, 1986, through October 1, 1987.....	4
April 1, 1988, through October 1, 1989.....	3
April 1, 1990, through October 1, 1991.....	2
April 1, 1992, through October 1, 1993.....	1
April 1, 1994, and thereafter without premium	

SECTION 2.04. *Payment of Principal and Interest.* Both the principal of and interest on the Series 1976 Bonds shall be payable in any coin or currency which on the respective date of payment of such principal and interest, is legal tender for the payment of debts due the United States of America, at The First National Bank of Chicago in the City of Chicago, Illinois.

SECTION 2.05. *Form of Bonds.* The definitive coupon Series 1976 Bonds, the interest coupons to be attached thereto, the form of fully registered Series 1976 Bonds without coupons, the form of registration endorsement to appear on all coupon Bonds, the form of principal payment record, and the form of assignment to appear on all fully registered Bonds shall be in substantially the following forms with appropriate insertions, omissions, and variations to evidence differences in number, amount, interest rate, maturity, and like matters:

(Form of Coupon Bond)

UNITED STATES OF AMERICA

STATE OF ILLINOIS

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

MEDICAL CENTER PARKING REVENUE BOND

Series of 1976

Number _____

\$5,000

THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS, a body corporate, created and existing under the laws of the State of Illinois, for value received promises to pay to bearer, but only out of the Medical Center Parking Revenue Bond Fund, as hereinafter provided for, and not otherwise, the principal sum of FIVE THOUSAND DOLLARS (\$5,000), on October 1, 19____, and to pay interest on said sum from the date hereof until paid at the rate of _____ percent (%) per annum, payable October 1, 1976, and semiannually thereafter on the first days of April and October in each year until the principal amount hereof has been fully paid. Interest accruing on this bond on and prior to the maturity date hereof shall be payable on presentation and surrender of the interest coupons hereto attached as they subsequently become due, but no interest shall accrue on this bond after the maturity hereof whether by lapse of time, call for redemption, or otherwise unless this bond shall be presented for payment and be not then paid.

Both principal hereof and interest hereon are hereby made payable in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of debts due the United States of America, at The First National Bank of Chicago in the City of Chicago, Illinois.

This bond is one of an initial authorized series of Four Million Five Hundred Thousand Dollars (\$4,500,000) principal amount of Medical Center Parking Revenue Bonds, Series of 1976, issued and to be issued pursuant to a Bond Resolution (herein called "Resolution") of The Board of Trustees of the University of Illinois duly adopted June 16, 1976, for the purpose of providing funds for paying the cost of constructing and equipping a parking facility for the University of Illinois at The Medical Center (herein called the "Project") as set forth in the Resolution.

Said Resolution, among other things, provides for the issuance of additional bonds pursuant thereto in the manner and upon the terms and conditions more fully set forth therein.

The bonds of this series are redeemable prior to their maturity at the option of the Board of Trustees, either in whole or in part on any interest payment date on or after, but not prior to April 1, 1986, in the inverse order in which they mature, at the principal amount thereof, together with interest accrued to the date of redemption plus a premium equal to the following percentages of such principal amount if redeemed during the following periods respectively:

<i>Period of Redemption</i>	<i>Applicable Premium (Percent)</i>
April 1, 1986, through October 1, 1987.....	4
April 1, 1988, through October 1, 1989.....	3
April 1, 1990, through October 1, 1991.....	2
April 1, 1992, through October 1, 1993.....	1
April 1, 1994, and thereafter without premium	

Notice of redemption of any or all of said bonds shall be published once a week for two successive calendar weeks, the first such publication to be not less than thirty days prior to the date of redemption, such publication to be made in one daily newspaper printed in the English language and published and of general circulation in the City of Chicago, Illinois, and also in a financial newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, City and State of New York, and when this bond or any of the bonds of such authorized issue shall have been duly called for redemption, interest thereon shall cease from and after the specified redemption date if redemption monies are available for the payment of all bonds called for redemption.

This bond and the series of which it forms a part is issued under the authority of The Board of Trustees of the University of Illinois to issue and sell revenue bonds under the provisions of paragraphs 48.1 through 48.7 of Chapter 144 of the Illinois Revised Statutes, 1975, and all laws amendatory thereof and supplemental thereto and the Resolution above referred to.

This bond is payable, both as to principal and interest, only from the revenues required to be credited to the Medical Center Parking Revenue Bond Fund as provided in the Resolution; which revenues are to be derived from (1) the operation of the revenue-producing facilities constructed, completed, and equipped with the proceeds of this bond issue and the proceeds of additional bonds which may hereafter be issued pursuant to the Resolution, (2) the operation of any other revenue-producing facilities which may subsequently be pledged pursuant to any supplemental resolution creating or authorizing additional bonds to be issued pursuant to the Resolution, (3) the operation of all other University owned or leased parking lots or spaces located in the Medical Center District, or the immediate vicinity thereof, and serving the Medical Center Campus, and (4) up to \$137,500 annually of Hospital Revenues (as defined in the Resolution) authorized by law to be retained in the University treasury, plus such additional sums as may be specified in any supplemental resolution creating or authorizing additional bonds to be issued pursuant to the Resolution as so supplemented. This bond and the series of which it forms a part do not constitute an indebtedness of said University of Illinois, The Board of Trustees of the University of Illinois, or the State of Illinois within any constitutional or statutory limitation, and neither the taxing power nor the general credit of said University, of said Board of Trustees, or the State of Illinois is pledged to the payment of this bond or the interest thereon.

This bond shall pass by delivery unless it is registered as to principal in the name of the holder on the books of registration of said University kept at the office

of the Registration Agent in the City of Chicago, Illinois, such registration to be noted on the back hereof. After such registration no transfer hereof shall be valid unless made on such books by the registered holder in person or by attorney duly authorized in writing and similarly noted hereon, but this bond may be transferred in like manner to bearer, and thereupon transferability by delivery shall be restored and it may again from time to time be registered or transferred to bearer as before. Such registration, however, shall not restrict the negotiability of the coupons hereto appertaining, but such coupons shall be transferable by delivery merely and payable to the bearer thereof.

This bond and all other bonds of this issue shall have all of the qualities of securities under the Illinois Uniform Commercial Code, and during such time as this bond is payable to bearer the same and each of the the coupons hereto appertaining may be negotiated by delivery by any person having possession thereof, and The Board of Trustees of the University of Illinois, any paying agent, the Registration Agent, and any other person may deem and treat the bearer of this bond, or, if registered, the person in whose name it is registered, and the bearer of any interest coupons appertaining hereto as the absolute owner hereof for all purposes and shall not be affected by any notice to the contrary whether this bond or any coupon appertaining hereto be overdue or not.

The bonds of this series are issuable as coupon bonds registrable as to principal only in the denomination of \$5,000 and as registered bonds without coupons in the denomination of \$5,000 or a multiple thereof. Each fully registered bond without coupons shall be of a single maturity. The coupon bonds and the registered bonds without coupons are interchangeable for bonds of the same interest rate and maturity upon presentation thereof for such purpose by the holder or registered owner at the office of the Registration Agent in the City of Chicago, Illinois, and upon payment of charges and otherwise as provided in the Resolution.

The rights and obligations of the University and of the holders of the bonds may be modified or amended at any time with the consent of The Board of Trustees of the University of Illinois and of the holders of sixty-six and two-thirds percent (66⅔%) in principal amount of outstanding bonds in the manner, to the extent, and upon the terms and conditions provided in the Resolution; provided that no such modification or amendment shall (i) extend the maturity of or reduce the interest rate on or otherwise alter or impair the obligation of the University to pay the principal, interest, or redemption premiums at the time and place and at the rate and in the currency provided therein of any bond without the expressed consent of the holder, or (ii) permit the creation of any mortgage or pledge or lien on the facilities, or upon any income therefrom or other funds pledged or held under the Resolution, except as permitted by the Resolution, other than the lien and pledge created thereunder, or (iii) permit the creation by The Board of Trustees of the University of Illinois of any preference or priority of any bond or bonds over any other bond or bonds or coupon or coupons over any other coupon or coupons, or (iv) reduce the percentage in principal amount of bonds required for the affirmative vote or written consent to an amendment or modification without the consent of the holder of this bond; all as more fully set forth in the Resolution.

The Board of Trustees of the University of Illinois hereby covenants with the holder of this bond that it will keep and perform all the covenants and agreements in the Resolution adopted by it, authorizing the issuance of this bond and the series of which it forms a part, and hereby irrevocably obligates itself to administer the said income and revenue derived from the operation of said facilities, as provided for in and by said Resolution, and to establish from time to time rules, rents, fees, and other charges for the use of said facilities and to maintain and collect rents, fees, and other charges for the use of the facilities as will, when supplemented with Hospital Revenues to the extent provided in the Resolution, provide revenue

sufficient to maintain the Bond and Interest Sinking Fund Account and the required reserves therefor, to pay the reasonable cost of operating and maintaining said facilities and to provide and maintain the Repair, Replacement, and Resurfacing Reserve Account until all of such bonds have been paid in full, both as to principal and interest.

It is hereby certified and recited and declared that all acts, conditions, and things required to exist, to happen, and to be performed, precedent to and in the issuance of this bond, have existed, have happened, and have been performed in due form, time, and manner, as required by law and the applicable resolutions of The Board of Trustees of the University of Illinois, and that provision has been made for setting aside the income and revenue to be derived from the operation of said facilities to be applied in the manner hereinabove set forth.

IN WITNESS WHEREOF, The Board of Trustees of the University of Illinois has caused this bond to be executed by the facsimile signatures of its President and two of its members, the corporate seal of the University of Illinois to be hereto affixed (or a facsimile thereof to be reproduced hereon), and attested by its Secretary, and has caused the interest coupons hereto attached to be executed by the facsimile signatures of said President and Secretary, and this bond to be dated as of the 1st day of April 1976.

THE BOARD OF TRUSTEES OF THE
UNIVERSITY OF ILLINOIS

Attest: _____
Secretary

By _____
President

Member

Member

(Form of Interest Coupon)

Number _____

\$ _____

On the first day of _____, 19____ (unless the bond to which this coupon is attached has theretofore been called for payment and payment made or provided for), The Board of Trustees of the University of Illinois will pay to bearer on surrender hereof, solely out of the fund specified in the bond to which this coupon is attached, the sum of _____ Dollars (\$ _____) in any coin or currency which on the respective dates of payment of such principal and interest is legal tender for the payment of debts due the United States of America, at The First National Bank of Chicago in the City of Chicago, Illinois, as provided in the Medical Center Parking Revenue Bonds, Series of 1976, dated April 1, 1976, Number _____.

Secretary

President

(Form for Registration of Coupon Bond)

Date of
Registration

Name of
Registered Owner

Signature of
Registrar

_____	_____	_____
_____	_____	_____
_____	_____	_____

(Form of Registered Bond without Coupons)
UNITED STATES OF AMERICA
STATE OF ILLINOIS
THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS
MEDICAL CENTER PARKING REVENUE BOND
 Series of 1976

Number _____ \$ _____

The Board of Trustees of the University of Illinois, a body corporate, created and existing under the laws of the State of Illinois, for value received promises to pay (but only out of the Medical Center Parking Revenue Bond Fund as herein-after provided for, and not otherwise) to _____ or registered assigns, on October 1, 19____, the principal sum of _____ Dollars (\$_____) and to pay interest thereon (which shall be paid by check or draft mailed to the registered owner at his address as it appears on the bond registration books of the University), at the rate of _____ percent (____%) per annum, payable October 1, 1976, and semiannually thereafter on the first days of April and October in each year from the date hereof until the principal amount hereof has been fully paid.

Both principal hereof and interest hereon are made payable in any coin or currency which on the respective dates of payment of such principal and interest is legal tender for the payment of debts due the United States of America, at The First National Bank of Chicago in the City of Chicago, Illinois.

This bond is one of an initial authorized issue of Four Million Five Hundred Thousand Dollars (\$4,500,000) principal amount of Medical Center Parking Revenue Bonds, Series of 1976, issued and to be issued pursuant to a Bond Resolution (herein called "Resolution") of The Board of Trustees of the University of Illinois duly adopted June 16, 1976, for the purpose of providing funds for paying the cost of constructing and equipping a parking facility for the University of Illinois at The Medical Center (herein called the "Project") as set forth in the Resolution. Said Resolution, among other things, provides for the issuance of additional bonds pursuant thereto in the manner and upon the terms and conditions more fully set forth therein.

The bonds of this series are redeemable prior to their maturity at the option of the Board of Trustees, either in whole or in part on any interest payment date on and after, but not prior to April 1, 1986, in the inverse order in which they mature, at the principal amount thereof, together with interest accrued to the date of redemption plus a premium equal to the following percentages of such principal amount if redeemed during the following periods respectively:

<i>Period of Redemption</i>	<i>Applicable Premium (Percent)</i>
April 1, 1986, through October 1, 1987.....	4
April 1, 1988, through October 1, 1989.....	3
April 1, 1990, through October 1, 1991.....	2
April 1, 1992, through October 1, 1993.....	1
April 1, 1994, and thereafter without premium	

Notice of redemption of any or all of said bonds shall be published once a week for two successive calendar weeks, the first such publication to be not less than thirty days prior to the date of redemption, such publication to be made in one daily newspaper printed in the English language and published and of general circulation in the City of Chicago, Illinois, and also in a financial newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, City and State of New York, and when this bond or any of the bonds of such authorized issue shall have been duly called for redemption, interest thereon shall cease from and after the specified redemption date if redemption monies are available for the payment of all bonds called for redemption.

This bond and the series of which it forms a part is issued under the authority of The Board of Trustees of the University of Illinois to issue and sell revenue bonds under the provisions of paragraphs 48.1 through 48.7 of Chapter 144 of the Illinois Revised Statutes, 1975, and all laws amendatory thereof and supplemental thereto and the Resolution above referred to.

This bond is payable, both as to principal and interest, only from the revenues required to be credited to the Medical Center Parking Revenue Bond Fund as provided in the Resolution; which revenues are to be derived from (1) the operation of the revenue-producing facilities constructed, completed, and equipped with the proceeds of this bond issue and the proceeds of additional bonds which may hereafter be issued pursuant to the Resolution, (2) the operation of any other revenue-producing facilities which may subsequently be pledged pursuant to any supplemental resolution creating or authorizing additional bonds to be issued pursuant to the Resolution, (3) the operation of all other University owned or leased parking lots or spaces located in the Medical Center District, or the immediate vicinity thereof, and serving the Medical Center Campus, and (4) up to \$137,500 annually of Hospital Revenues (as defined in the Resolution) authorized by law to be retained in the University treasury, plus such additional sums as may be specified in any supplemental resolution creating or authorizing additional bonds to be issued pursuant to the Resolution as so supplemented. This bond and the series of which it forms a part do not constitute an indebtedness of said University of Illinois, The Board of Trustees of the University of Illinois, or the State of Illinois within any constitutional or statutory limitation, and neither the taxing power nor the general credit of said University, or said Board of Trustees, or the State of Illinois is pledged to the payment of this bond or the interest thereon.

This bond and all other bonds of this issue shall have all of the qualities of securities under the Illinois Uniform Commercial Code, and shall be transferable by the registered owner at the office of the Registration Agent in the City of Chicago, Illinois, upon surrender and cancellation of this bond and thereupon coupon bonds or a new registered bond without coupons of the same principal amount, interest rate, and maturity will be issued to the transferee as provided in the Resolution. The Board of Trustees of the University of Illinois, any paying agent, the Registration Agent, and any other person may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes and shall not be affected by any notice to the contrary whether this bond be overdue or not.

The bonds of this series are issuable as coupon bonds registrable as to principal only in the denomination of \$5,000 and as registered bonds without coupons in the denomination of \$5,000 or a multiple thereof. Each fully registered bond without coupons shall be of a single maturity. The coupon bonds and the registered bonds without coupons are interchangeable for bonds of the same interest rate and maturity upon presentation thereof for such purpose by the holder or registered owner at the office of the Registration Agent in the City of Chicago, Illinois, and upon payment of charges and otherwise as provided in the Resolution.

The rights and obligations of the University and of the holders of the bonds may be modified or amended at any time with the consent of The Board of Trustees of the University of Illinois and of the holders of sixty-six and two-thirds percent (66⅔%) in principal amount of outstanding bonds in the manner, to the extent, and upon the terms and conditions provided in the Resolution; provided that no such modification or amendment shall (i) extend the maturity of or reduce the interest rate on or otherwise alter or impair the obligation of the University to pay the principal, interest, or redemption premiums at the time and place and at the rate and in the currency provided therein of any bond without the express consent of the holder, or (ii) permit the creation of any mortgage or pledge or lien on the facilities, or upon any income therefrom or other funds pledged or held under the Resolution, except as permitted by the Resolution, other than the lien and pledge

created thereunder, or (iii) permit the creation by The Board of Trustees of the University of Illinois of any preference or priority of any bond or bonds over any other bond or bonds or coupon or coupons over any other coupon or coupons, or (iv) reduce the percentage of principal amount of bonds required for the affirmative vote or written consent to an amendment or modification without the consent of the holder of this bond; all as more fully set forth in the Resolution.

The Board of Trustees of the University of Illinois hereby covenants with the holder of this bond that it will keep and perform all the covenants and agreements in the Resolution adopted by it, authorizing the issuance of this bond and the series of which it forms a part, and hereby irrevocably obligates itself to administer the said income and revenue derived from the operation of said facilities, as provided for in and by said Resolution, and to establish from time to time rules, rents, fees, and other charges for the use of said facilities and to maintain and collect rents, fees, and other charges for the use of the facilities as will, when supplemented with Hospital Revenues to the extent provided in the Resolution, provide revenue sufficient to maintain the Bond and Interest Sinking Fund Account and the required reserves therefor, to pay the reasonable cost of operating and maintaining said facilities and to provide and maintain the Repair, Replacement, and Resurfacing Reserve Account until all of such bonds have been paid in full, both as to principal and interest.

It is hereby certified and recited and declared that all acts, conditions, and things required to exist, to happen, and to be performed, precedent to and in the issuance of this bond, have existed, have happened, and have been performed in due form, time, and manner, as required by law and the applicable resolutions of The Board of Trustees of the University of Illinois, and that provision has been made for setting aside the income and revenue to be derived from the operation of said facilities to be applied in the manner hereinabove set forth.

IN WITNESS WHEREOF, The Board of Trustees of the University of Illinois has caused this bond to be executed by the facsimile signature of its President and two of its members, the corporate seal of the University of Illinois to be hereto affixed (or a facsimile thereof to be reproduced hereon), and attested by its Secretary, and this bond to be dated as of the 1st day of _____, 19____.

THE BOARD OF TRUSTEES OF THE
UNIVERSITY OF ILLINOIS

Attest: _____
Secretary

By _____
President

Member

Member

(Form of Assignment of Registered Bonds without Coupons)

For Value Received _____
hereby sell, assign, and transfer unto _____ the within
mentioned bond together with accrued interest thereon, and all right, title, and
interest thereto and hereby irrevocably constitute and appoint _____
_____, attorney to transfer the same on the books of Registration of
the University, with full power of substitution in the premises.

Dated: _____

Witness: _____

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever except when the registered owner is

a governmental agency, in which case it may be executed in the name of any successor.

SECTION 2.06. *Bonds of Additional Series.* Subject to the conditions and limitations set forth in Article Four hereof and provided that the University shall not at the time be in default under any of the terms, covenants, or provisions of this Resolution, additional Bonds of equal rank with the Series 1976 Bonds may be issued from time to time under this Resolution having such maturities, providing for the payment of such rates of interest and having such other characteristics as shall be determined by the Board of Trustees and set forth in a resolution to be supplemental hereto; provided, however, that each issue of additional Bonds, when so issued, shall be differentiated from all previous issues by appropriate designation inscribed thereon.

SECTION 2.07. *Execution of Bonds.* All of the Bonds shall be executed by the facsimile signatures of the President and any two members of the Board of Trustees and shall have the seal of the University affixed thereto (or a facsimile thereof to be reproduced thereon) and shall be attested by the Secretary of the Board of Trustees, the coupons to be attached to the Bonds shall bear the facsimile signatures of the President and Secretary of the Board of Trustees.

In case any person who shall have signed, sealed, or attested any Bond issuable under this Resolution as an officer or member of the Board of Trustees, shall have ceased to be such officer or member before the Bond so signed, sealed, or attested shall have been actually delivered, such Bond nevertheless may be delivered and issued as though the person who signed, sealed, or attested such Bond had not ceased to be such officer or member of the Board of Trustees.

Any Bond issuable hereunder may be signed, sealed, or attested on behalf of the Board of Trustees by any person who at the actual date of execution of such Bond is the proper person, although at the date of such Bond such person shall not have been an officer or member of the Board of Trustees.

SECTION 2.08. *Registration and Transfer of Bonds.* The University shall keep at the office of the Registration Agent in Chicago, Illinois, books for the registration and transfer of Bonds issued hereunder, which, at all reasonable times, shall be open for inspection by the holder of any Bond issued hereunder, and upon presentation for the purpose at such office, the University will register or transfer or cause to be registered or transferred herein, as hereinafter provided, and under such reasonable regulations as it may prescribe, any Bonds issued under this Resolution and entitled to be so registered or transferred.

The holder of any coupon Bond issued hereunder may have the ownership of the principal thereof registered on said books of the University at the office of the Registration Agent in Chicago, Illinois, and such registration shall be noted on the Bond. After such registration no transfer shall be valid unless made on the said books by the registered owner in person, or by his duly authorized attorney, and similarly noted on the Bond; but the same may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; and such Bond may again, from time to time, be registered or transferred to bearer as before. Such registration, however, shall not affect the transferability of the coupons, but every such coupon shall continue to be transferable by delivery merely, and shall remain payable to bearer. The University shall make no charge for such registrations and discharges from registration.

Any registered Bond without coupons may be transferred at the office of the Registration Agent in the City of Chicago, Illinois, by surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in form approved by the Comptroller, duly executed by the registered owner of such Bond or his duly authorized attorney, and thereupon the University shall issue in the name of the transferee or transferees a new registered Bond or Bonds of like form and maturity and for a like aggregate principal sum.

A registered Bond without coupons, upon request of the registered owner, may be exchanged at said office of the Registration Agent for several such Bonds, of like form and maturity but of lesser authorized denominations, in the same name and for a like aggregate principal sum, and several registered Bonds without coupons, in the same name, may, upon request of the registered owner, be exchanged at such office or agency for one registered Bond without coupons or several such Bonds, of like form and maturity, but of greater authorized denominations and for the same aggregate principal sum.

Whenever any coupon Bonds in aggregate principal amount equal to one or more registered Bonds without coupons of authorized denominations, with all unmatured coupons thereto attached, shall be surrendered at such office for exchange for a registered Bond or Bonds without coupons, the University shall issue, and, in exchange for such coupon Bonds, shall deliver registered Bonds, or one registered Bond, of authorized denominations without coupons, of the same maturity and for a like aggregate principal sum.

Whenever any registered Bond without coupons shall be surrendered for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Comptroller, duly executed by the registered owner of such Bond or his duly authorized attorney, at the office of the Registration Agent in the City of Chicago, Illinois, for exchange for coupon Bonds, the University shall issue, and, in exchange for such registered Bond, shall deliver coupon Bonds for a like aggregate principal sum and like maturity, with coupons thereto attached representing interest from the interest payment date on which interest was last paid on such registered Bond without coupons.

As to all registered Bonds without coupons and all coupon Bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the owner thereof, for all purposes, and thereafter payment of or on account of the principal of such Bond, if it be a registered coupon Bond, and of the principal and interest, if it be a registered Bond without coupons, shall be made only to such registered owner thereof but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid. The University may deem and treat the bearer of any coupon Bond which shall not at the time be registered as to principal, and the bearer of any coupons for interest on such Bond, whether such Bond shall be registered or not, as the absolute owner of such Bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the University shall not be affected by any notice to the contrary whether the Bond or coupon be overdue or not.

In every case of exchange or transfer of Bonds under this Section, the surrendered Bond or Bonds shall be presented to the University for cancellation.

Upon every such exchange of coupon Bonds for registered Bonds, without coupons, or of registered Bonds without coupons for coupon Bonds or for other registered Bonds without coupons, and upon any transfer of registered Bonds without coupons, the University, except as otherwise provided in any agreement between the University and any original purchaser of Bonds, may require the payment of such charge therefor as it may deem proper, not exceeding Two Dollars (\$2.00) plus actual expenses, including printing costs of new bonds, incurred in connection therewith for each Bond issued upon such exchange, payment of which, together with any taxes or other governmental charges required to be paid with respect to such exchange or transfer, shall be made by the party requesting such exchange or transfer as a condition precedent thereto.

The University shall not be required to make exchanges or transfers of bonds as provided in this Section 2.08 during a period of ten (10) days next preceding any interest payment date, or for the period of ten (10) days next preceding the first publication of notice of redemption of any Bond or at any time of any Bonds which have theretofore been duly called for redemption.

SECTION 2.09. *Lost, Stolen, Destroyed, or Mutilated Bonds.* Upon the receipt by the University of evidence satisfactory to it of the loss, theft, destruction, or mutilation of any outstanding Bond hereby secured, and of indemnity satisfactory to it, and upon surrender and cancellation of such Bond if mutilated, the University may execute and deliver, upon the lapse of such period of time as they may deem advisable, a new Bond of like tenor and maturity bearing the same or a different serial number, to be issued in lieu of such lost, stolen, destroyed, or mutilated Bond. Such new Bond may bear such endorsement as may be prescribed by the University and which at the time is necessary to conform to the requirements of any securities exchange or of any governmental body having jurisdiction. The University may require the payment of a sum not exceeding Two Dollars (\$2.00) for each new Bond issued under this Section 2.09, plus expenses, including printing costs of new bonds, which may be incurred by the University in the premises.

SECTION 2.10. *Registration Agent.* The depository in the City of Chicago, Illinois, is hereby appointed as the Registration Agent for the purpose of registering, transferring, and exchanging the Bonds as in this Resolution provided and the University agrees to take all legal action necessary or proper to constitute said depository as the Registration Agent hereunder.

Article Three — Redemption of Bonds

SECTION 3.01. *Publication of Notice.* Whenever the University shall determine to exercise its right to redeem any Bonds issued hereunder and by their terms subject to redemption, notice of such redemption shall be published by the University once a week for two successive calendar weeks in one daily newspaper printed in the English language and published and of general circulation in the City of Chicago, Illinois, and also in a financial newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, in the City and State of New York, not less than 30 days prior to such redemption date. Such notice shall (a) designate the time and place of such redemption; (b) if the Bonds to be redeemed are less than all of the Bonds of any series or maturity, designate the numbers, the maturity date or dates, and the aggregate principal amount of such Bonds; and (c) state that on the designated date of redemption such Bonds will be redeemed by payment of the principal amount thereof (or for the portion thereof to be redeemed) and all unpaid interest accrued thereon to the date of redemption plus the applicable premium, if any, and that from and after such designated redemption date interest in respect of the Bonds (or portions thereof) so called for redemption shall cease. A copy of said notice shall be mailed by the University, postage prepaid, at least 30 days prior to the redemption date to all registered owners of Bonds so to be redeemed at their last addresses appearing on the registration books of the University, but such mailing shall not be a condition precedent to the validity of the redemption of any Bond.

In case any fully registered Bonds are to be redeemed in part only, said notice shall specify the respective portions of the principal amounts thereof to be redeemed (which shall be \$5,000 or any multiple thereof) and shall state that payment of the redemption price shall, except as hereinafter specifically provided, be made only upon presentation of such fully registered Bonds for surrender in exchange for a coupon Bond or Bonds or a fully registered Bond or Bonds of the same series and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the principal amount thereof; and in such case, if coupon Bonds or fully registered Bonds are so to be delivered in exchange, the University shall execute and deliver to or upon the written order of the registered owner of any fully registered Bonds, a portion only of which is to be redeemed, and at the expense of the University, a new Bond or Bonds of the same series and maturity for the principal amount of the surrendered fully registered Bond less the principal amount thereof paid on surrender.

In the event of the payment of a portion of the principal amount of any fully registered Bond registered in the name of any initial purchaser in whose name Bonds of that series were first registered and named in a written order of an Authorized Officer filed with the depository and stating that the provisions of this paragraph shall be applicable thereto, or registered in the name of any subsequent holder for the benefit of whom the University shall elect that the provisions of this paragraph shall be applicable thereto (which election shall be subject to the condition that such subsequent holder shall first agree not to make any sale or transfer of any Bond or Bonds registered in its name without presentation of such Bond or Bonds for transfer and exchange), then in such event the University shall make payment to such Bond holder without requiring presentation of such Bond and, in lieu of delivering a new Bond or Bonds of an aggregate principal amount equal to the unredeemed portion of the principal amount of such Bond, the University shall, in its letter transmitting payment to such Bond holder, instruct such holder to endorse such payment on such Bond and a written representation from such holder to the University that such payment has been so endorsed shall be conclusive evidence of such endorsement and payment.

SECTION 3.02. *Pro Rata Redemption among Series.* In any case of the redemption at the option of the University of less than all of the outstanding Bonds then subject to redemption, no Bonds of any series may be redeemed unless Bonds of each other series then subject to redemption are redeemed at the same time in proportion to the amount of each such Series originally issued; provided, however, that in any case of the redemption of all of the outstanding Bonds of any one or more series, as a result of or in anticipation of the refunding or refinancing of one or more such series by the application of funds derived from other borrowings or the issuance of additional Bonds hereunder, no Bonds of any other series need be redeemed unless so required in the resolution supplemental hereto, creating or authorizing any additional series of Bonds. Nothing in this section shall be deemed to restrict the redemption by the University of a portion of the Bonds of any Series out of surplus funds remaining in a Construction Fund Account held for the account of Bonds of such series in any case where the University is required or permitted to redeem such Bonds out of such surplus funds.

SECTION 3.03. *Selection of Bonds for Redemption.* In case the University shall have elected to redeem less than all of the outstanding Bonds of a single series and maturity, the Bonds to be redeemed shall be selected by lot except as herein otherwise expressly provided. In each such instance the University shall, at least five days before the date upon which the first publication of the notice of redemption hereinbefore mentioned is required to be made (or the mailing of such notice in case no publication is required as hereinafter specified), draw by lot, from the outstanding Bonds of such series and maturity, in any manner deemed by it proper, the identifying numbers of the Bonds to be redeemed. In any such selection by lot each Bond of a denomination in excess of \$5,000 shall be given a separate number for each \$5,000 of the principal amount thereof.

SECTION 3.04. *Deposit of Funds for Redemption.* Said notice having been given, as above provided, the Bonds designated for redemption shall, on the date specified in such notice, become due and payable, at the then applicable redemption price, and on or before the day preceding the date fixed for redemption the University shall deposit with The First National Bank of Chicago or its successor in the City of Chicago, Illinois, as depository, the redemption price of the Bonds called for redemption and accrued interest thereon to the date fixed for redemption. Upon such deposit having been made and on presentation, if required, of such Bonds in accordance with such notice at the place at which the same are expressed in such notice to be redeemable, with all appertaining coupons, if any, maturing after said redemption date, such Bonds shall forthwith after the making of such deposit be

paid by the depository, on behalf of the University, at such redemption price. Such payment of the redemption price shall be made to the bearer of any such Bonds, unless it shall then be registered, in which case such payment shall be made to the registered owner. All unpaid interest installments represented by coupons which shall have matured on or prior to the date of redemption specified in such notice, shall continue to be payable to the bearers, severally and respectively, and the redemption price payable to the holders of Bonds presented for redemption shall not include such unpaid installments of interest unless coupons representing such installments shall be attached to the Bonds presented for redemption.

SECTION 3.05. *Effect of Redemption.* If the amount necessary to redeem all of the Bonds called for redemption as aforesaid shall have been deposited with the paying agent, for the account of the holder or holders of such Bonds on or before the day preceding the date specified for such redemption, and the notice hereinbefore mentioned shall have been duly given, and all charges and expenses of the paying agent in connection with such redemption, or otherwise hereunder, shall have been fully paid or provided for, the University shall be privileged to consider such Bonds redeemed from the holder or holders thereof, and interest on such Bonds shall cease on the date specified for such redemption, and the University shall thereupon (subject to the provisions of Article Ten hereof) be discharged, from and after the redemption date specified in such notice, from further liability in respect of the Bonds so called for redemption, and thereafter such Bonds shall not be entitled to any benefit of or from this Resolution. In case any question shall arise as to whether any such notice shall have been sufficiently given, or such redemption effected, such question shall be decided by the depository, and the decision of the depository shall be final and binding upon all parties in interest. No holder of any Bond shall be entitled to any interest on money deposited for the redemption of Bonds.

SECTION 3.06. *Cancellation of Bonds.* All Bonds redeemed and paid, as provided in this Article Three, shall, together with all coupons appertaining thereto, if any, be cancelled by the University and no Bonds or coupons so redeemed shall be reissued, nor shall any Bonds or coupons be issued in lieu thereof.

Article Four — Issuance of Bonds

SECTION 4.01. *Issuance of Series 1976 Bonds.* Series 1976 Bonds in the principal amount of \$4,500,000 shall be executed on behalf of the Board of Trustees and delivered to or upon the written order of the Comptroller.

SECTION 4.02. *Issuance of Additional Bonds.* Subject to the conditions and limitations hereinafter set forth and provided the University shall not at the time be in default under any of the terms, covenants, or provisions of this Resolution, additional Bonds of equal rank with the Series 1976 Bonds may be issued from time to time under the terms of this Resolution having such maturities, providing for the payment of such rates of interest, and having such other characteristics as shall be determined by the Board of Trustees and set forth in a resolution to be supplemental hereto; *provided* such additional Bonds shall be issued only for one or more of the following purposes:

- A. To provide funds necessary to pay the cost of completing the Project herein provided for in accordance with the plans and specifications now on file in the Office of Campus Services of the University of Illinois at The Medical Center, 828 South Wolcott, Chicago, Illinois; or
- B. Paying the cost of equipping, enlarging, or improving the Project; or
- C. Paying the cost of acquisition, construction, or improvement of additional parking lots or parking structures for the University at The Medical Center;

provided further that the following conditions precedent are complied with at or prior to the time of issuance of such additional Bonds:

(i) In the event additional Bonds are issued for the purposes indicated in clause A above to provide additional funds necessary to pay the cost of completing the Project, the Architects employed by the University for the construction of said Project have submitted a certificate to the Board of Trustees setting forth an itemized statement of the work completed to the date of said certificate, the cost thereof and an itemized statement of the work yet to be completed and the estimated cost thereof and such certificate of estimate shall be presented to and approved by said Board of Trustees preceding the adoption of any resolution authorizing the issuance of additional Bonds for such purpose; and

(ii) In the event additional Bonds are issued for the purpose of paying the cost of equipping, enlarging, or improving the Project or acquiring, constructing, or improving any additional parking lots or parking structures as provided in clause B and/or C above, the Net Income Available for Debt Service shall be equal to or greater than one and three-tenths (1.3) times the amount to become due in each succeeding fiscal year for the payment of principal of and interest on the Bonds then outstanding hereunder and the Bonds then to be issued.

All such additional Bonds shall be issued pursuant to a resolution supplemental hereto, duly adopted by the Board of Trustees, setting forth the form of such additional Bonds and the terms and conditions applicable thereto. For the purpose of this Section any computation of Net Income Available for Debt Service prepared and certified by the Comptroller, setting forth in detail the computation thereof and demonstrating that it is equal to or greater than the amount required above shall be binding and conclusive upon the Board of Trustees and the holders of all Bonds then outstanding hereunder and then to be issued.

Article Five — Provisions Relating to Income and Application Thereof

SECTION 5.01. *Medical Center Parking Revenue Bond Fund.* All revenues derived from the following sources are hereby pledged and shall be held in trust for the benefit of the Bond holders for the purpose of making the payments or deposits required to be made under subsections (a), (b), and (c) of Section 5.02 of this Resolution:

- (1) the operation of the Project;
- (2) the operation of any other revenue-producing facilities for the account of which additional Bonds may hereafter be issued; and
- (3) the operation of all other University owned or leased parking lots or spaces located in the Medical Center District, or the immediate vicinity thereof, and serving the Medical Center Campus;

and such revenues shall be deposited as collected in a general banking account of the University to the credit of a special fund which is hereby created and designated as the "Medical Center Parking Revenue Bond Fund" said account to be maintained in a bank which is a member of the Federal Deposit Insurance Corporation and the Board of Trustees covenants that all revenues, income, receipts, profits, rates, rents, or charges derived from the operation of such facilities shall be so credited within three working days after receipt in the Medical Center Parking Revenue Bond Fund and shall be used as provided in Section 5.02 hereof.

SECTION 5.02. *Disposition of Medical Center Parking Revenue Bond Fund.* The funds in the Medical Center Parking Revenue Bond Fund shall be used in the manner and in the order hereinafter mentioned:

- (a) Funds in the Medical Center Parking Revenue Bond Fund shall first be used to pay all current operating expenses and thereafter for the purposes specified in subsections (b), (c), and (d) below.

(b) There is hereby created an account to be designated the Medical Center Parking Revenue Bond and Interest Sinking Fund Account (herein sometimes called the "Bond and Interest Sinking Fund Account"), which shall be maintained with The First National Bank of Chicago or its successor in the City of Chicago, Illinois, which bank is hereby designated as the depository for said account. The University shall deposit in said Bond and Interest Sinking Fund Account on or before March 1 and September 1 of each year a sum not less than one hundred thirty percent (130%) of the interest becoming due on the next semiannual interest payment date plus sixty-five percent (65%) of the principal payments becoming due within the next succeeding twelve months to be paid from the Medical Center Parking Revenue Bond Fund, until such time as such funds and investments (valued at the lower of cost or market), and the income and profits realized from any investments thereof, after providing for the next interest payment due on all then outstanding Bonds and for the principal payments due at the next maturity date for each series of Bonds outstanding (except that provision need be made only for one-half of the principal payments due more than six months after such deposit date), have created a debt service reserve in an amount equal to one hundred percent (100%) of the annual amount to become due in the succeeding fiscal year for the payment of principal of and interest on all Bonds then outstanding, and thereafter in a like manner such sums semiannually as may be necessary to meet the then current debt service requirement and to maintain the aforesaid debt service reserve. Said funds shall be held and used for the payment of principal, interest, and premium, if any, on the Bonds. For the purpose of this paragraph, interest and principal accruing prior to the estimated completion date of the Project and deposited into the Bond and Interest Sinking Fund Account out of the proceeds of the Bonds or from a Construction Fund Account shall not be deemed to be interest or principal to become due on the Bonds.

After setting aside funds for the payment of Bonds which have matured and for past due interest or interest coupons and for principal, accrued interest, and premium, if any, on Bonds called for redemption but not paid, funds of the Bond and Interest Sinking Fund Account in excess of the principal and interest requirements for the next succeeding twelve (12) months may be invested by the depository from time to time by written order of the Comptroller in United States Government securities maturing not more than five (5) years from date of purchase. Funds held for interest and principal payments during the next succeeding twelve (12) months (excluding funds held for the payment of Bonds which have matured and for past due interest or interest coupons and for principal, accrued interest, and premium, if any, on Bonds called for redemption but not paid) may be invested by the depository from time to time by written order of the Comptroller in United States Government securities maturing in such manner that at all times sufficient securities will mature not later than ten (10) days prior to each succeeding interest payment date to meet the interest and principal payments becoming due on each such date.

(c) After setting aside all funds at the time required for the purposes specified in paragraph (a) above and all funds required to meet the next succeeding minimum deposit required to be made by paragraph (b) above, into said Bond and Interest Sinking Fund Account, the University shall establish on its books a Repair, Replacement, and Resurfacing Reserve Account to which there shall be credited on or before the close of each fiscal year commencing with the fiscal year beginning July 1, 1977, the sum of \$56,000 or such portion thereof as is available for transfer an-

nually. All moneys in the Repair, Replacement, and Resurfacing Reserve Account may be drawn on and used by the University for the purpose of paying the cost of resurfacing the facilities, and unusual or extraordinary maintenance or repairs, renewals, and replacements, and the renovating or replacement of equipment not paid as part of normal operating expenses. Funds standing to the credit of said Repair, Replacement, and Resurfacing Reserve Account may be invested by the Comptroller in United States Government securities until such time as funds are needed. In the event that there is any deficiency in the funds required to be deposited semiannually into the Bond and Interest Sinking Fund Account or there is a deficiency in the debt service reserve, as provided in paragraph (b) above, sufficient funds shall be transferred from the Repair, Replacement, and Resurfacing Reserve Account and deposited in the Bond and Interest Sinking Fund Account to eliminate such deficiency.

(d) All funds remaining in said Medical Center Parking Revenue Bond Fund in any fiscal year after the full debt service reserve prescribed in subsection (b) of this Section has been provided for and after all provisions in subsections (a), (b), and (c) of this Section have been met and all deficiencies have been made up, shall be deemed surplus moneys and shall be used for any of the following purposes: (1) for calling and redeeming the outstanding Bonds, which by their terms are redeemable prior to maturity; (2) for purchasing Bonds in the open market, with all unmatured interest coupons thereto attached at the lowest prices reasonably attainable, but not exceeding the amount at which such Bonds at the time are redeemable; (3) for investment by the Comptroller in United States Government securities until such time as funds are needed for other purposes; (4) for unusual or extraordinary repairs, replacements, or improvements to the facilities, for which no funds can be properly provided in subsection (a) above or which are in excess of the amount available therefor in the Repair, Replacement, and Resurfacing Reserve Account; and (5) for any lawful purpose as the Board of Trustees may direct.

SECTION 5.03. *Supplementation of Revenues.* It is hereby determined by the Board of Trustees, and it is hereby covenanted that it is necessary to supplement revenues to be derived from the facilities, referred to in this Resolution, by the use of Hospital Revenues which are authorized by law to be retained in the Treasury of the University, and it is hereby further covenanted that if at the close of any fiscal year there is a deficiency in the Medical Center Parking Revenue Bond Fund to provide for operating expenses of the facilities and/or making the deposits in the Bond and Interest Sinking Fund Account and the Repair, Replacement, and Resurfacing Reserve Account provided for in Section 5.02 of this Resolution in the required amounts, the Board of Trustees shall within sixty (60) days after the close of the fiscal year deposit to the credit of the said Medical Center Parking Revenue Bond Fund out of Hospital Revenues, a sum sufficient to make up such deficiency in order to meet the annual debt service required on the Bonds, the annual cost of maintenance and operation of the facilities, and provide for all the accounts and covenants provided for by this Resolution or any resolution supplemental hereto, but such amount shall not, however, exceed in any one fiscal year the lesser of (a) an amount which when added to the revenues to be derived from the facilities will be sufficient to meet the annual operating expenses of the facilities and to provide for the payments required to be made into the Bond and Interest Sinking Fund Account and the Repair, Replacement, and Resurfacing Reserve Account established in subsections (b) and (c) of Section 5.02 hereof, or (b) \$137,500, plus such additional sums as may be specified in any resolution supplemental hereto creating or authorizing the issuance of additional Bonds.

Article Six — Application of Proceeds of Sale of Bonds

SECTION 6.01. *Custody and Application of Bond Proceeds.* The proceeds from the sale of Bonds to be issued from time to time hereunder shall be applied only toward the cost of acquiring, constructing, equipping, enlarging, or improving facilities, all as hereinbefore provided. When received, the part of the purchase price of Bonds representing the interest accrued on Bonds to the date of payment of such purchase price, together with such portion of the proceeds of the Bonds as is determined by the Board of Trustees to be necessary to be so set apart representing interest and principal, if any, to become due on such Bonds prior to the time the facilities for the account of which such Bonds have been issued become revenue producing and funds become available therefrom, shall be deposited in the Bond and Interest Sinking Fund Account. The remaining part of such purchase price shall be retained by the University and accounted for as a separate fund or funds to be known as a "Construction Fund Account" and such money shall be deposited in a bank or banks which are members of the Federal Deposit Insurance Corporation. The money in each Construction Fund Account shall be applied only toward the cost of construction in the manner and subject to the terms provided in any contract or agreement between the Board of Trustees and any purchaser of Bonds or as may be provided by a resolution supplemental hereto and relating to each separate series of Bonds to be issued hereunder, but in such a manner as to assure completion of the project or improvement for the account of which such Bonds were issued free and clear of mechanic's liens and substantially in accordance with the plans and specifications therefor.

SECTION 6.02. *Investment of Construction Fund.* Pending disbursement for the purpose aforesaid the Comptroller may from time to time invest all or any part of the moneys in the Construction Fund Account not to be needed within the next succeeding thirty (30) days for the purposes hereinabove set forth in bonds, or other direct and general obligations of the United States of America having a maturity date or becoming due at the option of the holder not more than three years subsequent to the date of receipt of the proceeds from the issue or sale of Bonds. Interest accruing as a result of any such investments when received shall be credited to the Construction Fund Account.

SECTION 6.03. *Disposition of Surplus Funds.* After completion of each construction or improvement project, the Comptroller of the University shall execute a certificate to the effect that said project has been fully completed according to the plans and specifications and the same filed in the office of the Secretary of the Board of Trustees. Subject to the terms and provisions of any contract or agreement between the Board of Trustees and any original purchaser of Bonds and relating to any separate series of Bonds to be issued hereunder, if there be funds remaining in a Construction Fund Account at the time of the filing of such certificate with the Secretary, said funds shall be withdrawn by the Comptroller and deposited in the Bond and Interest Sinking Fund Account. Any contract or agreement between the Board of Trustees and any original purchaser of Bonds may provide that any funds remaining in a Construction Fund Account established for the account of any series of Bonds being acquired by such purchaser be applied to the redemption of such Bonds or other Bonds then subject to redemption or to the purchase of Bonds on the open market.

SECTION 6.04. *Arbitrage.* The principal proceeds of the sale of the Series 1976 Bonds shall be devoted to and used with due diligence for the completion of the Project for which said Bonds are hereby authorized to be issued. The Board of Trustees represents and certifies that:

- (1) the Board of Trustees expects within six months after the delivery of the Series 1976 Bonds, to incur substantial binding obligations equal to at

- least 2½% of the estimated total Project cost to commence construction of the Project;
- (2) the Board of Trustees expects that over 85% of the spendable proceeds of the Series 1976 Bonds, including investment proceeds, will be expended within three years following the date of issue of said Bonds, for the purpose of paying the cost of the Project;
 - (3) work on the Project is expected to proceed with due diligence to completion;
 - (4) the Project has not been and is not expected to be sold or otherwise disposed of in whole or in part prior to the last maturity of the Series 1976 Bonds;
 - (5) all of the principal proceeds of the Series 1976 Bonds are needed for the purpose stated in the form of bond above set out, including expenses incidental to such purpose and to the issuance of the Series 1976 Bonds; and
 - (6) to the best of the knowledge and belief of the Board of Trustees, there are no facts, estimates, or circumstances that would materially change the conclusions and representations set out in this Section.

Said Board of Trustees also certifies and further covenants that so long as any of the Series 1976 Bonds remain outstanding, moneys on deposit in any fund or account in connection with the Series 1976 Bonds, whether or not such moneys were derived from the proceeds of the sale of said bonds or from any other sources, will not be used in a manner which will cause the Series 1976 Bonds to be "arbitrage bonds" within the meaning of Section 103(d) of the Internal Revenue Code of 1954, as amended, and any lawful regulations promulgated or proposed thereunder, including proposed Treas. Reg. §§1.103-13 and 1.103-14, as the same presently exist, or may from time to time hereafter be amended, supplemented, or revised. The Board of Trustees reserves the right, however, to make any investment of such moneys permitted by Illinois law if, when, and to the extent that said Section 103(d) or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of counsel of recognized competence in such matters, result in making the interest on the Series 1976 Bonds subject to Federal income taxation.

Article Seven — Additional Covenants of the University

The Board of Trustees of the University of Illinois hereby covenants and agrees as follows:

SECTION 7.01. *Authority for Bonds.* That it is duly authorized under the laws of the State of Illinois and under all other applicable provisions of law to create and issue the Bonds herein provided for, and to pledge and apply the net income of the facilities as herein provided; that all corporate and other action on its part for the creation and issuance of the initial issue of Bonds has been duly taken; that said Bonds when issued and in the hands of the holders thereof will be valid and enforceable obligations of the University according to the import thereof; that this Resolution is and will remain a valid Resolution to secure the payment of said Bonds and that the University has complete and lawful authority and privilege to acquire, construct, equip, operate, enlarge, improve, maintain, control, and manage the facilities as herein provided.

SECTION 7.02. *Right to Use and Occupancy of the Facilities and Not to Encumber Same.* That it hereby warrants that it has a valid and existing right to the use and occupancy of the facilities and the sites thereof and the right to construct, equip, operate, enlarge, improve, maintain, control, and manage the facilities and, except for parking spaces located on leased land, it, or the State of Illinois, has

indefeasible title in fee simple to the sites of the facilities subject only to current taxes not in default; that it will not further encumber said property or the income therefrom and that it will not, while any Bonds are outstanding hereunder, encumber the title to or pledge or agree to pay to others the income from any of the said facilities; that it will within three months after the same shall accrue pay and discharge or cause to be paid and discharged, all lawful claims and demands of mechanics, laborers, and others which if unpaid might by law become liens upon the facilities or the sites thereof unless contested in good faith and by appropriate legal proceedings. Any assessment or attempt to assess property shall not be considered an encumbrance within the meaning of this Section so long as the University takes proper action to prevent judgment being entered against said property. Nothing contained in this Resolution shall be construed to prevent the University from using any portion of land included in a facility site, other than the specific land on which the facilities are located, for any lawful purposes so long as the use and occupancy of the facilities are not impaired. Any facility site, or portion thereof, used as a parking lot may be used for purposes other than parking so long as (1) the University provides, in addition to the parking spaces provided in the Project, and any other facility for the account of which additional Bonds have been issued, not fewer than 1,396 University owned parking spaces located in the Medical Center District, or the immediate vicinity thereof, and serving the Medical Center Campus and the revenues to be derived therefrom are pledged for the benefit of the Bond holders and held and applied as in Article Five provided, or (2) the Net Income Available for Debt Service for each succeeding fiscal year thereafter (after giving effect to the elimination of parking spaces and the substitution, if any, of other spaces) shall be equal to or greater than 1.3 times the amount to become due in each succeeding fiscal year for the payment of principal of and interest on the Bonds then outstanding hereunder.

SECTION 7.03. *To Pay Principal and Interest.* That it will duly and punctually pay or cause to be paid the principal sum and the interest accruing on said principal, on each and every one of the Bonds issued or to be issued hereunder, at the dates and places, and in the manner provided in said Bonds, and in the coupons thereunto appertaining, according to the terms thereof.

SECTION 7.04. *Taxes.* That it will pay and discharge all taxes, assessments, and Governmental charges which shall be imposed upon the facilities provided, however, that the University shall not be required to pay any such tax, assessment, charge, or claim so long as the University in good faith and by appropriate legal proceedings shall contest the validity thereof or its enforceability as a lien, and provided further that any such delay occasioned thereby shall not subject the facilities or any part thereof to forfeiture or sale.

SECTION 7.05. *Payment of Bond Holders' Costs and Expenses.* That it will pay all and singular the costs, charges, and expenses including reasonable attorney fees incurred or paid at any time by the holder of any of the Bonds because of the failure on the part of the University to perform, comply with, and abide by each and every of the stipulations, agreements, conditions, and covenants of the Bonds and this Resolution, or either of them.

SECTION 7.06. *Construction of New Facilities, Maintenance, Repairs, Application of Income, Operation of Additional Facilities.* That following the issuance of each series of Bonds under this Resolution it will cause the facilities for the account of which such Bonds were issued to be constructed with all reasonable dispatch; that it will at all times from income made available for such purpose maintain, preserve, and keep all the facilities and all additions and betterments thereto and every part and parcel thereof in good repair, working order, and operating condition; that it will continuously operate the facilities on a revenue-producing

basis; and that it will use and apply the income from the facilities only as provided in Article Five of this Resolution.

SECTION 7.07. *Rental Rates.* That so long as any Bonds herein authorized to be issued shall remain outstanding it will continuously operate and maintain the facilities, will adopt such rules and regulations, and fix and maintain such rates, rents, fees, and charges for the use of said facilities as will, when supplemented with Hospital Revenues to the extent provided in Section 5.03, provide revenue sufficient to provide and maintain the aforesaid Bond and Interest Sinking Fund Account and the required reserves therefor, to pay the reasonable cost of operating and maintaining the facilities and to provide and maintain the Repair, Replacement, and Resurfacing Reserve Account, and that it will collect and account for and apply the aforesaid income and revenues in accordance with and as provided by this Resolution.

SECTION 7.08. *Record Keeping.* That it will, so long as any of the Bonds issued hereunder remain outstanding and unpaid, keep proper and separate books of accounts and records in which full, true, and correct entries will be made of all dealings and transactions relating to the properties, business, and financial affairs of the University as related to the facilities and such records and books shall be open to inspection by the Bond holders and their agents or representatives.

SECTION 7.09. *Audit Reports and Furnishing of Same.* That it will on or before one hundred fifty (150) days after the end of each fiscal year commencing with the fiscal year ending June 30, 1976, cause to be prepared and will furnish to the depository and (upon written request therefor) to the holder or holders of any Bonds, certified reports of audit based on an examination sufficiently complete to comply with generally accepted auditing standards, prepared by a nationally recognized firm of independent public accountants, covering the operations of the facilities for the fiscal year next preceding, and showing the income and expenses for such period. Such audit report shall include statements of the status of each fund, reserve, or account established under the terms of Article Five hereof showing the amount and source of the deposits therein, the amount and purpose of the withdrawals therefrom, and the balance therein at the beginning and end of the fiscal year. There will also be included with each audit report a written opinion of the accountant that in making the examination necessary to said audit no knowledge of any default by the University in the fulfillment of any of the terms, covenants, provisions, and conditions of this Resolution was obtained, or, if such accountant shall have obtained knowledge of such default, a statement of the default or defaults thus discovered and the nature thereof.

SECTION 7.10. *Fire and Extended Coverage Insurance.* That as long as any of said Bonds authorized to be issued hereunder shall remain outstanding and unpaid, either as to principal or interest, or both, it will maintain insurance on said facilities, including all equipment thereof, against loss or damage by fire and wind-storm and all other risks included in extended coverage insurance in amounts sufficient to provide for not less than full recovery of the insurable value whenever the loss from causes covered by such insurance does not exceed eighty percent (80%) of the full insurable value of said facilities. Such insurance policy or policies shall be payable to The Board of Trustees of the University of Illinois, and all moneys collected on account of loss or damage covered by any such policy or policies of insurance shall be held in trust by the Board of Trustees and shall be used only for restoration of the property so damaged or, at the election of the Board of Trustees, deposited for credit to the Bond and Interest Sinking Fund Account.

SECTION 7.11. *Business Interruption Insurance.* That as long as the funds and investments of the Bond and Interest Sinking Fund Account are less than the maximum debt service reserve required to be maintained under Section 5.02(b) of this

Resolution, it will procure and maintain Business Interruption Insurance on the Project in an amount not less than two years' debt service requirements. Such insurance policy or policies shall be payable to The Board of Trustees of the University of Illinois and all moneys collected on account of loss covered by any such insurance shall be held in trust by the Board of Trustees and credited to the Medical Center Parking Revenue Bond Fund.

Article Eight — Events of Default

SECTION 8.01. *Events of Default.* The University shall be in default herein if one or more of the following events (herein called "events of default") shall happen, to-wit:

- (a) Failure to make due and punctual payment of the principal of or any redemption premium on any Bond when and as the same shall become due and payable;
- (b) Failure to make due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable, and such default shall have continued for a period of thirty (30) days;
- (c) Failure to make due and punctual payment or satisfaction of any payment into the Bond and Interest Sinking Fund Account when and as such payments shall become due and payable as in this Resolution or any resolution supplemental hereto expressed and such default shall have continued for a period of one hundred eighty (180) days;
- (d) If the University shall default in the observance of any other covenants, agreements, or conditions on its part in this Resolution or any resolution supplemental hereto or in the Bonds contained, and such default shall have continued for a period of ninety (90) days after notice thereof given to the University by the holder of any Bond setting forth the nature of such default.

If an event of default shall happen and be continuing, then and in each and every such case the holders of not less than a majority in aggregate principal amount of the Bonds at the time outstanding shall be entitled, upon notice in writing to the University, to declare the principal of all of the Bonds then outstanding hereunder and the interest accrued thereon to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Resolution or in the Bonds contained to the contrary notwithstanding.

All of the revenues of the facilities including all sums in the Medical Center Parking Revenue Bond Fund upon the date of the happening of any event of default and all revenues of the facilities thereafter received by the University, shall be applied by the University in the order following upon presentation of the several Bonds and coupons, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the costs and expenses of the holders of the Bonds in declaring such event of default, including reasonable compensation to their agents, attorneys, and counsel;

Second, in case the principal of the Bonds shall not have become due and shall not then be due and payable, to the payment of the interest in default in the order of the maturity of the installments of such interest, with interest on the overdue installments at the rate now or hereafter provided by law, such payments to be made ratably to the persons entitled thereto without preference or priority;

Third, in case the principal of the Bonds shall have become due and shall be

then due and payable, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal at the rate or rates of interest specified in the Bonds and on installments of interest at the rate now or hereafter provided by law, and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

SECTION 8.02. *Rights of Holders of Bonds upon Default.* Subject to any contractual limitations binding upon the holders of any of the Bonds (including any other limitations herein upon the exercise of any remedy to holders holding a specific proportion or percentage of the Bonds), any holder of Bonds shall have the right, for the equal benefit and protection of all holders of Bonds similarly situated:

- (a) By suit at law or proceedings in equity to compel observance by the University or by any of its officers, agents, and employees of any contract or covenant made by the University with the holders of Bonds and coupons as provided in this Resolution, and to compel the University and any of its officers, agents, and employees, to perform any duties required to be performed for the benefit of the holders of the Bonds or coupons as provided by this Resolution, and to enjoin the University and any of its officers, agents, or employees from taking any action in conflict with any contract or covenant with the holders of the Bonds and coupons as provided by this Resolution;
- (b) By action or suit in equity to require the University to account as if it were the trustee of an express trust; or
- (c) By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the holders of Bonds.

No remedy conferred hereby upon any holder of Bonds is intended to be exclusive of any other remedy, but each such remedy is cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred hereby. No waiver of any default or breach of duty or contract by the holder of any Bond shall extend to or shall affect any subsequent defaults or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of the holder of any Bond to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the holders of Bonds may be enforced and exercised from time to time and as often as may be deemed expedient. In case any suit, action, or proceeding to enforce any right or exercise any remedy shall be brought or taken and then discontinued or abandoned, or shall be determined adversely to the holders of Bonds, then, and in every such case, the University and the holders of Bonds shall be restored to their former positions and rights and remedies as if no such suit, action, or proceeding had been brought or taken.

Article Nine — Modification and Amendment of the Resolution

SECTION 9.01. *Amendment by Consent of Bond Holders.* This Resolution and the rights and obligations of the University and of the holders of the Bonds and coupons may be modified or amended at any time by resolution supplemental hereto adopted by the Board of Trustees pursuant to the affirmative vote of the holders of sixty-six and two-thirds percent (66⅔%) in principal amount of all of the Bonds then outstanding at a meeting of Bond holders held in accordance with this Article, or with the written consent without a meeting, given as provided in

Section 9.04, of the holders of sixty-six and two-thirds percent (66⅔%) in principal amount of all of the Bonds then outstanding; provided that no such modification or amendment shall (i) extend the maturity of or reduce the interest rate on, or otherwise alter or impair the obligation of the University to pay the principal or interest or redemption premiums at the time and place and at the rate and in the currency provided therein of any Bond without the express consent of the holder of such Bond, or (ii) permit the creation by the University of any mortgage or pledge or lien on the facilities, or upon any income therefrom or other funds pledged or held hereunder, except as permitted by this Resolution, other than the lien and pledge created by this Resolution, or (iii) permit the creation of a preference or priority of any Bond or Bonds over any other Bond or Bonds or coupon or coupons, or (iv) reduce the percentages of Bonds required for the affirmative vote or written consent to an amendment or modification, without the written consent of holders of all Bonds.

SECTION 9.02. *Bond Holders Meetings.* The University may at any time call a meeting of the holders of Bonds. Every such meeting shall be held at such place in the City of Chicago, State of Illinois, as may be specified in the notice calling such meeting. Written notice of such meeting, stating the place and time of the meeting and in general terms the business to be submitted, shall be given by the University by registered or certified mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days before such meeting, to each registered owner of Bonds then outstanding, at his address, appearing upon the books of registration, and in the event there shall then be outstanding any coupon Bonds which shall not be registered as to principal such notice shall also be published by the University at least once a week for two (2) successive weeks in a daily newspaper published in the English language and having a general circulation in the City of Chicago, State of Illinois, and also by similar publication in a financial newspaper published in the Borough of Manhattan in the City and State of New York, the first publication to be not less than thirty (30) nor more than sixty (60) days prior to the meeting; provided, however, that in any case where publication shall be required as herein before set forth the mailing of such notice shall in no case be a condition precedent to the validity of any action taken at any such meeting.

SECTION 9.03. *Attendance in Person or by Proxy.* Attendance and voting of Bond holders at such meeting may be in person or by proxy. Owners of Registered Bonds may, by an instrument in writing under their hands, appoint any person as their proxy to vote at any meeting for them.

In order that holders of Bonds payable to bearer or their proxies may attend and vote without producing their Bonds, the University may make and from time to time vary such regulations, as it shall think proper for the deposit of Bonds with, or exhibit of Bonds to, any banks or trust companies, wherever situated, and for the issue by them, to the persons depositing or exhibiting such Bonds, of certificates in form approved by the University which shall constitute proof of ownership entitling the holders thereof to be present and vote at any such meeting and to appoint proxies to represent them and vote for them at any such meeting in the same way as if the persons so present and voting, either personally or by proxy, were the actual bearers of the Bonds in respect of which such certificates shall have been issued, and any regulations so made shall be binding and effective. Copies of such regulations shall be kept on file in the offices of the paying agent in Chicago, Illinois, and the Secretary of the University.

Any registered owner of Bonds or any holder of a certificate provided for in this Section 9.03 shall be entitled in person or by proxy to attend and vote at such meeting as holder of the Bonds registered or certified in his name, without producing such Bonds. All others seeking to attend or vote at such meeting in person or by proxy must produce the Bonds claimed to be owned or represented at such meet-

ing, and all persons seeking to attend or vote at such meeting in person or by proxy shall, if required, produce such further proof of Bond ownership or personal identity as shall be satisfactory to the University. All proxies presented at any meeting shall be delivered to the inspectors of votes and filed with the University.

SECTION 9.04. *Amendments by Written Consent of Bond Holders.* The University may at any time adopt a valid resolution amending the provisions of the Bonds or of this Resolution or of any resolution supplemental hereto, to the extent that such an amendment is permitted by the provisions of Section 9.01, to take effect when and as provided in this Section. A copy of such resolution, together with a request of the University to Bond holders for their consent thereto, shall be mailed by the University to each registered owner of Bonds and notice of the adoption thereof shall be published in the manner provided in Section 9.02 for the mailing and publication referred to in that Section (but failure to mail copies of such resolution and request shall not affect the validity of the resolution when assented to as in this Section provided). Such resolution shall not be effective unless and until there shall have been filed with the University the written consents of the percentage of holders of outstanding Bonds specified in Section 9.01. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 9.03. Any such consent shall be binding upon the holder of the Bonds giving such consent and on any subsequent holder of such Bonds (whether or not such subsequent holder has notice thereof).

SECTION 9.05. *Supplemental Resolutions or Amendments without Consent of Bond Holders.* The Board of Trustees may from time to time and at any time, subject to the conditions and restrictions in this Resolution contained, but without requiring the consent of the holders of any of the Bonds, adopt a resolution or resolution supplemental hereto, which shall thereafter form a part hereof for any one or more or all of the following purposes:

- (a) To add to the covenants and agreements of the University in this Resolution contained, other covenants and agreements thereafter to be observed and/or to surrender any right or power herein reserved to or conferred upon the Board of Trustees;
- (b) To clarify any ambiguity or to clarify, correct, or supplement any defect or inconsistent provision contained in this Resolution or any resolution supplemental hereto; and
- (c) To provide for the issuance of additional Bonds hereunder upon the terms and conditions in this Resolution specified.

SECTION 9.06. *Endorsement of Bonds.* Bonds delivered after the effective date of any action taken as provided in this Article Nine may bear a notation by endorsement or otherwise in form approved by the University as to such action, and in that case upon demand of the holder of any Bond outstanding at such effective date and presentation of his Bond for the purpose at the office of the Comptroller of the University a suitable notation shall be made on such Bond by the University as to any such action. If the University shall so determine, new Bonds so modified as to conform to such action shall be prepared and delivered, and upon demand of the holder of any Bond then outstanding shall be exchanged at the office of the Comptroller of the University, without cost to any Bond holder, for Bonds then outstanding, upon surrender of such Bonds with all unmatured coupons, if any, appertaining thereto.

SECTION 9.07. *Exclusion of Bonds.* Bonds owned or held by or for the account of the University shall not be deemed outstanding for the purpose of any vote or consent or other action or any calculation of outstanding Bonds in this Article provided for, and shall not be entitled to vote or consent or take any other action in this Article provided for.

Article Ten — Miscellaneous

SECTION 10.01. *Benefits of Bond Holders Limited to Parties.* Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person, firm, or corporation other than the University and the holders of the Bonds and of the coupons outstanding, any right, remedy, or claim under or by reason of this Resolution, and any covenants, stipulations, promises, and agreements in this Resolution contained by and on behalf of the University shall be for the sole and exclusive benefit of the University and of the holders of Bonds and of the coupons outstanding.

SECTION 10.02. *Successor Is Deemed Included in All References to Predecessor.* Whenever in this Resolution or any resolution supplemental hereto either the University or the paying agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Resolution contained by or on behalf of the University shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 10.03. *Discharge of Resolution.* If all of the outstanding Bonds shall have matured, or shall have been duly called for redemption and the redemption date thereof shall have arrived, and if the University shall have deposited with the depository in trust funds pursuant to this Resolution sufficient to pay and available for the payment of all amounts due on all Bonds then outstanding, including all principal, interest, and redemption premiums, if any, and provision shall also be made for paying all other sums payable hereunder by the University, then, notwithstanding that any Bonds or interest coupons shall not have been surrendered for payment, the pledge of the income provided for in this Resolution and all other obligations of the University under this Resolution shall cease and terminate except as hereinafter in the next succeeding paragraph provided.

Any such funds held by the depository which have not been disbursed in the payment of Bonds and interest as aforesaid during the period of ten (10) years after the deposit referred to in the foregoing paragraph, shall be repaid to the University by the paying agent on written request of the University together with the schedule of the Bonds not paid or redeemed and thereupon the holder of any of the Bonds or coupons entitled to receive such payments, shall thereafter look only to the University for the payment thereof; provided, however, that the depository before being required to make such repayment, shall at the expense of the University, effect publication once a week for two successive weeks in a daily newspaper published in the English language, and have a general circulation in the City of Chicago, State of Illinois, and also by a similar publication in the Borough of Manhattan in the City and State of New York, a notice to the effect that said moneys have not been so applied and that after a date named in said notice, any unclaimed balance of said moneys then remaining will be refunded to the University.

No Bond or appurtenant coupon shall, after maturity thereof either according to its terms or through call of such Bond for earlier redemption, be deemed to be outstanding provided that moneys in the requisite amount for the payment thereof shall have been deposited with the depository, as trust funds, and are available for payments of such Bond or coupon upon demand.

SECTION 10.04. *Execution of Documents by Bond Holders.* Any request, declaration, or other instrument which this Resolution may require or permit to be signed and executed by Bond holders may be in one or more instruments of similar tenor, and shall be signed or executed by Bond holders in person or by their attorneys-in-fact appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execu-

tion by any Bond holder or his attorney-in-fact of such request, declaration, or other instrument or writing appointing such attorney-in-fact may be proved by the certificate of any notary public or other officer authorized to take acknowledgements of deeds to be recorded in the State in which he purports to act, that the person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided in this Resolution, the amount of Bonds transferable by delivery held by any person executing such request, declaration, or other instrument or writing as a Bond holder, and the numbers thereof, and the date of his holding such Bonds, may be proved by a certificate, which need not be acknowledged or verified, satisfactory to the University, executed by a trust company, bank, investment banker, dealer, broker, or other depository wherever situated, showing that at the date therein mentioned such person exhibited to or had on deposit with such depository, the Bonds described in such certificate. Continued ownership after the date of deposit stated in such certificate may be proved by the presentation of such certificate if the certificate contains a statement by the depository that the Bonds therein referred to are in fact held on deposit by such depository and will not be surrendered without the surrender of the certificate to the depository. The University may nevertheless in its discretion require further or other proof in cases where it deems the same desirable. The ownership of registered Bonds and the amount, maturity, number, and date of holding the same shall be proved by the registry books.

Any request, declaration, or other instrument or writing of the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the University hereunder in good faith and in accordance therewith.

SECTION 10.05. *Waiver of Personal Liability.* No officer, agent, or employee of the University shall be individually or personally liable for the payment of the principal of or interest on the Bonds; but nothing herein contained shall relieve any such officer, agent, or employee from the performance of any official duty provided by law.

SECTION 10.06. *Official Publication.* Any publication to be made under the provisions of this Resolution in successive weeks may be made in each instance upon any business day of the week and need not be made on the same day of any succeeding week nor in the same newspaper for any or all of the successive publications, but may be made in different newspapers.

SECTION 10.07. *Partial Invalidity.* If any one or more of the covenants or agreements, or portions thereof, provided in this Resolution should be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of this Resolution or of the Bonds.

SECTION 10.08. *Headings and Index.* Any headings preceding the texts of the several articles hereof and any table of contents appended to copies hereof shall be solely for convenience of reference and shall not constitute a part of this Resolution, nor shall they affect its meaning, construction, or effect.

SECTION 10.09. *Covenants Not to Be Deemed Covenants of Any Present or Future Officer, Agent, or Employee of University.* All covenants, stipulations, obligations, and agreements of the University contained in this Resolution shall be deemed to be covenants, stipulations, obligations, and agreements of the University to the full extent authorized by law and permitted by the Constitution of the State of Illinois, and no covenants, stipulations, obligations, or agreements contained herein shall be deemed to be a covenant, stipulation, obligation, or agreement of any present or

future officer, agent, or employee of the University in his individual capacity, and no officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issue thereof. No officer, agent, or employee of the University shall incur any personal liability in acting or proceeding or in not acting or not proceeding in good faith, reasonably and in accordance with the terms of this Resolution and applicable law.

SECTION 10.10. *Resolution Effective on Passage.* This Resolution shall become effective upon its passage.

STATE OF ILLINOIS }
COUNTY OF CHAMPAIGN } ss.:

I, _____, do hereby certify that I am the duly elected, qualified, and acting Secretary of The Board of Trustees of the University of Illinois, and as such official have charge and custody of the minutes and records of said Board of Trustees.

I further certify that the attached resolution is a true, correct, and exact copy of the original resolution adopted by The Board of Trustees of the University of Illinois at its legally convened meeting held on the _____ day of _____, 19____, all as appears of record in my office.

IN WITNESS WHEREOF I have hereunto set my hand and the seal of said University this _____ day of _____, 197____.

Secretary as aforesaid.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegeh; no, none.

On motion of Mr. Livingston, these recommendations were approved, and the resolution authorizing and providing for the issuance of \$4,500,000 Medical Center Parking Revenue Bonds, Series of 1976, was adopted by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Award of Contracts for Parking Structure, Medical Center

(24) The President of the University, with the concurrence of appropriate administrative officers, recommends award of the following contracts for the construction of a parking structure at the Medical Center campus, the award in each case being to the lowest base bidder:

General Work

S. N. Nielsen Company, Chicago..... \$3 358 000

Plumbing Work

Piping Systems, Inc., Chicago..... 61 000

Electrical Work

Gibson Electric Company, Chicago..... 179 900

Total..... **\$3 598 900**

It is also recommended that an agreement be executed with S. N. Nielsen Company for the assignment to this company of contracts for the plumbing and electrical work. The fee for the supervision of these contracts is included in the base bid. Thus, the total contract with S. N. Nielsen Company will be \$3,598,900.

Funds are available from the proceeds of revenue bonds sold on June 16, 1976.

Submitted herewith is a schedule of the bids received, a copy of which has been filed with the Secretary of the Board for record.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Hahn, these contracts were awarded by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Agreement with Commonwealth Edison Company for Electrical Service to the Parking Structure, Medical Center

(25) The President of the University, with the concurrence of appropriate administrative officers, recommends that the Board of Trustees authorize the Comptroller and the Secretary to execute an agreement with Commonwealth Edison Company, Chicago, for the installation of an electric service station, including transformers, protection apparatus, supply lines, and other electrical equipment, to provide electric service for the parking structure at the Medical Center campus at a total cost of \$11,793.

Funds are available from the sale of revenue bonds on June 16, 1976.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Livingston, authority was given as recommended by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Report of Rejection of Bid for Main Kitchen Remodeling, Student Residence Hall, Medical Center

(26) On February 18, 1976, the Board of Trustees approved the employment of a professional to provide the required services for a project to remodel the main kitchen in the Student Residence Hall at the Medical Center campus.

On April 20, 1976, a single bid was received for kitchen equipment for this project, but the bid was rejected because of an error in the specifications. Pursuant to the provision of Section 15 (e) (2) of the *General Rules Concerning University Organization and Procedure*, the President reports the rejection of this bid.

The May 18, 1976, bids received for this remodeling project (reported on in the following agenda item) include a portion of equipment which was bid on April 20, 1976. The balance of the equipment will be bid separately through the Purchasing Division.

This report was received for record.

Contracts for Main Kitchen Remodeling, Phase I, in the Student Residence Hall, Medical Center

(27) On May 18, 1976, bids were received for the Phase I remodeling of the kitchen in the Student Residence Hall. The President of the University, with the concurrence of appropriate administrative officers, recommends award of contracts on the basis of the low base bid plus Deductive Alternate No. 1.¹

¹ One Deductive Alternate was included in the bid specifications and acceptance is recommended to bring the project within the funds available. This alternate would exclude from the work the removal of the existing walk-in refrigerator.

General Work

Wm. J. Scown Building Co., Chicago..... \$22 852

Plumbing Work

G. F. Connelly Co., Inc., Chicago..... 12 450

Heating and Air Conditioning Work

G. F. Connelly Co., Inc., Chicago..... 6 684

Electrical Work

Gibson Electric Company, Inc., Hillside..... 5 976

Total..... \$47 962

Funds for this work are available from the Dentistry-Medicine-Pharmacy Revenue Bond Fund of 1951.

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

This project has been approved as a noninstructional facility by the Board of Higher Education.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Livingston, these contracts were awarded by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Contract for Installation of Supervisory Control System, Chicago Circle Center

(28) The President of the University, with the concurrence of appropriate administrative officers, recommends award of a contract in the amount of \$89,870 to Hiram Electrical Contractors, Inc., Chicago, the low bidder on its base bid, for the installation of a supervisory control system for mechanical equipment at the Chicago Circle Center at the Chicago Circle campus.

Funds are available from Auxiliary Trust Revenue Bond Fund, 1963.

This project has been approved as a noninstructional facility by the State Board of Higher Education.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Velasquez, this contract was awarded by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Contract for Minor Repairs, Relamping, and Cleaning Lighting Fixtures for Selected Buildings, Chicago Circle and Medical Center

(29) The President of the University, with the concurrence of appropriate administrative officers, recommends, subject to the availability of funds, award of a contract in the amount of \$97,990.18 to Planned Lighting, Inc., and Imperial Lighting Maintenance Co., a joint venture, Chicago. The company is the low bidder, on its base bid plus acceptance of Deductive Alternate No. 1¹ for minor repairs, relamping,

¹ Deductive Alternate No. 1 provides that the University furnish all lamps. Acceptance of this alternate will result in a savings to the University of approximately \$14,000.

and cleaning lighting fixtures in selected buildings during FY 1977 at the Chicago campuses.

Funds for this work have been requested in the operating budget of the Physical Plant Department at the Chicago Circle and Medical Center campuses for FY 1977.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Howard, this contract was awarded by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Contract for Rental of Equipment with Operators and Materials, Chicago Circle and Medical Center

(30) The President of the University, with the concurrence of appropriate administrative officers, recommends, subject to the availability of funds, award of a cost-plus contract to Ryan Bros., Inc., Chicago, for furnishing the necessary materials and equipment (with operators) for snow removal and minor landscape and site work at the Chicago Circle and Medical Center campuses. The contract is for the period July 1, 1976, through June 30, 1977. The contractor will be compensated for furnishing each item of equipment, with operator, at the rate specified, and material will be supplied at the unit rate specified in the proposal. The estimated cost of the contract is \$30,650.

Funds have been requested in the operating budget of the Physical Plant Department for the Chicago campuses for FY 1977, and other funds will be used as they are made available from the Chicago Circle and Medical Center Parking Accounts.

The student advisory vote was: Aye, Mr. Conlon, Mr. Szegho; no, Mr. Summers.

On motion of Mrs. Rader, this contract was awarded by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Approval of Appropriation by the Athletic Association and Assignment of Low Bid Received for the Replacement of Resilient Track Surface in Memorial Stadium, Urbana

(31) The present resilient track surface in Memorial Stadium was installed in 1967. The surface is uneven, and portions of the asphalt base need to be replaced. In other areas the bond between the surface and base has failed, permitting water to infiltrate. Portions of the present surface are also worn through to the base. The existing condition does not provide an acceptable facility and could result in injury.

After detailed studies by the Operation and Maintenance Division, it has been determined that the surface should be replaced rather than repaired. On May 25, 1976, bids were received for resurfacing and remarking of the track. Bids were received from the Monsanto Company, St. Louis, Missouri (\$180,000), and from Western Waterproofing Company, Inc., St. Louis, Missouri (\$216,000).

The Board of Directors of the Athletic Association on April 30, 1976, approved a special appropriation in the amount of \$200,000 from the association's unappropriated surplus for the project. Approval of this action is recommended.

The President of the University, with the concurrence of appropriate adminis-

trative officers, also recommends the assignment of the proposal of the low bidder, the Monsanto Company, St. Louis, Missouri, in the amount of \$180,000 to the Athletic Association.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Livingston, these recommendations were approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Contract for Professional Services, Medical Center

(32) The President of the University, with the concurrence of appropriate administrative officers, recommends the continuation of employment of Nerad and Carlsen, Architects, Clarendon Hills, for professional services in connection with the University's review of construction contract documents for the replacement hospital. The services will be paid on an hourly basis and will not exceed \$27,500 for the fiscal year ending June 30, 1977, plus reimbursements for authorized travel.

As a result of the volume of planning and construction, the University Office for Capital Programs requires additional professional assistance. It is contemplated that the level of activity and the status of planning and construction for the replacement hospital will not require the continuation of the employment of the firm after June 30, 1977.

Funds are available in the Hospital Income Account.

The student advisory vote was: Aye, Mr. Conlon; no, Mr. Summers; absent, Mr. Szegho.

On motion of Mr. Livingston, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Howard, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker. Mr. Hahn and Mr. Lenz asked to be recorded as not voting.

Employment of Landscape Architect for Landscape Development, Peoria School of Medicine

(33) The President of the University, with the concurrence of appropriate administrative officers, recommends the employment of William E. Rose & Associates, Hinsdale, to provide planning for landscape development for the Peoria School of Medicine at a lump sum fee of \$11,200 plus reimbursable expenses authorized by the University (estimated at \$2,000). The architect's fee will be limited to \$8,700, plus reimbursable expenses, until the project is authorized for construction in FY 1977.

Funds are available for these professional services from a Federal grant under Title VII of the Public Health Service Act.¹

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mrs. Rader, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Howard, Mr. Lenz, Mr. Livingston,

¹ General Revenue Funds had been requested, and were subsequently appropriated, for the landscape development. When the University was advised that the Federal grant funds could not be used for the purpose indicated (landscape planning), it became necessary to use General Revenue Funds for both planning and for landscape construction.

Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker. Mr. Hahn asked to be recorded as not voting.

Lease of Space for Division of Services for Crippled Children in Chicago

(34) The President of the University, with the concurrence of the appropriate administrative officers, recommends the renewal and amendment of the lease for the office of the Division of Services for Crippled Children in Chicago, subject to the availability of funds. The lease would be for the period July 1, 1976, through June 30, 1977, under the following terms:

<i>Lease</i>	<i>Rentable Sq. Ft.</i>	<i>Annual Rental</i>	<i>Rental Cost/ Sq. Ft.</i>
43 East Ohio Street, Chicago	5,817	\$36,356.25	\$6.25

The renewal is for a one-year period at the same rate as the past year and is amended to add 1,017 square feet of rental space to meet the division's expanded obligation for urban services.

Funds have been requested in the operating budget of the Division of Services for Crippled Children.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Summers, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Lease of Space for Peoria School of Medicine

(35) The President of the University, with the concurrence of the appropriate administrative officers, recommends the renewal of the lease of space from Bradley University for the Peoria School of Medicine. The lease would be for the period July 1, 1976, through December 31, 1976, subject to the availability of funds under the following terms:

<i>Lease</i>	<i>Rentable Sq. Ft.</i>	<i>Annual Rental</i>	<i>Rental Cost/ Sq. Ft.</i>
Burgess and Sisson Halls, Bradley University	29,821	\$95,072.03	\$3.188

As indicated, the extension of this lease is for six months at a cost of \$47,536.02. Due to the delayed completion of the new Peoria School of Medicine Building (now anticipated to be September 1976), it is necessary to extend the current lease until the move to the new building is completed. The six-month extension will allow for unanticipated delays and will include a provision for earlier cancellation by providing a sixty-day notice.

Funds have been requested in the operating budget of the Peoria School of Medicine.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Livingston, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Data Processing Equipment for Computing Services Office, Urbana-Champaign

(36) The Computing Services Office (CSO) operates a large central computing facility to serve the teaching and research programs of the Urbana-Champaign campus. Growth in demand since the installation of the present computer (in 1968) now necessitates a major upgrading of equipment to meet current academic needs and to provide for reasonable expansion. The project will involve a phased replacement of existing machines by new equipment of larger capacity while maintaining continuity in services.

The University initially invited bids on CSO's projected computer service requirements over the next seven years, even though purchases of data processing equipment are exempt from the requirements of the Illinois Purchasing Act. The responses were informative, although not conclusive, in providing cost data and performance capabilities currently available from principal computer vendors. It was determined that all bids should be rejected, and the companies involved were so notified formally on May 4, 1976.

The Urbana campus administration requested that negotiations be undertaken with Control Data Corporation (CDC) of Minneapolis to determine if the necessary equipment could be obtained within funds available (and projected to become available) to the Urbana campus. Negotiations have been completed, and the Chancellor of the Urbana campus and the President of the University, with the concurrence of appropriate administrative officers, recommend the following actions:

1. a. That the University of Illinois Foundation be requested to enter into an agreement with CDC to acquire by purchase the following — to be installed at the Urbana campus Digital Computer Laboratory as indicated:

<i>Quantity</i>	<i>Model and Description</i>	<i>Unit Price</i>	<i>Extension</i>	<i>Scheduled Installation Date</i>
1	CYBER 175-8			
	central processor	\$3 042 105	\$3 042 105	19 Sept. 1976
1	10314-51/52/53			
	PPU	111 045	111 045	19 Sept. 1976
1	7030-2 extended			
	core	335 370	335 370	19 Sept. 1976
100	10400 cables	53	5 300	19 Sept. 1976
10	10401 cables	60	600	19 Sept. 1976
	<i>Subtotal</i>		\$3 494 420	
	Less special systems allowance		869 868	
	<i>Total</i>		\$2 624 552	
1	10313-12 central memory increment	\$ 379 415	\$ 379 415	01 Oct. 1977
1	10313-16 central memory increment	379 415	379 415	01 Oct. 1977
1	10271-2 ECS upgrade	260 715	260 715	01 Oct. 1977
	<i>Subtotal</i>		\$1 019 545	
	Less special systems allowance		388 197	
	<i>Total 1977 installation</i>		\$ 631 348	

- b. That the University of Illinois Foundation be requested to arrange for appropriate financing, including the trade-in of such existing equipment as determined by the University to be available for trade after conversion. Such financing has been approved by the First National Bank of Chicago.
 - c. That, subject to the availability of funds, the University lease the acquired equipment from the University of Illinois Foundation for the period from September 19, 1976, through June 30, 1977, with the option to renew on an annual fiscal year basis, for an additional six years at a rental rate not to exceed \$674,820 annually.
2. That, subject to the availability of funds, the University enter into a lease agreement for additional supporting equipment with the Illinois Educational Consortium for the period from September 19, 1976, through June 30, 1977, with the option to renew on an annual fiscal year basis for an additional six years at a rental rate not to exceed \$312,552 on an annual basis. The supporting equipment to be leased is as follows:

<i>Quantity</i>	<i>Model and Description</i>	<i>Scheduled Installation Date</i>	<i>Unit Basic Monthly Rental</i>	<i>Unit Net Monthly Rental</i>	<i>Total Monthly Rental</i>
4	7054-41 Disk controller	19 Sept. 76	\$1 888	\$1 624	\$ 6 496
7	844-41 Disk storage unit	19 Sept. 76	758	652	4 564
1	7021-21 Tape controller	19 Sept. 76	562	483	483
4	669-4 Mag tape unit	19 Sept. 76	479	412	1 648
1	580-12 Line printer	19 Sept. 76	1 288	1 108	1 108
1	596 Train cartridge	19 Sept. 76	85	73	73
1	415-30 Card punch	19 Sept. 76	772	664	664
1	405 Card reader	19 Sept. 76	396	341	341
1	3447-2 Reader control	19 Sept. 76	236	203	203
1	2550-2 Host processor	19 Sept. 76	1 371	1 179	1 179
1	2554-32 Memory extension	19 Sept. 76	241	207	207
1	2556-2/3/4 Line extension	19 Sept. 76	294	252	252
5	2560-2 Line adapter	19 Sept. 76	25	22	110
1	2552-1 Host processor	19 Sept. 76	1 922	1 653	1 653
1	2554-32 Memory extension	19 Sept. 76	241	207	207
1	2556-2/3/4 Line extension	19 Sept. 76	294	252	252
50	2561-1 Line adapter	19 Sept. 76	22	19	950
					\$20 390
Less adjustment					3 262
					\$17 128
Less prepayment adjustment					816
					\$16 312

<i>Quantity</i>	<i>Model and Description</i>	<i>Scheduled Installation Date</i>	<i>Unit Basic Monthly Rental</i>	<i>Unit Net Monthly Rental</i>	<i>Total Monthly Rental</i>
2	7054-41 Disk controller	1 Sept. 77	\$1 888	\$1 680	\$ 3 360
5	844-41 Disk storage unit	1 Sept. 77	758	675	3 375
1	669-4 Mag tape unit	1 Sept. 77	479	426	426
2	580-12 Line printer	1 Sept. 77	1 288	1 146	2 292
2	596 Train cartridge	1 Sept. 77	85	76	152
15	2560-2 Line adapters	1 Sept. 77	25	22	330
100	2561-1 Line adapters	1 Sept. 77	22	18	1 800
					<u>\$11 735</u>
					Less adjustment 1 532
					<u>\$10 203</u>
					Less prepayment adjustment 469
					<u>\$ 9 734</u>
<i>Total Monthly, 1977-83</i>					\$ 26 046
<i>Total Annually, 1977-83</i>					\$312 552

3. That the University enter into an agreement with Control Data Corporation providing for maintenance of the equipment and acquisition by the University of a paid-up license for software to be used in connection with the CYBER 170 Model 175-8 computer mainframe. The maintenance agreement calls for monthly payments of \$19,833 and is on an annual renewable basis subject to current conditions and availability of funds. The paid-up software license is priced at \$317,980, and funds for this license acquisition are included in the 1976-77 operating budget request of the Computing Services Office.

The University, as a part of this transaction, would agree to cooperate with Control Data in providing documentation on system conversion and making recommendations and suggestions regarding product improvement and the effective use of the system. If the Board subsequently approves the acquisition of a CDC mass storage facility, CDC will be entitled to receive similar information and documentation, including software and hardware techniques, with respect to it.

Finally, it is recommended that the Comptroller and the Secretary of the Board of Trustees be authorized to execute on behalf of the University the lease agreements with the University of Illinois Foundation and the Illinois Educational Consortium described above and to execute with the Control Data Corporation an agreement for maintenance and software license as described, and to execute such other legal documents as may be necessary to implement this plan.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Hahn, these recommendations were approved, and authority was given as recommended by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

Purchases

(37) The President submitted, with his concurrence, a list of purchases recommended by the Directors of Purchases and the Vice President for Administration; also a purchase authorized by the President. Also submitted was a list of purchases based on collective bids taken by and the recommendations of the Illinois Educational Consortium (IEC) as the University's agent.

The 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, 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 were:

Appropriated Funds

Recommended	\$6 254 773 56	
Recommended (IEC)	416 853 96	
<i>Total</i>		\$ 6 671 627 52

Institutional Funds

Authorized	11 779 10	
Recommended	6 119 338 19	
Recommended (IEC)	873 462 67	
<i>Total</i>		7 004 579 96
<i>Grand Total</i>		\$13 676 207 48

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.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers, Mr. Szegho; no, none.

On motion of Mr. Howard, the purchase authorized by the President was confirmed, and the purchases recommended were authorized by the following vote: Aye, Mr. Forsyth, Mr. Hahn, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, none; absent, Governor Walker.

(At this point, Mr. Forsyth, Mr. Hahn, and Mrs. Shepherd left the meeting.)

Report of Purchases Approved by the Vice President for Administration

(38) The Vice President for Administration also submitted a report of purchases approved by him on recommendation of the Directors of Purchases in amounts of \$7,500 to \$10,000 and a report of bids taken in behalf of the Capital Development Board. A copy of this report is filed with the Secretary.

This report was received for record.

The Comptroller's Monthly Report of Contracts Executed

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

Medical Center

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
State of Illinois, Institute for Environmental Quality: No. 30.011	Effects of noise and hearing acuity upon visual depth perception and safety among humans	\$ 31 308
No. 80.046	Development of an economic health impact component	15 843
<i>Total</i>		\$ 47 151

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
State of Illinois, Board of Higher Education (subcontract under IRMP No. 51)	Professional services relating to the development of a health education information system in the State of Illinois	\$ 16 000
<i>Total</i>		\$ 16 000

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
G & M Electrical Contractors Company	Cost-plus contract — electrical work: Upgrade Cystoscopy X-ray equipment on fourth floor of Hospital Addition	\$ 11 600
Nu-Way Contracting Corporation	Cost-plus contract — plumbing work: Remodel patient care area on eleventh floor of Hospital Addition	12 089
Reliable Sheet Metal Works, Inc.	Cost-plus contract — ventilation work: Relocation of Graduate College to room 171 of the Second Unit, Dentistry-Medicine-Pharmacy Building	13 215
Tal Rauhoff, Inc.	Cost-plus contract — general work: Remodeling for the student activities center at the Rockford School of Medicine Convert room 241 in the Illinois Eye and Ear Infirmary to the department head office	9 958 7 900
<i>Total</i>		\$ 59 762

Urbana-Champaign

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Agency for International Development AID/ta-C-1294	Develop improved varieties of soybeans and supporting cultural and marketing practices for production in the tropics	\$2 085 855
Housing Authority for LaSalle County	Develop plans for a housing facility for older adults in Streator, Illinois	6 000
State of Illinois — Department of Agriculture	Develop grain quality standards applicable to foreign grain shipments	10 000
Secretary of State — Illinois State Library	Feasibility study for generating a statewide union catalog from separate nonstandardized machine readable files	57 289
United States Army: DAAG 29-76-G-0200	Investigation of ducted multiple stream systems with unsteady, periodic driver flows	118 540
DAAG 29-76-G-0209	Internal and external ballistics of missiles, with special consideration of jet plumes interference effects during launch and free flight phases	34 776
DACA 88-76-C-0005	Provide a report titled "Evaluation of ETIS System Performance on Low-cost Computer System"	29 980
Construction Engineering Research Laboratory	Relationship of specific architectural design features to total operating and maintenance costs	26 048
United States Energy Research and Development Administration E(11-1) 2917	Provide experimental data for evaluation of candidate energy crops as substrates for the bioconversion process	218 190

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
United States Navy N00014-76-C-0745	Investigate several novel chemiluminescent reactions that have a high potential for efficient light production with respect to mechanistic and energetic requirements	\$ 30 000
University of Chicago, Argonne National Laboratory 31-109-38-3428	Investigation of an improved theory governing the propagation of fluid pressure transients in elastic tubes	10 000
<i>Total</i>		<hr/> \$3 626 678

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Colorado State University	Provide professional services in the area of gross anatomy for veterinary students	\$ 22 291
<i>Total</i>		<hr/> \$ 22 291

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
Agency for International Development AID/air-550	Technical advice and assistance requested by the government of Tunisia	\$ 176 482
National Aeronautics and Space Administration: NSG-1063	Theoretical investigation of nuclear-induced plasma kinetics	26 000
NSG-2119	Pilot interaction with automated airborne decision-making systems	38 668
Small Business Administration SBA-0151-PMA-76	Provide management counseling and technical assistance to small business concerns	5 000
United States Department of Health, Education, and Welfare 400-75-0019	Operation of ERIC Clearinghouse on Early Childhood Education	181 000
United States Department of Transportation: DOT FR-30022	Development and testing of new tunnel supports	40 055
DOT HS-5-01131	Vehicle tests to study the flow of heat in disc and drum braking systems	10 700
United States Navy N00014-75-C-0918	Hydrogen in and on metals	50 000
University of California: SC 0014	Pest population regulation and control in alfalfa crop ecosystems	88 365
SC 0015	Pest population regulation and control in soybean crop ecosystems	59 159
<i>Total</i>		<hr/> \$ 675 429

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Barber and DeAtley, Inc.	Cost-plus contract — general work: Razing of the building at 1201 West Oregon Street, Urbana, Illinois	\$ 8 415
Downtown Electric	Cost-plus contract — electrical work: Renovation of secondary electrical distribution and lighting in Stiven House located at 708 South Mathews, Urbana, Illinois	12 000
E. T. Drewitch	Cost-plus contract — plastering, plaster patching, and repair: Plastering, plaster patching, and repair in various buildings	8 139
<i>Total</i>		<hr/> \$ 28 554

Summary

Amount to be paid to the University:	
Medical Center.....	\$ 47 151
Urbana-Champaign.....	3 302 107
<i>Total</i>	<hr/> \$3 349 258

Amount to be paid by the University:

Medical Center.....	\$ 75 762
Urbana-Champaign.....	50 845
<i>Total</i>	<u>\$ 126 607</u>

This report was received for record.

Quarterly Report of the Comptroller

(40) The Comptroller presented his quarterly report as of March 31, 1976.

This report was received for record, and a copy has been filed with the Secretary of the Board.

Investment Report

April and May 1976

(41) The Comptroller presented the investment report for the months of April and May 1976.

Changes in Endowment Pool Investments

(Under Finance Committee Guidelines)

<i>Date</i>	<i>Face Value or Number of Shares</i>	<i>Security</i>	<i>Yield (Percent)</i>	<i>Amount</i>
Sales:				
4/1	\$ 11 000	Commercial Credit demand notes		\$ 11 000 00
4/1	76 000	Hertz demand notes.....		76 000 00
4/1	88 000	International Harvester credit demand notes		88 000 00
5/5	100 000	Household Finance demand notes		100 000 00
5/17	256 000	Household Finance demand notes		256 000 00
5/17	1 400 shares	Polaroid common stock.....		50 695 80
5/17	3 500 shares	RCA common stock.....		93 928 10
Purchase:				
5/17	\$ 500 000	U.S. Treasury 7½ percent notes due 5/15/86	7.88	\$ 500 000 00

Changes in Other Investments

(Under Comptroller's Authority)

<i>Date</i>	<i>Face Value or Number of Shares</i>	<i>Security</i>	<i>Yield (Percent)</i>	<i>Amount</i>
Sale:				
5/20	\$ 3 000	Associates demand notes.....		\$ 3 000 00
Repurchase Agreements:				
5/14	\$3 000 000	U.S. Treasury 7½ percent notes due 10/31/77 for 5 days with First National Bank of Chicago	4.65	\$3 000 000 00
5/19	3 000 000	Federal National Mortgage Association 7½ percent notes due 9/10/80 for 6 days with Continental Bank	5.00	3 000 000 00
Purchases:				
4/1	\$ 20 000	Commercial Credit demand notes	5.52	\$ 20 000 00
4/5	6 000	Commercial Credit demand notes	5.52	6 000 00

<i>Date</i>	<i>Face Value or Number of Shares</i>	<i>Security</i>	<i>Yield (Percent)</i>	<i>Amount</i>
4/6	\$ 42 000	Household Finance demand notes	5.52	\$ 42 000 00
4/8	15 000	U.S. Treasury bills due 9/9/76..	4.82	14 694 00
5/3	1 000 000	Continental Bank 5 percent time deposit due 7/6/76.....	5.00	1 000 000 00
5/6	2 000	Commercial Credit demand notes	5.52	2 000 00
5/6	300 000	U.S. Treasury bills due 8/5/76..	4.93	296 281 00
5/10	1 000 000	Springfield Marine 5½ percent certificate of deposit due 8/10/76	5.50	1 000 000 00
5/10	2 100 000	First National Bank of Chicago 5.15 percent certificate of deposit due 7/20/76	5.15	2 100 000 00
5/20	310 000	U.S. Treasury bills due 5/3/77..	6.24	291 840 20
5/20	515 000	U.S. Treasury bills due 9/23/76..	5.44	505 279 35
5/25	20 000	U.S. Treasury bills due 5/3/77..	6.20	18 853 08
5/26	1 000 000	Continental Bank 5½ percent time deposit due 7/16/76.....	5.50	1 000 000 00
5/26	2 000 000	First National Bank of Chicago 5.70 percent certificate of deposit due 7/30/76	5.70	2 000 000 00
5/28	1 000 000	Harris Trust and Savings Bank 5½ percent certificate of deposit due 8/5/76	5.75	1 000 000 00

On motion of Mr. Howard, the Board voted to ratify the report as presented.

Report of Rejection of Bids, Hospital Professional and General Liability Insurance

(42) The President of the University, with the concurrence of appropriate administrative officers and pursuant to the provisions of Section 15 (e)(2) of the *General Rules Concerning University Organization and Procedure*, reports the rejection of bids received by the University on June 3, 1976, for hospital professional and general liability insurance.

It had been intended to acquire appropriate insurance coverage for another year after the expiration of the current coverage on August 1, 1976. However, the bids received are in excess of what the University can justify economically. The administration is now developing an alternative insurance program for consideration by the Board at the July 1976 meeting.

This report was received for record.

SECRETARY'S REPORT

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

DEGREES CONFERRED

The Secretary presented for record the following list of degrees conferred on candidates at the Chicago Circle, Medical Center, and Urbana-Champaign campuses on the dates indicated.

Summary Chicago Circle

Degrees Conferred August 18, 1975

College of Business Administration	
Bachelor of Science.....	113
College of Engineering	
Bachelor of Science.....	34
College of Liberal Arts and Sciences	
Bachelor of Science.....	74
Bachelor of Arts.....	189
<i>Total, College of Liberal Arts and Sciences.....</i>	<i>(263)</i>
College of Education	
Bachelor of Arts.....	11
College of Architecture and Art	
Bachelor of Arts.....	15
Bachelor of Architecture.....	7
<i>Total, College of Architecture and Art.....</i>	<i>(22)</i>
Graduate College	
Master of Arts.....	27
Master of Science.....	29
Master of Social Work.....	13
Master of Urban Policy and Planning.....	1
Doctor of Philosophy.....	15
<i>Total, Graduate College.....</i>	<i>(85)</i>
<i>Total, Degrees Conferred at Chicago Circle, August 18, 1975.....</i>	<i>528</i>

Degrees Conferred December 8, 1975

College of Business Administration	
Bachelor of Science.....	113
College of Engineering	
Bachelor of Science.....	39
College of Liberal Arts and Sciences	
Bachelor of Science.....	46
Bachelor of Arts.....	209
<i>Total, College of Liberal Arts and Sciences.....</i>	<i>(255)</i>
College of Education	
Bachelor of Arts.....	42
College of Health, Physical Education, and Recreation	
Bachelor of Science.....	27
College of Architecture and Art	
Bachelor of Arts.....	24
Bachelor of Architecture.....	23
<i>Total, College of Architecture and Art.....</i>	<i>(47)</i>
Graduate College	
Master of Arts.....	48
Master of Social Work.....	2
Master of Science.....	31
Master of Urban Policy and Planning.....	4
Doctor of Philosophy.....	11
<i>Total, Graduate College.....</i>	<i>(96)</i>
<i>Total, Degrees Conferred at Chicago Circle, December 8, 1975.....</i>	<i>619</i>

Degrees Conferred March 22, 1976

College of Business Administration	
Bachelor of Science.....	122
College of Engineering	
Bachelor of Science.....	59

College of Liberal Arts and Sciences	
Bachelor of Science.....	55
Bachelor of Arts.....	177
<i>Total, College of Liberal Arts and Sciences.....</i>	<i>(232)</i>
College of Education	
Bachelor of Arts.....	26
College of Health, Physical Education, and Recreation	
Bachelor of Science.....	13
College of Architecture and Art	
Bachelor of Arts.....	28
Bachelor of Architecture.....	18
<i>Total, College of Architecture and Art.....</i>	<i>(46)</i>
Graduate College	
Master of Arts.....	29
Master of Science.....	25
Master of Social Work.....	4
Doctor of Philosophy.....	5
<i>Total, Graduate College.....</i>	<i>(63)</i>
<i>Total, Degrees Conferred at Chicago Circle, March 22, 1976.....</i>	<i>561</i>
<i>Degrees Conferred June 13, 1976</i>	
College of Business Administration	
Bachelor of Science.....	236
College of Engineering	
Bachelor of Science.....	105
College of Liberal Arts and Sciences	
Bachelor of Science.....	177
Bachelor of Arts.....	469
<i>Total, College of Liberal Arts and Sciences.....</i>	<i>(646)</i>
College of Education	
Bachelor of Arts.....	107
College of Health, Physical Education, and Recreation	
Bachelor of Science.....	33
College of Architecture and Art	
Bachelor of Arts.....	70
Bachelor of Architecture.....	31
<i>Total, College of Architecture and Art.....</i>	<i>(101)</i>
Graduate College	
Master of Arts.....	57
Master of Science.....	33
Master of Social Work.....	121
Doctor of Philosophy.....	14
Doctor of Arts.....	1
<i>Total, Graduate College.....</i>	<i>(226)</i>
<i>Total, Degrees Conferred at Chicago Circle, June 13, 1976.....</i>	<i>1454</i>

Medical Center

Degrees Conferred September 6, 1975

Graduate College	
Doctor of Philosophy.....	5
Master of Science.....	31
<i>Total, Graduate College.....</i>	<i>(36)</i>
School of Public Health	
Master of Public Health.....	54
College of Dentistry	
Bachelor of Science.....	63
College of Nursing	
Bachelor of Science.....	58

College of Pharmacy	
Bachelor of Science.....	11
<i>Total, Degrees Conferred at the Medical Center, September 6, 1975..</i>	222
<i>Degrees Conferred December 6, 1975</i>	
Graduate College	
Doctor of Philosophy.....	9
Master of Science.....	23
<i>Total, Graduate College.....</i>	(32)
School of Public Health	
Master of Public Health.....	11
College of Dentistry	
Doctor of Dental Surgery.....	1
College of Nursing	
Bachelor of Science.....	21
College of Pharmacy	
Bachelor of Science.....	4
<i>Total, Degrees Conferred at the Medical Center, December 6, 1975..</i>	69
<i>Degrees Conferred March 20, 1976</i>	
Graduate College	
Doctor of Philosophy.....	8
Master of Science.....	16
<i>Total, Graduate College.....</i>	(24)
College of Dentistry	
Bachelor of Science.....	8
College of Medicine	
Doctor of Medicine (Peoria School of Medicine).....	1
Doctor of Medicine (Rockford School of Medicine).....	1
<i>Total, College of Medicine.....</i>	(2)
College of Nursing	
Bachelor of Science.....	21
College of Pharmacy	
Bachelor of Science.....	28
<i>Total, Degrees Conferred at the Medical Center, March 20, 1976....</i>	83
<i>Degrees Conferred June 4, 1976</i>	
Graduate College	
Doctor of Philosophy.....	7
Master of Science.....	31
<i>Total, Graduate College.....</i>	(38)
School of Public Health	
Master of Public Health.....	20
College of Dentistry	
Doctor of Dental Surgery.....	118
Bachelor of Science.....	3
<i>Total, College of Dentistry.....</i>	(121)
College of Medicine	
Doctor of Medicine (Chicago).....	206
Doctor of Medicine (Peoria School of Medicine).....	37
Doctor of Medicine (Rockford School of Medicine).....	24
<i>Total, College of Medicine.....</i>	(267)
College of Nursing	
Bachelor of Science.....	165
College of Pharmacy	
Bachelor of Science.....	158
School of Associated Medical Sciences	
Bachelor of Science.....	133
<i>Total, Degrees Conferred at the Medical Center, June 4, 1976.....</i>	902

Urbana-Champaign

Degrees Conferred May 16, 1976

Graduate College	
Doctor of Philosophy.....	166
Doctor of Education.....	11
Doctor of Musical Arts.....	3
Doctor of Psychology.....	1
Doctor of Social Work.....	1
Master of Arts.....	192
Master of Science.....	470
Master of Music.....	34
Master of Education.....	154
Master of Social Work.....	50
Master of Accounting Science.....	32
Master of Architecture.....	67
Master of Business Administration.....	64
Master of Comparative Law.....	10
Master of Extension Education.....	3
Master of Fine Arts.....	5
Master of Landscape Architecture.....	7
Master of Laws.....	2
Master of Urban Planning.....	8
Advanced Certificate.....	13
<i>Total, Graduate College.....</i>	<i>(1293)</i>
College of Agriculture	
Bachelor of Science.....	419
College of Commerce and Business Administration	
Bachelor of Science.....	655
College of Communications	
Bachelor of Science.....	157
College of Education	
Bachelor of Science.....	205
College of Engineering	
Bachelor of Science.....	424
College of Fine and Applied Arts	
Bachelor of Architecture.....	1
Bachelor of Arts.....	5
Bachelor of Fine Arts.....	126
Bachelor of Landscape Architecture.....	34
Bachelor of Music.....	23
Bachelor of Science.....	197
Bachelor of Urban Planning.....	15
<i>Total, College of Fine and Applied Arts.....</i>	<i>(401)</i>
College of Liberal Arts and Sciences	
Bachelor of Arts.....	801
Bachelor of Science.....	839
<i>Total, College of Liberal Arts and Sciences.....</i>	<i>(1640)</i>
College of Applied Life Studies	
Bachelor of Science.....	118
College of Law	
Juris Doctor	153
College of Veterinary Medicine	
Bachelor of Science.....	84
Doctor of Veterinary Medicine.....	84
<i>Total, College of Veterinary Medicine.....</i>	<i>(168)</i>
School of Social Work	
Bachelor of Social Work.....	45
<i>Total, Degrees Conferred at Urbana-Champaign, May 16, 1976.....</i>	<i>5678</i>

ANNOUNCEMENT FROM THE PRESIDENT OF THE BOARD

President Neal announced that an executive session had been requested and would be convened to consider items relating to acquisition of property.

RECESS AND EXECUTIVE SESSION

Following a short recess, the Board reconvened in executive session and considered the following items of business:

Exchange of Property with the Chicago Transit Authority

(43) The President of the University, with the concurrence of appropriate administrative officers, recommends the adoption of the following resolution authorizing the exchange of certain parcels of land in the Medical Center District between the Chicago Transit Authority (CTA) and the University of Illinois to facilitate both the construction of the replacement hospital and a new CTA station at West Polk Street.

The University will receive encumbered fee ownership and license in approximately 10,161 square feet of land owned by the authority, along and under the CTA elevated track right-of-way, contiguous to the site of the replacement hospital in the block bounded by West Polk Street, South Paulina Street, West Taylor Street, and vacated South Hermitage Avenue.

The Chicago Transit Authority will receive fee ownership, easements, and air rights of approximately 11,556 square feet of land, owned by the University, the north end of the same block, surrounding and under the authority's right-of-way.

The Board of the Chicago Transit Authority agreed to the transfer at its June 9, 1976, meeting.

Resolution

Whereas, the Chicago Transit Authority, a Municipal Corporation, duly organized and existing under and by virtue of the Laws of the State of Illinois, hereinafter referred to as "CTA," has offered to convey title to hereinafter described property now owned by it and located in the city block bounded by Polk, Taylor, Paulina, and (vacated) Hermitage Streets in Chicago, Illinois, to The Board of Trustees of the University of Illinois, a Public Corporation of the State of Illinois, hereinafter referred to as "University," in exchange for conveyance by the University of title to the hereinafter described property now owned by it and located in said same city block in Chicago, Illinois, to the CTA, upon the following terms and conditions:

1. Each party will convey title or other appropriate interest as indicated free and clear of all liens and encumbrances and subject only to such easements and covenants as the University and the CTA may require.
2. Possession shall be delivered and title shall be conveyed by Quit-Claim deed by each party to the other simultaneously and on or before November 15, 1976.
3. Each party shall receive interest to said land subject to restrictions contained in and created by "An Act in Relation to the Establishment of a Medical Center District in the City of Chicago and for the Control and Management Thereof," approved June 14, 1941 (91 Ill. Rev. Stat. Section 126 *et. seq.*).
4. The CTA shall simultaneously grant unto the University, at the time of the mutual exchange of property, licenses for the construction and maintenance of driveways, sidewalks, and alleys for ingress and egress as needed by the University under and through the CTA's right-of-way and easements in said block.

Now therefore be it and it hereby is resolved by The Board of Trustees of the University of Illinois, a Public Corporation in the State of Illinois, that the Comp-

troller and Secretary of this University be, and they hereby are, authorized and directed to execute, acknowledge, and deliver, in the name of, and in behalf of, this University, and under its corporate seal Quit-Claim deeds and other documents in connection therewith as said Comptroller and Secretary may deem necessary or desirable in order to convey to CTA, a Municipal Corporation, title or other interest to the following described property, viz.:

Interest to be conveyed in Fee Simple Absolute:

The North 88 feet of the East six feet of Lot One (1) in Engelking's Subdivision of the West half of Block Seven (7) (except the South 107 feet thereof) in Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian;

The West 52 feet of Lots 1, 2, and 3 and the West 52 feet of the North 13 feet of Lot 4 all in J. J. Walker's Subdivision of the East half of Block 7 in Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian; and

That portion of the entire vacated north-south alley bounded by South Paulina Street, (vacated) South Hermitage Avenue, West Polk Street, and the vacated east-west alley North of the North line of West Taylor Street lying immediately East of the North 88 feet of the East six feet of Lot One in Engelking's Subdivision of the West half of Block 7 (except the South 107 feet thereof) in Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian and lying immediately West of Lots 1, 2, 3, and the North 13 feet of Lot 4 of J. J. Walker's Subdivision of the East half of Block 7 in Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian;

all in Cook County, Illinois.

Interest to be conveyed as easement for use as a utility corridor, aligned for work, equipment, and emergency access:

That part of Lots 1, 7, 8, 9, and 10 in Engelking's Subdivision of the West half of Block 7 (except the South 107 feet thereof) in Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian, described as follows:

Beginning at a point on the South line of West Polk Street six feet West of the West line of the vacated north-south alley bounded by South Paulina Street, (vacated) South Hermitage Avenue, West Polk Street, and the vacated east-west alley North of the North line of West Taylor Street, thence West along the South line of West Polk Street 16 feet to a point, thence South in a straight line parallel with and 22 feet West of the vacated north-south alley aforesaid 120 feet to a point, thence Southeast-erly in a straight line to a point on the West line of the vacated north-south alley aforesaid, said point being 180 feet South of the South line of West Polk Street, thence North along the West line of the vacated north-south alley aforesaid 92 feet to a point, said point being 88 feet South of the South line of West Polk Street, thence West in a straight line six feet to a point, thence North in a straight line parallel with and six feet West of the West line of the vacated north-south alley aforesaid 88 feet to the place of beginning, in Cook County, Illinois.

Interest to be conveyed as air rights:

The West ten feet of the East 99.5 feet of the South 12 feet of Lot 4; the West ten feet of the East 99.5 feet of Lots 5 and 6; the West 9.75 feet of the East 99.5 feet of Lots 7 and 8; and the West 9.75 feet of the East 99.5 feet of the North 13 feet of Lot 9, all in J. J. Walker's Subdivision of the East half of Block 7 in Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois,

upon CTA's conveying to this University title to the following described property in Fee Simple Absolute with the reservation for a railroad right-of-way and/or access easement:

All of Lot 15 and the East 7.5 feet of Lot 16, together with that portion of the South half of the vacated east-west alley lying North of and adjacent thereto in Goodman's Subdivision of Block 12 in the Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian;

The West 26.75 feet of Lots 9 and 10, together with that part of the East half of the vacated north-south alley lying West of and adjacent thereto, also that part of the North half of the vacated east-west alley lying South of and adjacent to the said West 26.75 feet of Lot 10 and the East half of said vacated north-south alley in Goodman's Subdivision of Block 12 in Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian; and

The West 26.75 feet of Lot 7, together with the East half of the vacated alley lying West of and adjacent thereto in Goodman's Subdivision of Block 12 in Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian; and

That part of the entire vacated north-south alley bounded by South Paulina Street, (vacated) South Hermitage Avenue, West Polk Street and the vacated east-west alley North of the North line of West Taylor Street lying between the North lot line extended Westerly of Lot 6 in Goodman's Subdivision of Block 12 in Assessor's Division of the East half of the Southeast quarter of Section 18, Township 39 North, Range 14, East of the Third Principal Meridian and the vacated east-west alley aforesaid (except for the East half of said vacated north-south alley lying West of and adjacent to Lots 7, 9, and 10 in Goodman's Subdivision aforesaid);

all in Cook County, Illinois.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers; no, none; absent, Mr. Szegho.

On motion of Mr. Summers, the foregoing resolution was adopted by the following vote: Aye, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mr. Velasquez; no, none; absent, Mr. Forsyth, Mr. Hahn, Mrs. Shepherd, Governor Walker.

Acquisition of 908 West Oregon Street, Urbana

(44) The President of the University, with the concurrence of appropriate administrative officers, recommends that the University of Illinois Foundation be requested: (1) to purchase the property at 908 West Oregon Street, Urbana, at a price of \$43,000; and (2) to lease the property to the University at a rental sufficient to

enable the Foundation to pay the interest on the loan secured to finance the acquisition. The improvements consist of a two-story frame residence in good condition for its age (approximately seventy years). The property will be assigned to the Housing Division for rental for staff housing.

It is also recommended that authorization be given to enter into a lease with the Foundation until June 30, 1977, with options for annual renewals thereafter during the term of the lease, subject to funds being made available in the budget of the Housing Division.

Funds through June 30, 1977, are available in the budget of the Housing Division, and funds required after that date will be included in that budget on an annual basis.

The student advisory vote was: Aye, Mr. Conlon, Mr. Summers; no, none; absent, Mr. Szegho.

On motion of Mr. Howard, the purchase of this property at the price indicated was authorized by the following vote: Aye, Mr. Howard, Mr. Lenz, Mr. Livingston, Mr. Neal, Mrs. Rader, Mr. Velasquez; no, none; absent, Mr. Forsyth, Mr. Hahn, Mrs. Shepherd, Governor Walker.

Report from the Vice President for Administration Concerning the Provision of Housing in Chicago for the President of the University

At the request of Mr. Neal, Vice President Brady presented a report on this subject as follows:

For some years, he stated, there has been discussion of the need for the President of the University to maintain a more significant presence in the city of Chicago. Presently he spends several days per week there, and Mrs. Corbally frequently accompanies him on official engagements. Present expenditures of time and travel are unproductive and exorbitant (e.g., hotel bills alone in 1976 will amount to \$4,100).

An integral contribution to the University of the University of Illinois Foundation has been to assist in providing services and facilities difficult to obtain through State appropriations.

Therefore, he offered the following proposal for the informal reaction of the Trustees:

The University has recently received an unrestricted gift of real estate valued at \$90,000. It is proposed that this property be exchanged for several others of equal total value desired by the University and owned by the Foundation. The Foundation properties were purchased from a line of credit from the First National Bank of Chicago. The Foundation would sell the newly acquired property and purchase for the President's use a one-bedroom condominium at 400 East Randolph Street. The total cost, including furnishings, would be \$65,000. The remainder of the proceeds of the sale would be applied to reduce further the line of credit at the First National Bank. The condominium then would serve as collateral in substitution of the exchanged properties, an arrangement agreeable to the bank. The debt service on the condominium, including taxes, would be approximately \$3,500 per year, an expense that could be met from balances in the Foundation account for property acquisition.¹

The Trustees discussed the proposal at some length and asked questions about the details. A number of Trustees expressed support for the pro-

¹ The proposal is described in a letter from Vice President Brady to the Directors of the Foundation, a copy of which is filed with the Secretary.

posal, emphasizing in particular its significance symbolically in providing modest, though permanent, housing for the President of the University in the city of Chicago. Reservations were expressed by others, not on the merit of the proposal itself or on the need for the housing suggested, but on the timing of taking action during the current financial climate. It was also pointed out that the facts might be distorted or misinterpreted in public discussion. Inasmuch as three members of the Board were absent, Mr. Neal directed Vice President Brady to review the subject with them, indicating that, if it were the wish of the Trustees, the topic could be reviewed again in July.¹

¹ For further discussion of this subject, see minutes of the Executive Session, July 21, 1976.

There being no further business, the Board adjourned.

EARL W. PORTER
Secretary

EARL L. NEAL
President