

MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

July 21, 1976



The July meeting of The Board of Trustees of the University of Illinois was held in Room 509-10, Chicago Circle Center, Chicago Circle campus, Chicago, Illinois, on Wednesday, July 21, 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. David G. Matthews, Chicago Circle campus; Mr. Keith A. Volgman, Urbana-Champaign 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); Mr. James J. Costello, University Counsel; Mr. R. R. Manchester, Treasurer; and Dr. Earl W. Porter, Secretary.

ANNOUNCEMENT REGARDING COMMITTEE MEETINGS

Mr. Neal announced that, in the course of the Board meeting, the Finance Committee would convene to deal with the item regarding investments, and, following that meeting, the Board would reconvene and complete the regular agenda.

INSTALLATION OF STUDENT TRUSTEES

The President of the Board introduced and welcomed the new student trustees beginning their terms of office with the July meeting. The two student trustees new to the Board are David G. Matthews, Chicago Circle campus, and Keith A. Volgman, Urbana-Champaign campus. Mr. Robert K. Conlon of the Medical Center was reappointed and is serving his second term.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President's Reports

Announcement of Gift, Joyce Foundation

President Corbally reported a gift of \$250,000 from the Joyce Foundation of Chicago for the development of the Library. A similar gift was made by the foundation for the same purpose last year.

Grievance Procedures, All Campuses

The President stated that campus procedures and procedures for the General University offices are being developed as required by federal legislation (Title IX). He reported that all are in conformance with the guidelines approved by the Board of Trustees earlier this year. It will be necessary to insure that guidelines related to nonacademic employees are in conformity with the *Policy and Rules—Nonacademic*, a problem which is being resolved and which may require that a related recommendation be presented to the Board of Trustees in September.

Communication from the University Senates Conference

The President read and introduced into the record the following response of the University Senates Conference to the Board action of May 19, 1976, with regard to policies and procedures relating to tenure and promotion.

The University Senates Conference has noted with interest the resolution that was adopted by the Board on May 19, 1976, concerning policies and procedures relating to tenure and promotion. The conference appreciates especially the Board's reaffirmation of its support "of the principles of academic tenure and promotion as reflected in the *University Statutes*," and "its commitment to the concept that the principle of tenure is designed to insure, among other things, the attainment of the highest standards of excellence in both teaching and scholarship."

The conference is also sensitive to and appreciative of the Board's continuing interest in the promotion and tenure policies and procedures of the University and will place on its agenda for the coming academic year consideration of the Board's request that "... the faculty through the University Senates Conference or through a procedure developed by the conference, should conduct regular reviews of tenure

procedures to insure that procedural variations among the campuses do not reflect differing standards of excellence nor differing interpretations of University policies."

President's Report on Selected Topics of Current Interest

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

Report on 1977 Budget

The President presented the following statement with regard to the 1977 budget.

On July 13 the University learned officially that Governor Walker had exercised his item-reduction and item-veto authority to reduce the amounts appropriated to the University of Illinois for FY 1977. This action, while not unexpected, was disappointing and discouraging to all of us who had worked for many months with the General Assembly, the Board of Higher Education, the Bureau of the Budget, and the Governor's Office in support of the attainment of the necessary resources required to permit us to maintain the quality of the University and to provide minimal salary increases for our staff and our faculty. The General Assembly, after more hours of hearings concerning higher education than has been true in any of the past five years, provided appropriations for the University which did recognize both our needs and the fiscal problems of Illinois. I know that many members of the General Assembly share our disappointment in the rejection of the results of careful and thorough legislative deliberation. The disappointment and discouragement revealed by many members of our faculty and staff are understandable and have merit. Their feelings, however, are no more intense than are the feelings held by those of us who have worked in the legislative process.

I can assure them that we intend to continue our efforts unabated to secure some minimal equity for them, for our students, and for the people of Illinois who expect the University of Illinois to remain a comprehensive institution of higher learning with standards of excellence of the very highest order. We must ask the General Assembly to reaffirm its support of high quality higher education by restoring to the University of Illinois the salary increase funds deleted by Governor Walker.

It is now too late to continue in FY 1977 our commitments to the expansion of education for health professionals and to the expansion of educational opportunity in the Chicago area for those unable to attend Chicago Circle during day-time hours. But it is not too late to rectify a decision which provides our people with a token salary increase of 2.5 percent in a period when 5 percent inflation is considered to be a low rate. We cannot meet our obligation to the University and to Illinois without making every possible effort to meet our obligation to the faculty and staff who provide and support the teaching, research, and public service activities which are the University. Our first priority will be to persuade the General Assembly to restore these funds to our appropriations for FY 1977. Beyond that, it is my view that we must prepare for the possibility of tuition increases and supplemental appropriations during 1977 if the restoration efforts should fail. We cannot simply sit by and watch one of the finest faculty and staff groups in this country reach salary levels well below what they deserve and begin to depart for states and institutions which recognize their merit to a greater extent than is now the situation in Illinois.

We are already at work in the effort to restore the funds required to achieve salary increases averaging 4.5 percent in FY 1977. I will keep you informed about these efforts and ask that you join in them in every appropriate way between now and the legislative session in November.

REGULAR AGENDA

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

Award of Certified Public Accountant Certificates

(1) The Committee on Accountancy recommends that the certificate of Certified Public Accountant be awarded, under Section 5 of the Illinois Accountancy Act of 1943, as amended, to fourteen 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. Forsyth, these certificates were awarded.

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

(2) On the recommendation of the Chancellor at the Urbana-Champaign campus, I submit herewith the nomination of Professor William A. Ferguson to fill the vacancy on the Board of Directors of the Athletic Association created by the resignation of Professor Henry S. Stillwell. In addition, Mr. Ferguson will serve as the Faculty Representative to the National Collegiate Athletic Association and the Big Ten Conference. This appointment is to become effective immediately.

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

Advisory Committees for the College of Agriculture, Urbana

(3) The Chancellor at Urbana-Champaign, on the advice of the Dean of the College of Agriculture, has recommended the following new appointments and reappointments to the advisory committees for the College of Agriculture and the Agricultural Experiment Station for three-year terms, unless otherwise specified:

Agricultural Economics

H. JOSEPH BOURN, Chicago
HAROLD KUEHN, Du Quoin
DELBERT SCHEIDER, Freeport

Agricultural Engineering

ALBERT J. CROSS, Springfield
VERNON C. VIRGIN, Lebanon

Agronomy

R. C. AINSWORTH, Mason City (for a one-year term)
STEVE SCATES, Shawneetown
J. A. STEWART, Libertyville

Animal Science

WILLIAM BAIRD, Williamsfield
RIEMOND H. RIPPEL, North Chicago
JOHN F. RUNDQUIST, Butler

Cooperative Extension Service

HAROLD BALSTERS, Bethalto
FRANCIS BOYLE, McNabb (for a one-year term)
MRS. EMERSON GUTH, Normal
MRS. NORMAN MAIN, Barry

MRS. WILLIAM J. ORLANDI, Marion
MRS. JEANNE E. SCHIRER, Roanoke
MRS. PETER SNEEZY, Gurnee
ROBERT L. SUMMERS, Springfield

Dairy Science

DALE SCHAUFELBERGER, Greenville

Dixon Springs Agricultural Center

RAYMOND BAUMGART, Mt. Carmel

GAIL BENNETT, Sumner

BOB BUNSELMAYER, Granite City

ROBERT CROSS, Ullin

DONALD ELKINS, Carbondale

ROBERT FIETSAM, Marion

RALPH HENRY, Red Bud

RALPH HUNTER, Greenville

LOWELL LOVERKAMP, Metropolis

BURTON G. TORRENS, Oakdale

GENE WINEMILLER, Whittington

Food Science

W. H. SCHOENHERR, Danville

J. F. WHITE, Glenview

Forestry

ALLAN S. MICKELSON, Springfield (for a one-year term)

Horticulture

ORVILLE BUSSE, Kankakee

ROBERT H. DINTELMANN, Belleville

Plant Pathology

RODNEY G. ANDERSON, Anna

SIDNEY PIERNSMA, Rochelle

College Advisory Committee

Members of this committee, composed of representatives from the departmental committees, act in an advisory capacity to the college administration and are asked to serve only one year. Two at-large members are asked to serve three-year terms. They each have one year remaining in their current terms:

HOWARD ROBINSON, Agricultural Economics

DEAN L. SEARLS, Agricultural Engineering

R. C. AINSWORTH, Agronomy

WAYNE E. ROCKE, Animal Science

WILLIAM H. LONGLEY, Cooperative Extension Service

LORAINE W. FUNK, Dairy Science

J. JOE SMALL, Dixon Springs Agricultural Center

CARL F. OBENAUF, Food Science

CHARLES J. HENDRICKS, Forestry

MAURICE E. SCHELLHARDT, Horticulture

ROBERT HUGHES, Plant Pathology

I concur in this recommendation.

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

Vice Chancellor for Academic Affairs, Chicago Circle

(4) The Chancellor at the Chicago Circle campus has recommended the appointment of Dr. Norman F. Cantor, presently Vice President for Academic Affairs

at the State University of New York — Binghamton, as Vice Chancellor for Academic Affairs, beginning September 1, 1976, on a twelve-month service basis, at an annual salary of \$46,000.

Dr. Cantor will also have the rank of Professor of History on indefinite tenure.

Dr. Cantor's appointment is supported by a faculty-student committee¹ appointed by the Chancellor to advise his office on this appointment.

Dr. Cantor succeeds Arnold Grobman who resigned on August 31, 1974. George Magner has been acting Vice Chancellor for Academic Affairs since September 1, 1974.

The Vice President for Academic Affairs and the Vice President for Administration concur in this recommendation.

I recommend approval.

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

(In approving this recommendation, the Trustees noted with appreciation the services of Acting Vice Chancellor George Magner and directed the Secretary to express their thanks to him for his service in this capacity and in other important ways. The Board also expressed its thanks to the search committee appointed to advise the Chancellor on the appointment of a vice chancellor.)

Vice Chancellor for Health Services, Medical Center

(5) The Chancellor at the Medical Center has recommended the appointment of Dr. Alexander M. Schmidt, presently serving as Commissioner of the United States Food and Drug Administration (on leave of absence from the University of Illinois), as Vice Chancellor for Health Services, beginning on or before December 1, 1976, on a twelve-month service basis, at an annual salary of \$52,500.

Dr. Schmidt will succeed Dr. H. Martin Engle who resigned effective March 1, 1976. Dr. Donald J. Caseley has served as Interim Vice Chancellor for Health Services in addition to his present appointment as Vice Chancellor.

The nomination is made with the advice of the vice chancellors and the deans of the colleges at the Medical Center and after consultation with members of the Hospital Conference Committee.² The Vice President for Academic Affairs and the Vice President for Administration concur.

I recommend approval.

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

¹ Maurice J. Eash, Professor of Urban Education Research, *Chairman*; Werner Baur, Professor of Geological Sciences and Head of the Department; Edward Colker, Professor of Art and Head of the Department; Robert Dubiel, Graduate Assistant in Urban Sciences; I. E. Farber, Professor of Psychology; Elizabeth Gebhard, Associate Professor of Classics; John C. Johnson, Professor of English and Associate Dean of the College of Liberal Arts and Sciences; Richard Johnson, Professor of Political Science; Leonard Kent, Professor of Quantitative Methods and Head of the Department; Audrey Kouvel, Professor of Spanish; Nicholas Moravcevic, Professor of Slavic Languages and Head of the Department; Van Cleve Morris, Professor of Education and Dean of the College of Education; William Rostoker, Professor of Metallurgy in Materials Engineering; Stanley Shapiro, Professor of Biological Sciences and Head of the Department; Joanne Vasilomanolakis, student; Ralph Westfall, Professor of Marketing and Dean of the College of Business Administration.

² Donald J. Caseley, Vice Chancellor, Medical Center campus, and Interim Vice Chancellor for Health Services, University of Illinois Hospital, *Chairman*; Joseph S. Begando, Chancellor; William R. Best, Associate Dean, Abraham Lincoln School of Medicine (ALSM), Professor of Medicine, ALSM, and Chief of Staff, University of Illinois Hospital; John S. Garvin, President, Medical Staff, and Professor of Neurology and Head of the Department, ALSM; Jerome J. Hahn, Associate Dean, College of Medicine, and Associate Professor of Medicine, ALSM; August P. Lemberger, Dean, College of Pharmacy, and Professor of Pharmaceutical Administration and of Pharmacy; Paul Q. Peterson, Professor and Dean, School of Public Health; Florence E. Sherbon, Acting Dean, College of Nursing, and Associate Professor of General Nursing; Bernard Sigel, Dean, ALSM, and Professor of Surgery, ALSM; Seymour H. Yale, Dean, College of Dentistry, and Professor of Dental Radiology; Thomas F. Zimmerman, Dean, School of Associated Medical Sciences, and Associate Professor of Medical Education, Center for Educational Development.

Deanship of the College of Engineering, Chicago Circle

(6) The Chancellor at Chicago Circle has recommended the appointment of Dr. Paul R. Paslay, presently Dean and Professor of Engineering at Oakland University, Rochester, Michigan, as Professor of Engineering, on indefinite tenure, and Dean of the College of Engineering, beginning September 1, 1976, on a twelve-month service basis, at an annual salary of \$43,000.

The appointment of Dr. Paslay will fill the vacancy which was created by the resignation of Dean George Bugliarello in 1973. Professor Herbert Stein has been acting dean of the college since Dr. Bugliarello's resignation.

The recommendation is made with the advice of a search committee¹ and after consultation with the Executive Committee of the college. The Vice President for Academic Affairs concurs.

I recommend approval.

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

Directorship of the School of Social Sciences, Urbana

(7) The Dean of the College of Liberal Arts and Sciences has recommended to the Chancellor at Urbana-Champaign the appointment of Dr. Robert B. Crawford, presently Coordinator of Social Sciences Program, Director of the Center for Asian Studies, and Professor of History, as Director of the School of Social Sciences beginning August 21, 1976, on an academic-year service basis, at an annual salary of \$32,000.

Dr. Crawford will continue to hold the rank of Professor of History on indefinite tenure and will relinquish the directorship of the Center for Asian Studies as soon as proper arrangements can be made.

In February 1976 the Board of Trustees approved the establishment of a School of Social Sciences in the College of Liberal Arts and Sciences, effective August 21, 1976.

The nomination was made on the recommendation of a consultative committee² and with the endorsement of the Executive Committee of the college. The Chancellor at Urbana-Champaign has approved the recommendation, and the Vice President for Academic Affairs concurs.

I recommend approval.

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

Headship of the Department of Physiology and Biophysics, Urbana

(8) The Chancellor at Urbana-Champaign has recommended the appointment of Dr. James E. Heath, Professor of Physiology, as Head of the Department of Physiology and Biophysics beginning August 21, 1976, on an academic-year service basis, at an annual salary of \$30,500.

Dr. Heath will continue to hold the rank of Professor of Physiology on indefinite tenure.

Dr. Heath will succeed Professor William W. Sleator who has asked to be relieved of this administrative assignment.

The nomination is submitted with the concurrence of the Executive Committee of the College of Liberal Arts and Sciences, the faculty of the Department

¹ Paul M. Chung, Professor of Fluid Mechanics in Department of Energy Engineering and Head of the Department, *Chairman*; Ted B. Belytschko, Associate Professor of Structural Mechanics in Department of Materials Engineering; Earl E. Gose, Professor of Bioengineering; Daryl Logan, graduate student in materials engineering; C. K. Sanathanan, Professor of Information Engineering; Fred W. Schroeder, Associate Professor of General Engineering in Department of Systems Engineering; Mahesh Shah, graduate student in information engineering; Harold Simon, Professor of Heat Transfer in Department of Energy Engineering.

² J. Myron Atkin, Professor of Science Education and Dean of the College of Education, *Chairman*; David J. Bordua, Professor of Sociology; David W. Plath, Professor of Anthropology and in the Center for Asian Studies; Lester G. Seligman, Professor of Political Science; and John Thompson, Professor of Geography.

of Physiology and Biophysics, and the Director of the School of Life Sciences. The Vice President for Academic Affairs concurs.

I recommend approval.

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

Headship of the Department of Psychology, Urbana

(9) The Chancellor at Urbana-Champaign has recommended the appointment of Dr. Joseph David Birch, presently Professor of Psychology and Associate Dean of the Graduate College, as Head of the Department of Psychology beginning August 21, 1976, on an academic-year service basis, at an annual salary of \$34,000.

Dr. Birch will continue to hold the rank of Professor of Psychology on indefinite tenure.

Dr. Birch will succeed Dr. Joseph E. McGrath, who has asked to be relieved of this administrative appointment.

The nomination was made on the recommendation of a search committee,¹ with the concurrence of the members of the department of professorial rank and the Executive Committee of the College of Liberal Arts and Sciences. The Vice President for Academic Affairs concurs.

I recommend approval.

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

Appointments to the Faculty

(10) 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).

Urbana-Champaign

1. LYLE F. BACHMAN, Assistant Professor, English as a Second Language, beginning August 21, 1976 (1), at an annual salary of \$14,500.
2. CHARLES E. BLAIR, III, Assistant Professor of Business Administration, beginning August 21, 1976 (1), at an annual salary of \$17,000.
3. HARLAND G. BLOLAND, Assistant Professor of Administration, Higher, and Continuing Education, beginning August 21, 1976 (1), at an annual salary of \$17,000.

¹ Neal J. Rothman, Professor of Mathematics, *Chairman*; Gladys B. Baxley, Assistant Professor of Psychology; Douglas A. Bernstein, Associate Professor of Psychology; Michael G. H. Coles, Associate Professor of Psychology; Emanuel Donchin, Professor of Psychology and of Physiology and Biophysics; William E. Kappauf, Professor of Psychology; Samuel S. Komorita, Professor of Psychology; and Ross D. Parke, Professor of Psychology.

4. WILLIAM G. BREILAND, Assistant Professor of Chemistry, beginning August 21, 1976 (1), at an annual salary of \$16,000.
5. JAN K. BRUECKNER, Assistant Professor of Economics, beginning August 21, 1976 (1), at an annual salary of \$15,000.
6. ROY H. CAMPBELL, Assistant Professor of Computer Science, beginning August 21, 1976 (1), at an annual salary of \$15,500.
7. KENNETH J. CAREY, Associate Professor of Finance, beginning August 21, 1976 (A), at an annual salary of \$23,500.
8. SAMUEL H. CARPENTER, Assistant Professor of Civil Engineering, beginning August 21, 1976 (1), at an annual salary of \$14,800.
9. JONATHAN N. CHAMBERS, Assistant Professor of Veterinary Clinical Medicine, beginning July 12, 1976 (1Y), at an annual salary of \$21,000.
10. LAWRENCE E. COHEN, Assistant Professor of Sociology, beginning August 21, 1976 (1), at an annual salary of \$15,700.
11. GLENN A. GERDIN, Assistant Professor of Nuclear Engineering, beginning August 21, 1976 (1), at an annual salary of \$15,000.
12. DARREL L. GOOD, Assistant Professor of Agricultural Economics, beginning July 21, 1976 (1Y), at an annual salary of \$22,000.
13. JOHN M. GOTTMAN, Associate Professor of Psychology, beginning August 21, 1976 (A), at an annual salary of \$19,000.
14. LAWRENCE GROSSBERG, Assistant Professor of Speech Communication, beginning August 21, 1976 (1), at an annual salary of \$14,500.
15. BRUCE R. HARE, Assistant Professor of Educational Psychology, beginning August 21, 1976 (1), at an annual salary of \$15,000.
16. GAIL P. HUETING, Cataloger and Assistant Professor of Library Administration, Library, beginning August 2, 1976 (1Y), at an annual salary of \$12,220.
17. JOHN LANDOVSKY, Assistant Professor of Dance, beginning August 21, 1976 (1), at an annual salary of \$12,300.
18. SALLY JANE LANZ, Assistant Professor in the Curriculum in Medical Dietetics in the School of Basic Medical Sciences, Urbana, and in the School of Associated Medical Sciences, Medical Center, and Coordinator of Medical Dietetics Program, Curriculum in Medical Dietetics, School of Associated Medical Sciences, Medical Center, beginning June 7, 1976 (1Y,NY), at an annual salary of \$18,000.
19. CHENG-FEW LEE, Associate Professor of Finance, beginning August 21, 1976 (Q), at an annual salary of \$20,000.
20. GARY ORFIELD, Associate Professor of Political Science, beginning August 21, 1976 (A), at an annual salary of \$23,500 (on leave of absence without pay, first semester, 1976-77).
21. CHARLES H. SMITH, Professor of Accountancy, for the 1976 summer session, at a salary of \$6,778, and beginning August 21, 1976 (A), at an annual salary of \$30,500.
22. GARY E. SMITH, Staff Specialist, College of Fine and Applied Arts, for two months from June 21, 1976 (N), at a salary of \$1,634; Assistant Director of Bands, on two-thirds time, and Associate Professor of Music, on one-third time, beginning August 21, 1976 (N,Q), at an annual salary of \$18,500.
23. ROSS M. STOLZENBERG, Assistant Professor of Sociology, beginning August 21, 1976 (1), at an annual salary of \$16,000.
24. LINDA J. WAITE, Assistant Professor of Sociology, beginning August 21, 1976 (1), at an annual salary of \$14,000.
25. JAMES P. WOLFE, Assistant Professor of Physics, for two months from June 21, 1976 (N), at a salary of \$3,667, and beginning August 21, 1976 (1), at an annual salary of \$16,500.
26. DAVID A. YOUNG, Assistant Professor of Botany, beginning August 21, 1976 (1), at an annual salary of \$14,000.

Chicago Circle

27. **SONA S. HOISINGTON**, Assistant Professor of Slavic Languages and Literatures, beginning September 1, 1976 (1), at an annual salary of \$13,500.
28. **TIMOTHY A. KEDERLING**, Assistant Professor of Chemistry, beginning September 1, 1976 (1), at an annual salary of \$14,500.
29. **SHUO-YEN ROBERT LI**, Assistant Professor of Mathematics, beginning September 1, 1976 (1), at an annual salary of \$15,500.
30. **SANDRA R. LIEB**, Assistant Professor of English, beginning September 1, 1976 (1), at an annual salary of \$12,500.
31. **CHRISTIAN K. MESSENGER**, Assistant Professor of English, beginning September 1, 1976 (1), at an annual salary of \$12,500.
32. **JOHN A. MORRISON**, Assistant Professor of Chemistry, for the period June 16, 1976, through August 15, 1976 (N), and beginning September 1, 1976 (1), at an annual salary of \$14,500.
33. **EDWARD L. SUNTRUP**, Assistant Professor of Management, beginning September 1, 1976 (1), at an annual salary of \$17,200.

Medical Center

34. **CONSTANCE J. ADAMS**, Associate Professor of Maternal-Child Nursing, College of Nursing, beginning July 1, 1976 (WY), at an annual salary of \$22,000.
35. **KRISHNASWAMY KALYANARAMAN**, Associate Professor of Neurology-Neuroscience, Peoria School of Medicine, on 50 percent time, beginning July 1, 1976 (QY50), at an annual salary of \$16,000.
36. **UMA P. KALYANARAMAN**, Assistant Professor of Pathology, Peoria School of Medicine, on 50 percent time, beginning August 1, 1976 (NY50), at an annual salary of \$16,000.
37. **MARY E. LUNNEY**, Assistant Professor of Maternal-Child Nursing, College of Nursing, beginning September 1, 1976 (1), at an annual salary of \$15,000.
38. **WILLIAM J. NELSON**, Assistant Professor of Family Practice, Abraham Lincoln School of Medicine, on 50 percent time, beginning June 1, 1976 (NY50), at an annual salary of \$20,000.
39. **JAMES L. NEWMAN**, Assistant Professor of Psychiatry, Abraham Lincoln School of Medicine, beginning June 1, 1976 (1Y), at an annual salary of \$35,000.
40. **MARIBETH ROBINSON**, Assistant Professor of Medical Social Work, Abraham Lincoln School of Medicine, beginning July 1, 1976 (WY), at an annual salary of \$12,200.

Administrative Staff

41. **CAROL A. BERTHOLD**, Executive Assistant to the Chancellor, Chicago Circle, beginning July 12, 1976 (NY), at an annual salary of \$18,000.
42. **DIAMOND D. DETTORE**, Acting Director of Family Practice Center, Abraham Lincoln School of Medicine, Medical Center, on 50 percent time, beginning June 1, 1976 (NY50), at an annual salary of \$25,000. This is in addition to his present nonsalaried appointment as Associate Professor of Family Practice, Abraham Lincoln School of Medicine.
43. **THOMAS GAMBLE**, Assistant to the Chancellor at the Medical Center (NY) and Assistant Professor of Medical Education in the Center for Educational Development (NY), Medical Center, beginning August 21, 1976, at an annual salary of \$27,500.
44. **JAMES T. MCGILL**, Associate Vice Chancellor for Resource Planning and Allocation, Office of the Vice Chancellor for Academic Affairs, Medical Center, beginning September 1, 1976 (NY), at an annual salary of \$38,000.
45. **ROBERT H. NELSON**, Staff Specialist, College of Commerce and Business Administration, Urbana, for two months from June 21, 1976, and Director, Ex-

ecutive Development Center, beginning August 21, 1976 (NY), at an annual salary of \$33,000.

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

Appointments to the Center for Advanced Study, Urbana

(11) The Chancellor at Urbana has recommended the following appointments of Resident Associates in the Center for Advanced Study, Urbana, for the academic year 1976-77 and for the related programs of research or study as indicated. The Vice President for Academic Affairs concurs.

I recommend approval.

AMY Z. GOTTLIEB, Visiting Lecturer in the Institute of Labor and Industrial Relations, to carry out a study of the implementation of federal and state legislation intended to protect older persons against discrimination in employment.

RUSSELL J. PETERSEN, Associate Professor of Accountancy, to study and develop techniques to assist in the appraisal of planning and resource allocation in the public and not-for-profit areas as a basis for the design of information systems to support goal-oriented organizational activity.

JOHN POERTNER, Associate Professor of Mathematics, Lincoln College, to coordinate research activities in the administration of social services and to carry out a study of citizen participation in state manpower programs.

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

Promotions in Academic Rank, 1976-77

(12) The chancellors at the respective campuses and other general officers have submitted recommendations for promotions in academic rank — effective at the beginning of the 1976-77 appointment year.

The numbers recommended for promotion to the various ranks are as follows:

<i>To the Rank of</i>	<i>Chicago Circle</i>	<i>Medical Center</i>	<i>Urbana- Champaign</i>	<i>General University</i>	<i>Total</i>
Professor	17	15	33	1	66
Clinical Professor		4	...	...	4
Associate Professor	19	43	53	1	116
Clinical Associate Professor		4	...	...	4
Assistant Professor	1	30	19	6	56
Clinical Assistant Professor		20	...	...	20
Research Assistant Professor		1	...	...	1
Instructor		2	...	...	2
Clinical Associate		1	...	...	1
<i>Total</i>	<u>37</u>	<u>120</u>	<u>105</u>	<u>8</u>	<u>270</u>

Each campus has established formal procedures for the initiation, review, and approval of recommendations for academic promotion. Consideration is given to the criteria that seem to be most appropriate to the evaluation of the varied combinations of contributions of individual faculty members — including teaching, research or other scholarly activities, artistic creation, professional and public service, student and administrative services. At Chicago Circle and at Urbana-Champaign campuswide committees review departmental and college recommendations; at the Medical Center campus a special committee in each college reviews the recommendations of its departments. The General University promotions are reviewed by a committee of the unit involved and by the Vice President for Academic Affairs.

The Vice President for Academic Affairs recommends approval of the recommendations as submitted.

I concur.

On motion of Mr. Livingston, these recommendations were approved.

Sabbatical Leaves of Absence, 1976-77, Urbana

(13) The Chancellor at Urbana-Champaign 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 Education

Department of Educational Policy Studies

HUGH G. PETRIE, Professor of Philosophy of Education, second semester, 1976-77, full pay.

Institute of Labor and Industrial Relations

WILLIAM J. ADELMAN, Associate Professor, four months beginning February 1, 1977, full pay.

College of Liberal Arts and Sciences

Department of Anthropology

JOHN O. STEWART, Assistant Professor, first semester, 1976-77, one-half pay.

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

Amendment of Senate Constitution, Medical Center

(14) Under Article II, Section 1, of the *University of Illinois Statutes*, amendments to a Senate Constitution must be approved by the Board of Trustees.

At its meeting on Wednesday, June 2, 1976, the Senate at the Medical Center campus approved a change in Article II of the Constitution, whereby a new Section 7 would be added and the present Section 7 would be renumbered Section 8.

The proposed new Section 7 is as follows:

Unexcused absence from two (2) meetings of the Senate per academic year shall lead to automatic removal from Senate membership. Vacancies so created shall be filled in accordance with Section 8 of this Article.

The Chancellor at the Medical Center campus and the Vice President for Academic Affairs concur in the recommended change. The University Senates Conference has indicated that no further Senate jurisdiction is involved.

I recommend approval.

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

Undergraduate Tuition Waivers

(15) On May 15, 1974, the Board of Trustees established guidelines for all undergraduate tuition waiver programs at the University of Illinois. This action established a maximum number of tuition waivers in effect at any time as 946, with a limit for nonresident waivers established at 315. The maximum (946) includes: 16 Smith Music waivers (which the University agreed to establish and maintain under an agreement with the donor of Smith Music Hall) and 930 additional waivers.

An analysis of waivers currently awarded reveals that, as a result of improved state and federal financial aid programs, "need-based" waivers have

not been fully utilized, while increased requirements for "talent" waivers have been identified.

The Vice President for Administration has recommended that the following modifications be made in the May 15, 1974, action:

1. That the 930 undergraduate tuition waivers be allocated to each campus in proportion to the campus' share of the University's previous fall undergraduate full-time equivalent enrollment.¹
2. That the distribution between "need-based" and "talent-based" undergraduate tuition waivers for each campus be determined by the chancellor of that campus.
3. That, for a given year, unused waivers on one campus may be transferred to another campus which has used all available waivers for that year, with the concurrence of the chancellors concerned.

All other procedures established by the May 15, 1974, Board of Trustees action would remain in force.

The essence of this recommendation is to establish guidelines for the undergraduate tuition waivers which are responsive to student and campus needs.

The chancellors at the three campuses concur in this recommendation.

I recommend approval.

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

Waiver of Transcript Fee, Chicago Circle

(16) Because collection of transcript fees required numerous clerical activities in several administrative offices at the campus and because the process of determining whether to charge or to provide the transcripts free was time consuming itself, the Chancellor at Chicago Circle recommended that the transcript fee at Chicago Circle be waived temporarily beginning July 1, 1974. The Board of Trustees later extended the waiver until July 1, 1976.

The waiver has allowed Chicago Circle to make transcripts available quickly to students seeking admission to other institutions or seeking employment. The improved service has been well received by alumni and currently enrolled students. (More than 1,000 gifts totaling \$2,093, directly attributable to the free transcript program, have been received by the University of Illinois Foundation.)

In 1974 the campus processed some 32,000 transcripts and collected \$20,579 from recipients. In 1975 and 1976, respectively, some 30,000 and 35,000 transcripts were provided. If the campus were to return to the practice of charging for transcripts, approximately 500 transactions would be required each week on the average in each of the three offices, and an estimated three staff members would be required to handle this workload.

Because of the substantial improvement in service to students and alumni, the Chancellor at Chicago Circle, with the concurrence of the Vice President for Administration, now recommends that the temporary waiver of the transcript fee at Chicago Circle be made permanent and that the policy for Chicago Circle, effective as of July 1, 1976, be:

Each student or alumnus of Chicago Circle who has paid all outstanding indebtedness is entitled to receive without charge transcripts of his or her record.²

¹ Based upon enrollments in the fall of 1975, the action recommended would result in the following allocation pattern among the campuses:

	<i>Present Allocation</i>	<i>Projected Allocation, 1976-77</i>
Chicago Circle	299	366
Medical Center	31	35
Urbana-Champaign	593	543
Uncommitted	23	...
<i>Total</i>	<i>946</i>	<i>946</i>

² The present policy reads: "Each student who has paid all his fees is entitled to receive without charge a transcript of his record. For each additional transcript, the fee shall be \$1.00."

I concur.

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

Fee Exemption for Employees Registered as Students, Urbana

(17) In June 1973 the Board approved a recommendation from the Chancellor at the Urbana-Champaign campus that University employees who register as students and are already covered under the mandatory state insurance plan be exempted from the Health Service portion of the hospital-medical-surgical student fee and not be eligible to pay the fee. The proposal was designed to prevent pyramiding of health and insurance benefits.

Although the Athletic Association at the Urbana-Champaign campus is separately administered and organized, its employees are for the most part treated in a similar fashion to those of the University. Thus, the Chancellor at the Urbana-Champaign campus has now recommended that employees of the Athletic Association who register as students and are already covered under the association's health insurance plan be exempted from the Health Service portion of the hospital-medical-surgical student fee and not be eligible to pay the fee.

I concur in that recommendation and further recommend that the exemption and ineligibility also be applied to employees of the University of Illinois Alumni Association and the University of Illinois Foundation who register as students and are already covered by the health service plans of their employers.

On motion of Mrs. Rader, these recommendations were approved.

Decrease in Special Fees for Flight Training Courses, Institute of Aviation, Urbana

(18) On March 17, 1976, the Board of Trustees approved a flight fee of \$400 for the courses Aviation 105 and 115 (Soaring I and II), to be effective as of the first semester of the 1976-77 academic year. The Chancellor at Urbana-Champaign, on the advice of the Director of the Institute of Aviation, has now recommended that the Board approve a reduction in the fee for these two courses, to \$325, effective the first semester 1976-77.

The reduction is recommended because students now will be required to provide their own gliders for use in the soaring courses. Previously the Institute of Aviation leased the necessary equipment from the Illini Glider Club at a cost of \$75 per student; the lease will not be renewed, and students must obtain their own equipment. Students may join the Illini Glider Club for a fee of \$75 and thereby are eligible to use the club's gliders in Aviation 105 and 115. (Students may obtain the equipment elsewhere if they prefer.)

The Vice President for Administration concurs in this recommendation.

I recommend approval.

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

Report for Information: Change in Degree Titles, Department of Leisure Studies, Urbana

(19) The Dean of the College of Applied Life Studies, the Dean of the Graduate College, the Chancellor, and the President have approved title changes of degrees offered by the Department of Leisure Studies as follows:

<i>From</i>	<i>To</i>
Bachelor of Science in Recreation and Park Administration	Bachelor of Science in Leisure Studies
Master of Science in Recreation and Park Administration	Master of Science in Leisure Studies
Doctor of Philosophy in Recreation and Park Administration	Doctor of Philosophy in Leisure Studies

These changes are consistent with the action of the Board of Trustees by which the name of the Department of Recreation and Park Administration was changed to the Department of Leisure Studies.

This report was received for record.

President's Report on Actions of the Senates

Change of Name, Department of Pedodontics, Medical Center

(20) The Medical Center Senate has approved a recommendation from the College of Dentistry that the Department of Pedodontics be renamed the Department of Pediatric Dentistry.

Although the term *pedodontics* has been used to describe the field of dentistry for children, the public and many health professionals are not familiar with its meaning. The new title is self-explanatory and should more clearly identify the department's function to the public which it serves.

Biophysics Option in Life Sciences Field of Concentration, Urbana

The Urbana-Champaign Senate has approved a recommendation from the College of Liberal Arts and Sciences that a biophysics option be added in the School of Life Sciences field of concentration. This option, to be administered by the Biophysics Division of the Department of Physiology and Biophysics, is designed for the student who wishes a strong background in the physical sciences and mathematics, but is basically interested in the life sciences. It is designed to provide guidelines as to physical and life science courses which best complement each other.

This report was received for record.

Report for Information: Changes in Organizational Status, Certain Academic Units

(21) On recommendation of the appropriate administrative officers, the President has approved the following changes:

Change of Name, Firemanship Training Program to Fire Service Institute

Although it is unclear whether the present designation is affected by federal regulations or guidelines, it is believed that the new terminology reflects more accurately the services now performed, which include, but are broader than, the provision of a training program.

In addition, the President has approved an organizational framework for the Fire Service Institute under a director whose status will be analogous to that of the head of a department as provided for in the University *Statutes*. This latter change is parallel and consistent with the organization of the Police Training Institute.

Discontinuance of the Title Bureau of Business Management, Urbana

The efforts of the College of Commerce and Business Administration in continuing education for some years have been carried out through the coordination of the Bureau of Business Management and the Executive Development Center. Since the activities and concerns of the former now more appropriately fit within the overall responsibilities of the latter, the Dean of the college proposed the elimination of the title Bureau of Business Management, the assignment of its budgetary accounts and activities to the Executive Development Center, and the redesignation of the position of Director of the Bureau of Business Management as Associate Director of the Executive Development Center.

Merger, Language Laboratory and Unit for Foreign Language Study and Research, Urbana

The Dean of the College of Liberal Arts and Sciences has recommended merger of the two units which are both in the college's School of Humanities. The merger will simplify the administrative structure of the units and provide better communications and more efficient operation.

The name of the newly reorganized unit is to be the Language Learning Laboratory.

Name Change for the Degree of Bachelor of Science in the Education of the Deaf, Urbana

The Dean of the College of Liberal Arts and Sciences has recommended a name change for the degree of Bachelor of Science in the Education of the Deaf to Bachelor of Science in the Teaching of the Hearing Impaired. This degree is conferred on those completing the Deaf Education Curriculum, Department of Speech and Hearing Science, College of Liberal Arts and Sciences.

The terminology being adopted brings the degree title into conformity with the other teacher education curricula in the College of Liberal Arts and Sciences. Also, the specialized expression "hearing impaired" has become professionally recognized as a substitute for the expression "deaf."

This report was received for record.

Organization and Administration of Medical Social Work, Medical Center

(22) A Department of Medical Social Work within the College of Medicine was established by the Board of Trustees, and a plan for organization and administration of medical social work activities was approved in 1952.

The Chancellor at the Medical Center now has recommended that the 1952 action of the Board of Trustees be rescinded and a revised plan for the organization and administration of medical social work activities at the Medical Center campus be approved.

Specifically, the recommendations are:

1. That the Department of Medical Social Work be transferred from the Abraham Lincoln School of Medicine to the School of Associated Medical Sciences, effective September 1, 1976.
2. That the Department of Medical Social Work be assigned the responsibility for all educational and research programs at the Medical Center campus related to the discipline of medical social work, including the development of cooperative educational and research programs with social work degree programs at other campuses of the University of Illinois and with other institutions as appropriate.
3. That the University of Illinois Hospital be assigned the responsibility for all medical social work activities related to direct patient care services.
4. That cooperative relationships between the education and research activities of the Department of Medical Social Work and the medical social work services of the University of Illinois Hospital be encouraged and facilitated.

The Senate of the Medical Center campus has approved the transfer of the Department of Medical Social Work from the Abraham Lincoln School of Medicine to the School of Associated Medical Sciences. The University Senates Conference has indicated that no further Senate jurisdiction is involved.

The Vice President for Academic Affairs concurs in the above recommendations.

I recommend approval.

On motion of Mr. Livingston, these recommendations were approved.

Transfer of Department of Computer Science from the Graduate College to the College of Engineering, Urbana

(23) The Urbana-Champaign Senate has recommended that administrative responsibility for the Department of Computer Science, now a special unit of the Graduate College, be transferred to the College of Engineering, effective August 1976.

With the establishment of its own undergraduate program, the department is now "mature" by any reasonable standard, the recommendation states. It has a large faculty (33), a large body of undergraduate majors (over 400), a large group of graduate majors (over 200), and a large professional staff. It has developed major outside resources to support its graduate education and research programs (over \$1,000,000 per year) and has a large state allocation (about \$1,000,000 per year). Accordingly, the department can assume its full responsibilities as a major academic department of the campus and function in an atmosphere more conducive to future growth.

The budget, including all regular staff positions of the Department of Computer Science, would be transferred to the College of Engineering, and no other budgetary or staff changes would be required in the transfer.

The Dean of the Graduate College and the Dean of the College of Engineering, the Chancellor, and the Vice President for Academic Affairs concur in the recommendation of the Senate. The University Senates Conference has indicated that no further Senate jurisdiction is involved.

I recommend approval.

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

Joint Educational Program with Parkland College, Urbana (Aviation Electronics)

(24) The Chancellor at Urbana-Champaign has recommended approval of a joint educational agreement between the Board of Trustees of the University of Illinois and the Board of Trustees of Community College District No. 505, Parkland College. The agreement would establish a two-year joint program between the Institute of Aviation and Parkland College in aviation electronics (avionics technology).

This joint program would be a substitute for a two-year program in the institute authorized by the Board of Trustees in April 1962 and approved by the Illinois Board of Higher Education in July 1962. The program has not been implemented because the institute does not provide the basic courses in electricity, mathematics, and other relevant subjects now available at Parkland.

The joint program will provide an opportunity for enrolled students to capitalize upon existing strengths of the neighboring campuses. The program is based on existing staff and other resources at each institution and will require no additional funds. Current information indicates that aviation electronics technicians are in short supply and that the demand for their services is expected to continue to rise as avionics equipment becomes increasingly sophisticated.

The joint program is expected to have a maximum enrollment of twenty students. Students will be enrolled at Parkland College during the first year of the program and upon successful completion of the first-year courses will be admitted to the University of Illinois. Upon successful completion of the two-year program, students will be awarded a two-year associate degree by Parkland College and a certificate by the University.

Students will be subject to operating rules and conditions and tuition and fees at the appropriate institution.

The Vice President for Academic Affairs concurs in this recommendation.

I recommend approval, effective August 1, 1976.

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

Contracts for Educational Services, College of Medicine

(25) In several prior actions the Board of Trustees has approved contracts 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 educational services on behalf of the College of Medicine in FY 1977. It is proposed that such arrangements be executed between the University and the educational institutions, hospitals, physicians' group practice organizations, health agencies, and health-related organizations listed below:

Peoria School of Medicine

<i>Institutions and Organizations</i>	<i>Estimated Annual Cost</i>
Allied Agencies Center.....	\$ 2 940
Internal Medicine Group of Peoria, S.C.....	15 750
Dirkse, Anderson, Zwicky & Associates.....	17 225
Eureka College	7 500
Hansen-Seedorf Radiological Group, Ltd.....	8 250
Institute of Physical Medicine & Rehabilitation.....	15 835
The Medical & Surgical Clinic, S.C.....	14 550
Medical Radiological Group.....	8 250
Methodist Hospital of Central Illinois.....	25 000
Peoria County Health Board.....	2 940
Peoria-Tazewell Pathology Group, S.C.....	68 700
R.O.L. Clinic, S.C.....	5 100
Tremont Medical Clinic, S.C.....	2 000
St. Francis Hospital Medical Center.....	75 445
Associated Anesthesiologists	6 400
<i>Total</i>	\$ 275 885

Rockford School of Medicine

<i>Institutions and Organizations</i>	<i>Estimated Annual Cost</i>
Rockford Anesthesiologists Associates.....	\$ 13 000
Rockford Medical Education Foundation.....	260 800
<i>Total</i>	\$ 273 800

Metropolitan Chicago Group of Affiliated Hospitals

<i>Institutions and Organizations</i>	<i>Estimated Annual Cost</i>
Illinois Masonic Medical Center.....	\$523 000
L. A. Weiss Memorial Hospital.....	395 000
Lutheran General Hospital.....	507 000
MacNeal Memorial Hospital.....	395 000
Mercy Hospital	507 000
Ravenswood Hospital	413 000
<i>Total</i>	\$2 740 000
<i>Grand Total</i>	\$3 289 685

The amount shown for the Metropolitan Chicago Group includes the \$600,000 in federal funds approved by the Board on June 16, 1976.

It is further recommended that the Chancellor at the Medical Center campus, with the concurrence of the Comptroller, be granted authority to approve changes in the amounts of any of the organizations listed within the totals above and to approve agreements with other organizations as needed within the funds allocated to the separate medical education programs.

Funds are available in the operating budget of the College of Medicine.

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. Matthews, Mr. Volgman; 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.

Subcontracts for Services under the Area Health Education Contract, Medical Center

(26) On October 18, 1972, the Board of Trustees approved a contract between the National Institutes of Health, Department of Health, Education, and Welfare, and the University to establish an Area Health Education System in four Illinois planning regions. Under the terms of that contract, expenses incurred by the University for this purpose are reimbursable.

In implementing the agreement the Trustees have approved several subcontracts with other organizations within the state.

The Chancellor at the Medical Center campus has recommended that subcontracts be executed during FY 1977 with the following organizations:

<i>Organization</i>	<i>Amount</i>	<i>General Purpose</i>
Rock Valley College, Rockford, Illinois	\$ 8 000	Salary support for one full-time person to assist in the establishment of a geriatric aide training program.
Sauk Valley College, Dixon, Illinois	9 330	Salary support for one full-time person to assist in the development of the licensed practical nurse-registered nurse career ladder program.
Rockford Medical Education Foundation, Rockford, Illinois	16 000	Salary support for one person in order to continue an established enterostomal therapy program.
Kishwaukee College, Malta, Illinois	12 000	Salary support for one full-time and one part-time person to assist in the development of the licensed practical nurse-registered nurse career ladder program.
St. Anthony Hospital, Rockford, Illinois	19 000	Salary support for one full-time person to assist in the development of an advanced emergency medical technician training program.

Funds are available from the current contract with the federal government to finance the foregoing subcontracts. Approval of the subcontracts by the appropriate federal officials has been requested.

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. Matthews, Mr. Volgman; no, none.

On motion of Mr. Livingston, these subcontracts 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.

**Amendment of Agreement among the University, the University Club,
and the University of Illinois Foundation, Urbana**

(27) In June 1975 the Board of Trustees authorized the execution of an agreement between the University, the University Club, and the University of Illinois Foundation which, in part, provided for a continuation until September 1, 1976, of a trust fund created in December 1943 (the sum in the fund now totaling in excess of \$32,000), with the understanding that the University Club would be allowed to use the entire fund for refurbishing and remodeling the Levis Faculty Center, as approved by the University. Funds not so used by September 1, 1976, were, according to the agreement, to be divided equally between the University Club and the University.

While plans for the appropriate expenditure of these funds are being developed by the University Club in consultation with the University, it is clear that the execution of such plans cannot be completed by September 1, 1976, and a portion of the plan may call for expenditures over a longer period of time than anticipated when the agreement was drafted.

Accordingly, the Chancellor, with the concurrence of appropriate University officers, has recommended that the agreement be amended to extend the term for the full expenditure of the trust fund to September 1, 1977, and thereafter as necessary by mutual consent of both parties. In the event that the funds are not used by September 1, 1977, or, if the time limit is not extended, they will be divided equally between the University Club and the University.

It is further recommended that the Comptroller and the Secretary of the Board be authorized to execute the necessary documents to amend the agreement as proposed.

I concur.

On motion of Mr. Howard, these recommendations were approved, and authority was given as recommended.

**Report for Information: Negotiations with City
of Urbana on Use of Land Fill Site**

(28) In 1950 the University entered into an agreement with the city of Urbana regarding the city land fill and by the agreement and later amendments has participated, and acquired certain rights, in the land fill operation.

The cities of Champaign and Urbana have entered into an agreement to establish a Waste Management Group to:

1. Accommodate the city of Champaign's need for use of land fill within the next several months, and
2. Determine a long-term solution for the land fill requirements of the two cities.

It is contemplated that the University will be a party, either as user or part owner, to the long-term plan.

In the interim, the cities wish to use twenty-four acres of the site currently owned by Urbana (and in which the University has an interest) to accommodate the joint waste disposal needs of the two cities and to permit the Waste Management Group to initiate its operations.

The campus administration has agreed that this arrangement is proper and reasonable, providing the financial burden is shared in proportion to the use of the land fill by the parties.

Negotiations are now in process, and a recommendation is anticipated for the September agenda of the Board of Trustees.

This report was received for record.

Proposal, Lions of Illinois Foundation, to Fund Construction of an Eye Research Building, Medical Center

(29) The Lions of Illinois Foundation proposes to initiate a fund-raising effort and to contribute the proceeds to the University of Illinois Foundation for the construction of an Eye Research Building at the Medical Center campus on land to be provided by the University. The Lions organization has a continuing interest in problems related to visual disabilities and has provided substantial amounts of financial assistance to the visually handicapped in Illinois.

Before engaging in an extensive fund-raising campaign, the Lions of Illinois Foundation seeks assurance that a gift for this purpose will be acceptable to the Board of Trustees. The gift would be contingent upon the University: (1) identifying the building as a Lions of Illinois Foundation project and (2) locating the building near the present Eye and Ear Infirmary on a prominent and readily visible site. Although the Lions foundation plans to continue its present support of basic and clinical research within the proposed new facility, the operation and maintenance of the building will be a University responsibility.

The Chancellor at the Medical Center has recommended that the Board of Trustees indicate a positive interest in the proposal and authorize the University's administrative officers to negotiate a definitive agreement with the Lions of Illinois Foundation; the terms would be presented to the Board for its approval prior to June 1, 1977, and prior to initiation of the fund-raising effort.

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

I recommend approval.

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

Addition to Approved Expenditures from the George A. Miller Endowment Fund, Urbana

(30) Upon the recommendation of the George A. Miller Endowment Committee, the Chancellor at Urbana-Champaign has recommended that support for creative and performing arts events on that campus be added to the programs for which the income from the Miller Endowment Fund may be used.

The Trustees have authorized the following uses of the income of the Miller fund: support of the *Illinois Journal of Mathematics*, visiting professorships, lectureships, graduate fellowships, undergraduate scholarships, and specialized pilot programs in certain areas.

To add support for programs in the creative and performing arts, such as an annual or occasional festival, is in keeping with the purposes of the Miller fund to enhance the scholarly and cultural life of the campus.

It is anticipated that the Miller funds would be used to supplement other sources, including outside agencies, to support creative and performing arts events. The fund now provides approximately \$75,000 annually. The support for programs in the creative and performing arts will be possible without curtailment of the other approved Miller programs.

I recommend approval.

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

Easements Affecting the Peoria School of Medicine Site

(31) The entire site for the Peoria School of Medicine has now been conveyed to the University subject to certain easements for gas, sewer, water, and drainage previously identified to the Board. It is now desirable for the University to grant additional easements which will not interfere with planning for the use of the site.

It is recommended that an easement be granted to the Peoria Water Company for an active six-inch water main in Swinnerton Street between State and Fisher Streets; the water main is a part of the fire protection system serving the Peoria School of Medicine site as well as the adjacent redevelopment tract.

It is further recommended that temporary easements be granted to the Peoria Water Company and to the Central Illinois Light Company for water and gas service to a property at 719 North Monson Street, which is not being conveyed to the University. These easements would terminate when the services are no longer required for the property, or at the expiration of one year, whichever is the shorter period.

I concur.

The student advisory vote was: Aye, Mr. Conlon, Mr. Matthews, Mr. Volgman; no, none.

On motion of Mr. Howard, 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.

Award of Contract for Replacement of Steam Lines, Medical Center

(32) The President of the University, with the concurrence of appropriate administrative officers, recommends award of a contract in the amount of \$20,850 to Independent Boiler & Tank Company, Chicago, the low bidder, to replace the underground steam line of the steam distribution system on Polk Street between Paulina Street and Hermitage Avenue at the Medical Center campus.

Funds for this work are available from the Steam Plant Revolving Account.

The student advisory vote was: Aye, Mr. Conlon, Mr. Matthews, Mr. Volgman; no, none.

On the motion of Mr. Livingston, 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.

Reemployment of Health Facilities Consultant, Medical Center

(33) The President of the University, with the concurrence of appropriate administrative officers, recommends the reemployment of Herman Smith Associates of Hinsdale for general and functional consulting services for the Replacement Hospital at the Medical Center and its integration with ambulatory care facilities. The services are required to assist the hospital administration in developing efficient and effective operation of the programmed health care delivery systems. The most recent contract was approved by the Board on July 16, 1975, and expired June 30, 1976.

The consultant will be paid on the basis of the firm's composite consultant hourly rates. (The rates are on file with the Secretary of the Board of Trustees.) The cost for the services of the consultant will not exceed \$158,714 for FY 1977. As additional services are required, authorization by the Board will be requested.

Funds are available from the University Hospital Income account.

The student advisory vote was: Aye, Mr. Conlon, Mr. Matthews, Mr. Volgman; no, none.

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

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

Increase in the Architect/Engineer Contract for the Parking Structure, Medical Center

(34) On July 16 and September 17, 1975, the Board of Trustees authorized the employment of Conrad Associates, Chicago, to provide the professional architectural/engineering services required for the planning and construction of a parking facility for the Medical Center campus at a fixed fee of \$205,000.

The President of the University, with the concurrence of appropriate administrative officers, recommends approval of a contract change order with Conrad Associates in order that the firm may be reimbursed for additional costs involved in soil, concrete, steel, and pile inspections and testing for the Medical Center parking structure. The cost of the services will be paid on an hourly rate and will not exceed \$26,000.

Funds are available from the proceeds of the sale of the Medical Center Parking Revenue Bonds, Series of 1976.

The student advisory vote was: Aye, Mr. Conlon, Mr. Matthews, Mr. Volgman; no, none.

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

Employment of Architect/Engineer for a New Ventilation System, Student Residence Hall, Medical Center

(35) The President of the University, with the concurrence of appropriate administrative officers, recommends the employment of John Victor Frega Associates, Ltd., Chicago, for the required professional services to replace the first floor ventilation system for the Student Residence Hall at the Medical Center campus, at a fee based on actual time card costs of technical personnel plus 150 percent, plus reimbursable expenses with a maximum fee not to exceed \$15,000. Reimbursable expenses are estimated to be \$1,000 and are included in the maximum fee.

Funds in the amount of \$15,000 are available in the Dentistry-Medicine-Pharmacy Revenue Bond Fund of 1951.

The project will include new ventilation equipment, revisions of and additions to the ductwork on the low roof area, and installation of a stack to carry the exhaust to the top of the building — nine stories.

The student advisory vote was: Aye, Mr. Conlon, Mr. Matthews, Mr. Volgman; no, none.

On motion of Mr. Forsyth, this recommendation was approved by the following vote: Aye, Mr. Forsyth, Mr. Howard, Mr. Lenz, Mr. Livingston, 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 Police Training Institute/ Continuing Education, Hillside, Illinois

(36) The President of the University, with the concurrence of appropriate administrative officers, recommends entering into an agreement to lease 11,985

gross square feet in a building located at 240 Fencil Lane, Hillside, for the Police Training Institute and the Office of the Associate Vice President for Public Service.

The lease would be for the period September 1, 1976, through June 30, 1977, at a monthly rental of \$5,583.33 including all necessary remodeling and complete maintenance and repair of the building, janitorial services, trash removal, and city water — with the provision that the University pay the cost of electricity for heating, air conditioning, and general electrical requirements. The agreement further provides an option for the University to extend the lease for two single-year periods upon the same terms and conditions.

Funds are available from the Police Training Institute and will be recovered through charges to registrants and from the Office of the Associate Vice President for Public Service — Field Staff Account.

The student advisory vote was: Aye, Mr. Conlon, Mr. Matthews, Mr. Volgman; 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.

Designation of University Officers for Facility Security Clearance

(37) Officials of United States governmental agencies have requested the Board of Trustees to designate by formal action the trustees and officers of the Board who do not require access to classified information and who therefore shall not have the authority and responsibility for negotiation, execution, and administration of contracts with the United States of America and its agencies and all of the duties and responsibilities pertaining to the protection of classified information. The following resolution is offered in the form requested by the agencies, and its adoption is recommended.

Resolution

Whereas, it has been brought to the attention of the Board of Trustees of the University of Illinois with its principal office and place of business in the City of Urbana, State of Illinois, that in connection with a Facility Security Clearance, the Chief Executive Officer and those other officers or officials who are specifically and properly designated by action of the Board of Trustees in accordance with the Institution's requirements as the managerial group having authority and responsibility for the negotiation, execution, and administration of User Agency contracts and delegated all of the duties and responsibilities of the Board of Trustees pertaining to the protection of classified information are required to be cleared by the Department of Defense; and

Whereas, if because of this delegation the Board will not be in a position to affect adversely the performance of classified contracts, other officers or trustees who shall not require access to classified information in the conduct of the University's business and who do not occupy positions that would enable them to affect the University's policies or practices in the performance of classified contracts are not required to be cleared, provided the Board of Trustees by formal action affirms and makes a matter of record in the organization's minutes of that executive body, that

Resolved: The following named officers, officials, and trustees shall not require, shall not have, and can be effectively excluded from, access to all classified information in the possession of the University and do not occupy positions that would enable them to affect adversely the Univer-

sity's policies or practices in the performance of classified contracts or programs for the User Agencies:

<i>Name</i>	<i>Title</i>	<i>Citizenship</i>
WALKER, DANIEL	Governor of Illinois	US
FORSYTH, WILLIAM D., JR.	Trustee	US
HAHN, RALPH C.	Trustee	US
HOWARD, GEORGE W., III	Trustee	US
LENZ, ROBERT J.	Trustee	US
LIVINGSTON, PARK	Trustee	US
MANCHESTER, R. R.	Treasurer	US
RADER, JANE HAYES	Trustee	US
SHEPHERD, NINA T.	Trustee	US
VELASQUEZ, ARTHUR	Trustee	US
CONLON, ROBERT K.	Nonvoting Student Trustee	US
MATTHEWS, DAVID G.	Nonvoting Student Trustee	US
VOLGMAN, KEITH A.	Nonvoting Student Trustee	US

Be It Further Resolved: The following officers of the Board of Trustees and of the University of Illinois be and hereby are designated as the managerial group having the authority and the responsibility for the negotiation, execution, and administration of User Agency contracts and all of the duties and responsibilities pertaining to the protection of classified information: President, Secretary, and Comptroller of the Board of Trustees of the University of Illinois; and President, Vice President for Administration, and University Counsel of the University of Illinois.

On motion of Mr. Howard, the foregoing resolution was adopted.

Amendment to Authorization to Make Purchases through the Illinois Educational Consortium

(38) At its April 16, 1975, meeting, the Board of Trustees adopted a resolution authorizing the Illinois Educational Consortium for Computer Services (now known as the Illinois Educational Consortium) to act as the University's agent in preparing specifications, advertising, receiving, opening, tabulating, and evaluating competitive bids for commodities, equipment, and services as might be designated from time to time by the University Director of Purchasing. The purpose of the resolution was to facilitate joint purchases with other State institutions of higher education where high-volume purchasing is deemed advantageous and economical. Under the terms of the resolution, bids are accepted or rejected and contracts are to be awarded by and in the name of the Board, in accordance with procedures "heretofore or hereafter established by the Board."

The delays and uncertainty caused by the disparity in the method and timing of purchase approvals of the four governing boards have caused some vendors to hedge their bids. This problem is particularly related to the short period in which efficient, market-sensitive collective bidding activities can take place prior to the beginning of the universities' fiscal period. By amending the resolution of April 16, 1975, the University can take greater economic advantage of the collective procurement economies provided, while still maintaining its independence in and control of procurement.

A similar amended resolution was approved by the Board of Trustees of Southern Illinois University on July 8, 1976, and is included in the agenda of the Board of Governors of State Colleges and Universities and the Board of Regents of Regency Universities for their regular meetings on July 29, 1976.

The Vice President for Administration and the University Director of Purchasing have recommended that purchases or contracts for commodities listed in Appendix 1 (see below) be exempt from the requirement of specific Board approval and that the Vice President be authorized to accept or reject bids and award contracts on behalf of and in the name of the Board, with the understand-

ing that all such purchases and contracts in excess of \$7,500 will be reported to the Board of Trustees.

I concur and recommend approval of the recommendation and of the amended resolution submitted herewith.

(Following is a copy of the amended resolution showing the original wording and changes thereto.)

Resolution

Amended July 21, 1976¹

Whereas, the several Illinois public universities have heretofore established a not-for-profit corporation under the laws of the State of Illinois known as the Illinois Educational Consortium [for Computer Services] (hereinafter referred to as "IEC[CS]") and the Board of Trustees of the University of Illinois (hereinafter referred to as the "Board") has by resolution adopted on July 19, 1972, joined the IEC[CS] as a participating member;

Whereas, the IEC[CS] has heretofore established a Purchasing Division for the purpose of providing assistance in the cooperative and joint purchasing of commodities, equipment, and services by the several Illinois public universities; and

Whereas, it is the desire of the Board to participate in the benefits and economies of joint and cooperative purchasing of commodities, equipment, and services through the utilization of the services of IEC[CS];

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

1. IEC[CS] is authorized, as agent and on behalf of the Board, to prepare specifications, advertise, receive, open, tabulate, and evaluate competitive bids for such commodities, equipment, and services as may from time to time be designated by the University Director of Purchasing of the University of Illinois. In all such activities IEC[CS] shall identify the Board as its principal.
2. IEC[CS] shall report to the Board all of IEC[CS]'s activities as such agent, its evaluation of the bids received, and its recommendations for awards of contracts. Bids shall be accepted or rejected and contracts shall be awarded by and in the name of the Board in accordance with procedures heretofore or hereafter established by the Board. *Generic commodities as listed in Appendix 1 dated July 21, 1976, purchased or contracted for in the IEC collective bid process shall be exempt from the requirement of specific Board approval and the Vice President for Administration is authorized to accept or reject bids and award contracts on behalf of and in the name of the Board, with the understanding and direction that all such purchases and contracts in excess of \$7,500 will be reported to the Board of Trustees. Changes (additions or deletions) in the list of generic commodities may be made from time to time based on specific recommendation to and approval of the Board.*
3. All advertising, receiving, opening, recording, and tabulating of bids by IEC[CS] and the award of any contract shall be in accordance with the *Regulations Governing Procurement and Bidding at State Systems Universities in Illinois* heretofore adopted by the Board, and in accordance with the provisions of the laws of the State of Illinois, including the "Illinois Purchasing Act," as either of the same may be amended from time to time.
4. This Resolution shall remain in effect until modified or rescinded by the Board.

¹ New material is in italics; deleted material is in brackets.

Appendix 1

IEC-Approved Generic Commodities

- CB-A Furnitures and Furnishings Group
 - CB-A-1 Office, standard, steel
- CB-B Medical-Dental-Pharmacy Group
 - CB-B-2 Gloves, surgeon
 - CB-B-4 Film, x-ray
- CB-C Office Supply Group
 - CB-C-1 Calendars, pads, and bases
 - CB-C-2 Correction fluid and thinner
 - CB-C-3 Envelopes, plain
 - CB-C-4 Folders, manila and vertical
 - CB-C-5 Cards, index and guide
 - CB-C-6 Sheet protectors
 - CB-C-7 Staplers, staples, and staple removers
 - CB-C-8 Envelopes, printed
 - CB-C-9 Indexes, ringbook
 - CB-C-10 Folders, hanging
- CB-D Operations Maintenance Group
 - CB-D-1 Lamps, large
 - CB-D-2 Filters, air and media
 - CB-D-4 Toilet tissue
 - CB-D-5 Lamps, photographic/projection
- CB-E Paper-Forms-Tapes Group
 - CB-E-1 Papers, cut, plain duplicator, xerographic, etc.
 - CB-E-2 Cards, tabulating
 - CB-E-3 Forms, standard stock tabulating
 - CB-E-4 Tape, computer
 - CB-E-5 Tape, audio
 - CB-E-6 Tape, video
 - CB-E-7 Labels, pressure sensitive, continuous
- CB-F Scientific/Laboratory Group
 - CB-F-1 Glassware, laboratory, borosilicate
 - CB-F-2 Chemicals, laboratory

On motion of Mr. Hahn, these recommendations were approved, and the foregoing resolution was adopted.

RECESS AND EXECUTIVE SESSION

President Neal announced that an executive session had been requested and would be convened at this point inasmuch as one or more Trustees had commitments to leave the regular meeting early.

Following a short recess, the Board reconvened in executive session and considered the following items of business relating to acquisition of property and pending litigation:

Acquisition of 1004 West Oregon Street, Urbana

(39) 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 1004 West Oregon Street, Urbana, at a price of \$46,250, 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.

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 operating budget of the Division of Campus Parking and Transportation.

Funds through June 30, 1977, are available in the budget of the Division of Parking and Transportation, 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. Matthews, Mr. Volgman; no, none.

On motion of Mr. Velasquez, the purchase of this property at the price indicated was 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.

Acquisition of 1204½ West California Avenue, Urbana

(40) The Board of Trustees on January 21, 1976, authorized the acquisition of 1204½ West California Avenue, Urbana, through condemnation proceedings. Funds were reappropriated to the Capital Development Board for this acquisition as a part of the Medical Sciences Building project. A recent audit by the Capital Development Board revealed that the funds for the acquisition of this land are not currently available. The Capital Development Board has requested that the University include these funds in its FY 1978 capital budget request.

A judgment order has been entered in the Circuit Court of the Sixth Judicial District fixing the award for the property at \$35,000. It is recommended that the Board of Trustees request the University of Illinois Foundation to pay the amount of said award in accordance with the terms of said judgment order and other incidental costs of acquisition and lease the property to the University at a rental sufficient to pay the interest on a bank loan to finance the acquisition until the University has funds for its acquisition. Title to the property would be conveyed to the Foundation.

The President of the University, with the concurrence of appropriate administrative officers, recommends adoption of the following resolution in accordance with the above:

Resolution Regarding Milum Property Located at 1204 ½ West California Avenue, Urbana, Illinois

Whereas the Judgment Order of the Circuit Court of the Sixth Judicial District, Champaign County, Illinois, entered in the condemnation case entitled "The Board of Trustees of the University of Illinois, a public corporation, Petitioner, vs. Nellie R. Milum (formerly Nellie R. Meenach) and Robert J. Milum, Defendants," No. 76-L-339, under date of June 17, 1976, provides that upon payment to the County Treasurer of Champaign County, Illinois, of the amount of the award in the sum of Thirty-five Thousand Dollars (\$35,000.00) title to the Milum Property hereinafter described shall vest in this public corporation; and

Whereas this public corporation desires that the University of Illinois Foundation, a not-for-profit corporation of the State of Illinois, pay the amount of said award in accordance with the terms of said Judgment Order and lease said Milum Property to this public corporation and under the terms of which lease this public corporation shall be granted an option to purchase said Milum Property; and

Whereas it is contemplated the University of Illinois Foundation at a meeting of its Board of Directors to be held on August 5, 1976, will

authorize such payment to be made and such lease with option to be entered into upon title to said Milum Property being conveyed by this public corporation to it.¹

Now, Therefore, Be It, and It Hereby Is, Resolved by the Board of Trustees of the University of Illinois, a public corporation of the State of Illinois, that upon payment of said award in accordance with the terms of said Judgment Order by the UNIVERSITY OF ILLINOIS FOUNDATION, that the Comptroller and the Secretary of this public corporation be, and they hereby are, authorized and directed, to execute, acknowledge, and deliver, in the name, and in behalf of, this public corporation and under its Corporate Seal, a Warranty Deed and such other documents in connection therewith as said Comptroller and Secretary may deem necessary or desirable in order to convey to UNIVERSITY OF ILLINOIS FOUNDATION title to the property hereinabove referred to as Milum Property and described as follows, viz.:

All that part of the West Seventy (70) feet of Lot Thirteen (13) and the South Four (4) feet of the West Seventy (70) feet of Lot Fourteen (14) of Nina B. Bronson's Subdivision of Block One (1) of Nina B. Bronson's Subdivision of part of the East One-Half (E ½) of the Southwest Quarter (SW ¼) of the Northeast Quarter (NE ¼) of Section Eighteen (18), Township Nineteen North (T 19 N), Range Nine East (R 9 E), of the Third Principal Meridian, in the City of Urbana, County of Champaign, and State of Illinois, said subdivision Plat appearing of record in Book "C," page 140, in the Recorder's Office of Champaign County, Illinois; described as follows:

Commencing on the North line of California Street Twenty-eight and Twenty-one Hundredths (28.21) feet East of the Southwest corner of Lot Thirteen (13) aforesaid; thence running in a Northerly direction Twenty and Ninety-five Hundredths (20.95) feet to the center line of the party wall and parallel to the West line of said Lot Thirteen (13); thence in an Easterly direction Two and Thirty-three Hundredths (2.33) feet along the center line of said party wall; thence in a Northerly direction Twelve and Eighty-seven Hundredths (12.87) feet along the center line of the party wall; thence in an Easterly direction One and One-Tenth (1.1) feet along the center line of the party wall; thence in a Northerly direction Four and Three-Tenths (4.3) feet along the center line of the party wall; thence Westerly One and One-Tenth (1.1) feet along the center line of the party wall; thence in a Northerly direction Seventeen and Twenty-three Hundredths (17.23) feet along the center line of the party wall; thence Westerly Five and Thirty-two Hundredths (5.32) feet along the center line of the party wall to a point Twenty-five and Forty-eight Hundredths (25.48) feet from the West line of Lot Thirteen (13); thence in a Northerly direction and parallel to the said West line of Lot Thirteen (13), Seventeen and Sixty-five Hundredths (17.65) feet to the North line of the South Four (4) feet of the West Seventy (70) feet of Lot Fourteen (14) of said Nina B. Bronson's Subdivision of Block One (1) aforesaid; thence in an Easterly direction along the North line of said South Four (4) feet of the West Seventy (70) feet of said Lot Fourteen (14) a distance of Twenty and Eighteen Hundredths (20.18) feet, thence in a Southerly direction along a line parallel with the said West line of Lot Thirteen

¹ Authorization was subsequently given.

(13), a distance of Seventeen and Eight-Tenths (17.8) feet to the center line of the party wall, thence in a Westerly direction Four and Eight Hundredths (4.08) feet along the center line of the party wall, thence in a Southerly direction Thirty-four and Twenty-five Hundredths (34.25) feet along the center line of said party wall or a continuation of the same, thence in an Easterly direction Two and Twelve Hundredths (2.12) feet along the center line of said party wall; thence in a Southerly direction Twenty and Ninety-five Hundredths (20.95) feet to the North line of California Street, thence in a Westerly direction Fifteen and Twenty-one Hundredths (15.21) feet along the North line of California Street to the place of beginning, situated in the City of Urbana, in Champaign County, Illinois.

The student advisory vote was: Aye, Mr. Conlon, Mr. Matthews, Mr. Volgman; no, none.

On motion of Mr. Howard, the foregoing resolution 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.

Land for University of Illinois—Willard Airport¹

(41) The Board of Trustees on January 21, 1976, authorized the acquisition of approximately 18.76 acres of land at the southeast end of Runway 13-31 of the University of Illinois—Willard Airport through condemnation proceedings. In that action it was reported that funds from the Federal Aviation Administration and State Department of Transportation, Division of Aeronautics, were available to reimburse the University for this purchase and that the University of Illinois Foundation would provide interim financing and lease the property to the University at a rental sufficient to pay the cost of such financing.

A judgment order has been entered in the Circuit Court of the Sixth Judicial District fixing the award for the property at \$50,500. It is recommended that the Board of Trustees request the University of Illinois Foundation to pay the amount of said award in accordance with the terms of said judgment order and other incidental costs of acquisition and lease the property to the University at a rental sufficient to pay the interest on a bank loan to finance the acquisition until the University has funds for its acquisition. Title to the property would be conveyed to the Foundation.

The President of the University, with the concurrence of appropriate administrative officers, recommends adoption of the following resolution in accordance with the above:

Resolution Regarding Heller Property Located near Southeast End of Runway 13-31, University of Illinois—Willard Airport, Parcel 11-3-B

Whereas the Judgment Order of the Circuit Court of the Sixth Judicial District, Champaign County, Illinois, entered in the condemnation case entitled "The Board of Trustees of the University of Illinois, a public corporation, Petitioner, vs. Helen Heller, et al., Defendants," No. 76-L-340, under date of June 25, 1976, provides that upon payment to the County Treasurer of Champaign County, Illinois, of the amount of the award in the sum of Fifty Thousand Five Hundred Dollars

¹The improvement program is limited to the objectives 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.

(\$50,500.00) title to the Heller Property hereinafter described shall vest in this public corporation; and

Whereas this public corporation desires that the University of Illinois Foundation, a not-for-profit corporation of the State of Illinois, pay the amount of said award in accordance with the terms of said Judgment Order and lease said Heller Property to this public corporation and under the terms of which lease this public corporation shall be granted an option to purchase said Heller Property; and

Whereas it is contemplated the University of Illinois Foundation at a meeting of its Board of Directors to be held on August 5, 1976, will authorize such payment to be made and such lease with option to be entered into upon title to said Heller Property being conveyed by this public corporation to it;¹

Now, Therefore, Be It, and It Hereby Is, Resolved by the Board of Trustees of the University of Illinois, a public corporation of the State of Illinois, that upon payment of said award in accordance with the terms of said Judgment Order by the UNIVERSITY OF ILLINOIS FOUNDATION, that the Comptroller and the Secretary of this public corporation, be, and they hereby are, authorized and directed, to execute, acknowledge, and deliver, in the name, and in behalf of, this public corporation and under its Corporate Seal, a Warranty Deed and such other documents in connection therewith as said Comptroller and Secretary may deem necessary or desirable in order to convey to the UNIVERSITY OF ILLINOIS FOUNDATION title to the property hereinabove referred to as Heller Property and described as follows, viz.:

Commencing at the Northeast Corner of the Southwest Quarter of Section (11), Township Eighteen (18) North, Range Eight (8) East of the Third Principal Meridian, Champaign County, Illinois; thence S 00° 43' 38" E along the East line of the Southwest Quarter of said Section 11, 1270.40 feet to the Southwesterly boundary line of the University of Illinois-Willard Airport for a true place of beginning; thence S 00° 43' 38" E along the East line of the Southwest Quarter of said Section 11, said line also being the Southwesterly boundary line of the University of Illinois-Willard Airport, 542.68 feet; thence N 44° 19' 14" W, 2566.08 feet to the North line of the Southwest Quarter of said Section 11, said line also being the southerly boundary line of the University of Illinois-Willard Airport; thence S 89° 15' 25" E along the North line of the Southwest Quarter of said Section 11, said line also being the Southerly boundary line of the University of Illinois-Willard Airport, 530.97 feet to the Southwesterly boundary line of the University of Illinois-Willard Airport; thence S 44° 17' 38" E along the Southwesterly boundary line of the University of Illinois-Willard Airport, 1797.18 feet, more or less, to the place of beginning, said tract containing 18.76 acres, more or less, all situated in the County of Champaign and State of Illinois.

The student advisory vote was: Aye, Mr. Conlon, Mr. Matthews, Mr. Volgman; no, none.

On motion of Mr. Livingston, the foregoing resolution 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.

¹ Authorization was subsequently given.

Litigation Relating to Activities of Registered Student Organizations, Urbana

(42) A complaint for money damages and injunctive relief has been filed in the Circuit Court of Cook County (Case No. 76 CH 3958) by Donna Wolske and Lincolnland Illinois Company. The defendants include the University, each elected member of the Board of Trustees, and President Corbally, individually and personally. Additional named defendants are Marvin Gerstein (alleged to be "an attorney for an approved and recognized and University-supervised student organization, the 'University of Illinois Student Legal Service'"), the Student Legal Service, University of Illinois, and the Champaign-Urbana Tenant Union.

The complaint is in nine counts, each alleging the commission of an "actionable prima facie tort against the plaintiff by the defendants" and seeking money damages of \$100,000 from defendant Gerstein, and of \$5,000 from each and every other defendant "who is a real person." In addition, injunctive relief against all defendants is requested. An injunction is sought against Marvin Gerstein to prevent him from representing certain students at the University of Illinois, from styling himself under designations which imply endorsement or support by the University, and from filing certain lawsuits. An injunction is also sought against the University and the other defendants to prohibit the recognition, as an "approved" student organization, of any group which claims as its dominant purpose "vexatious and malicious litigation," or which encourages and supports the filing of litigation "supervised and directed from University of Illinois offices, buildings, phones, and related support services," or which acts in concert with the Student Legal Service, including the Champaign-Urbana Tenant Union, and to prevent the Trustees from recognizing the tenant union for the purpose of extending "taxpayer supported funds and facilities to the legal service and tenant union."

The complaint alleges that the Student Legal Service operates as an approved student organization and that the University provides to it and to Marvin Gerstein certain tax-supported amenities, including free office space, access to funds generated on University premises through student-supported fund-raising efforts and fee-generating services, free telephone service, and access to University-owned business machines, offices, and desks. It is alleged that the funds of said Student Legal Service are under the direct control and supervision of the University. It is alleged that the Student Legal Service and defendant Gerstein have used and been the direct beneficiary of "tax exempt state owned and controlled facilities in the furtherance of any actions, activities, and related ventures in which they have engaged." It is alleged that the Trustees and the Board have improperly permitted the Student Legal Service and defendant Gerstein to use the University of Illinois name and to file a multiplicity of lawsuits against plaintiff and others. It is further alleged that the defendant Gerstein has been convicted on a felony charge and that his legal defense fees "have been paid from student funds appropriated through University channels for the benefit of said legal service."

The complaint also alleges that neither the Student Legal Service nor the Champaign-Urbana Tenant Union is a bona fide student organization. It is alleged that the Tenant Union has engaged in the unauthorized practice of law "by representing students in landlord and tenant matters and encouraging them to break leases and bring law suits against landlords." It is stated that the Tenant Union has acted as a feeder organization for the Student Legal Service and has encouraged students to file "free" lawsuits against landlords in the Champaign-Urbana area. It is further alleged that the Board and the Trustees were negligent in permitting Mr. Gerstein and the two organizations to conduct their activities on "taxpayer supported property and premises," and have breached their fiduciary duty to parents of University students and to the taxpayers of the State of Illinois.

The University Counsel has recommended that he be authorized to take such steps as are necessary or appropriate, including the employment of special counsel,

to protect the interests of the University in this matter and to provide representation of members of the Board of Trustees and President Corbally, as they may request.

I concur.

The student advisory vote was: Aye, Mr. Conlon, Mr. Matthews, Mr. Volgman; no, none.

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

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

(See also minutes of Executive Session of June 16, 1976)

This subject was discussed at the June meeting, but was reviewed again inasmuch as three members of the Board were absent from that meeting. Mr. Neal asked Vice President Brady to summarize the proposal (described in detail in the minutes of the June 16 meeting), and the Trustees again discussed it, indicating general support for the idea, although again there were expressions of reservation (from Mrs. Shepherd and others) concerning the timing and public interpretation of the proposal. Although no action by the Board of Trustees is necessary or requested, Mr. Brady stated that the University of Illinois Foundation would not want to act without knowledge of a consensus of the Board of Trustees.

Mr. Neal indicated his interpretation of the discussion to be that a consensus of the Board was supportive of the action to be recommended to the Foundation.

OPEN MEETING RECONVENED

Purchases

(43) The President submitted, with his concurrence, a list of purchases recommended by the Directors of Purchases and the Vice President for Administration. Also submitted was a list of purchases based on collective bids taken by and the recommendations of the Illinois Education 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:

<i>Appropriated Funds</i>		
Recommended	\$	15 440 50
<i>Institutional Funds</i>		
Recommended	\$1 984 759 64	
Recommended (IEC)	751 545 93	
<i>Total</i>		2 736 305 57
<i>Grand Total</i>		\$2 751 746 07

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. Matthews, Mr. Volgman; no, none.

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

Report of Purchases Approved by the Vice President for Administration

(44) 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

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

Chicago Circle

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
City of Chicago, Committee on Urban Opportunity 40553	Public service employment program	\$ 17 533
Illinois Law Enforcement Commission	Delivery of social services in a coordinated manner with institutional legal services for prisoners	35 838
Jefferson Medical College of Thomas Jefferson University	Use of sintered titanium as the end attachments for an active gliding tendon prosthesis	10 010
Mathematica Policy Research	Analysis of the Gary Income Maintenance Experiment	83 831
Northeastern Illinois Planning Commission	Development of a geographic information system for the Chicago standard metropolitan area	10 000
State of Illinois Department of Public Aid	Adjustment of caseload areas to conform with revised caseload size standards and identification of Spanish caseload areas for development of a bilingual/case-work staff	35 000
United States Air Force: AFOSR-76-3050	Statistical designs and pattern recognition	21 507
F33615-76-C-0506	Scaling, validation, and extension of the head-spine model	59 586
<i>Total</i>		<u>\$ 273 305</u>

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
United States Energy Research and Development Administration E(11-1)2324	Study of simple reactions using high energy protons from ANL-ZGS	\$ 20 000
<i>Total</i>		<u>\$ 20 000</u>

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Tal Rauhoff, Inc.	Cost-plus contract — general work: Repair exterior concrete and stairs, install wheelchair ramps, and patch roofs in various buildings	\$ 20 500
	Repair roofs and roof deck flashings, coping, joints, structural cracks, leaks, and waterproof walls on various buildings	12 900
<i>Total</i>		<u>\$ 33 400</u>

Medical Center

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
National Foundation, March of Dimes C-218	Birth defects medical service program	\$ 9 906
State of Illinois, Department of Public Aid	Facilitate referral to and follow-up with those community resources which provide Title XX service programs	250 000
State of Illinois, Department of Public Health No. 7032	Provide computer time for data analysis and tabulated printouts in connection with the Emergency Medical Services Program	25 000
United States Public Health Service NIH N01 CM67090	Isolation of antineoplastic agents from plants	338 250
<i>Total</i>		\$ 623 156

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
United States Department of Health, Education, and Welfare: N01 CP 43318	Studies of the molecular mechanism of carcinogenesis by oncogenic viruses	\$ 119 418
N01 CP 43345	Supply of fresh sterile human specimens from neo-plastic material for cancer research	57 309
<i>Total</i>		\$ 176 727

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Nu-Way Contracting Corporation	Cost-plus contract — heating, process piping, refrigeration, and temperature control; Install new humidifier and coil on the Biological Resources Laboratory	\$ 10 152
Reliable Sheet Metal Works, Inc.	Cost-plus contract — ventilation work; Remodel air supply system in the Biological Resources Laboratory	10 350
Tal Rauhoff, Inc.	Cost-plus contract — general work: Window renovation on floors 1, 2, and 3 in the Public Health Building	9 010
	Install mail bag receiving and shipping conveyor with power positioning mechanism in the University of Illinois Hospital	13 242
	Corrective repairs to the window wall construction on the north elevation of the Administrative Office Building	10 706
	Erect a temperature-controlled room on the 7th floor of the Second Unit, Dentistry-Medicine-Pharmacy Building	12 876
	Paint finish on interior wood surfaces of newly installed windows in staff apartments	12 013
	Remodel autopsy amphitheater in Second Unit, Dentistry-Medicine-Pharmacy Building	15 145
<i>Total</i>		\$ 93 494

Urbana-Champaign

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
The AOPA Air Safety Foundation	Develop a flight instructor refresher course	\$ 23 232
Champaign County Regional Planning Commission No. 273	Community values in Champaign County	8 000
Davis, Miner, and Barnhill 9366	Technical conduct of survey work on applications for apprenticeship to the International Brotherhood of Electrical Workers	6 100
Northeastern Illinois Planning Commission 76 C-115	Sediment oxygen demand determinations for major streams in northeastern Illinois	78 440

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
State of Illinois, Department of Mental Health 625-02	Effects of anticonvulsant drugs with the developmentally disabled	\$ 15 260
Union Carbide Corporation 7076	Provide advisory and consultant services to the Oak Ridge National Laboratory	24 193
United States Army: DAAA 21-76-C-0226	Analyze dynagun test results in order to determine appropriate procedures to assess actual gun muzzle velocity variations	29 000
DAAG 29-76-G-0278	Phase instability during fatigue of stainless steel	57 855
Construction Engineering Research Laboratory	Research in the area of fracture mechanics and applicability to criteria for weldments	7 638
	Development of the Facilities Engineering Energy Information System	6 777
	Research in automatic control system for military installation	5 015
	Research in the area of energy systems for military facilities	24 817
	Research in acoustical engineering	33 756
	Development of computer-aided architectural techniques	37 284
United States Energy Research and Development Administration E(11-1) 2893	Identification of technological changes that transpired since base data model for industrial energy conservation programs	100 000
University of California 1281903	Investigation on the stability of a moving front displacement in porous media	9 956
<i>Total</i>		<hr/> \$ 467 323

Change Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
Agency for International Development AID/CM/pha-C-73-16	Computer-assisted instruction in population dynamics	\$ 86 773
The Country Companies	Investigate the use of aerial photography to assess hail damage	32 532
Macon Mosquito Abatement District	Macon County Mosquito Abatement Project	8 970
Maple Leaf Farms, Inc.	Studies of duck hepatitis vaccination	15 000
National Aeronautics and Space Administration NSG 3008	Analysis of the structure of blast waves from accidental explosions	45 000
United States Air Force AFOSR-73-2570	Control strategies for complex systems for use in aerospace avionics	67 225
United States Department of Agriculture 12-14-100-5665(81)	Plant pest control	6 000
United States Energy Research and Development Administration: E(11-1) 2234	Develop the techniques of generation and control of cryogenic material particles for use on fusion systems	30 000
E(11-1) 2424	Electric power generation from nuclear energy	12 500
<i>Total</i>		<hr/> \$ 304 000

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: Construction of a storage shed west of the Physical Plant Service Building	\$ 19 500
Reliable Plumbing and Heating Company	Cost-plus contract — heating, piping, and refrigeration work: Retubing of steam absorption machine at Turner Hall	8 000
<i>Total</i>		<hr/> \$ 27 500

Renewal Leases

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Illinois Central College	Lease of 4,400 square feet of Stevenson Hall, Route 24, East Peoria, Illinois, for the period July 1, 1976, to June 30, 1977	\$ 14 300
Illinois Realtors Plaza	Lease of a portion of the third floor of the Illinois Realtors Plaza building, 3180 Adloff Lane, Springfield, Illinois, for the period July 1, 1976, to June 30, 1977	8 880
<i>Total</i>		<hr/> \$ 23 180

Summary

Amount to be paid to the University:	
Chicago Circle.....	\$ 293 305
Medical Center.....	799 883
Urbana-Champaign.....	771 323
<i>Total</i>	<u>\$1 864 511</u>
Amount to be paid by the University:	
Chicago Circle.....	\$ 33 400
Medical Center.....	93 494
Urbana-Champaign.....	50 680
<i>Total</i>	<u>\$ 177 574</u>

This report was received for record.

Self-Insurance of Public Liability, Professional Liability, and Workmen's Compensation

History

(46) Tort liability claims against the University and its employees have been met principally through the University's purchase of liability insurance which provided coverage for both the University and its employees. The insurance policies covered the expense of claims investigation, legal defense, and the cost of settlements and awards of the courts, up to policy limits.

Currently, the premium on the policy which expires August 1, 1976, totals \$605,850 with policy limits of \$1,000,000 per occurrence for general liability coverage, and of \$500,000 aggregate losses per year for medical malpractice coverage. Bids were requested in June 1976 for quotations on public and professional liability insurance, and only two bids were received. The bids were rejected because the cost was excessive and did not provide the required coverage.

Prior to the purchase of general liability insurance in July 1967 all claims against the University were administered by the Committee on Accident Compensation which still exercises this authority except when insurance has been available to respond to the claims. The Committee on Accident Compensation is authorized to approve expenditures for public liability and workmen's compensation claims against the University from the Workmen's Compensation Reserve Fund and line-item State appropriation(s). The committee presently has no authority to act on questions of indemnification of University employees.

State Appropriation

A State appropriation has been made annually to the University for the purpose of covering University tort liabilities and workmen's compensation claims of employees paid through State appropriations. This appropriation will be used for claims against the University or for supplementation of the Workmen's Compensation Reserve Fund.

Workmen's Compensation Reserve Fund

The purpose of this fund is to cover the workmen's compensation liability the University incurs through performance of contracts with the state and federal governments, private gifts, grants, and the operations of auxiliary enterprises. The contracts and the operations of the auxiliary enterprises are assessed a percentage of the salaries paid to employees, and such assessments are deposited in the Workmen's Compensation Reserve Fund to cover current and future liabilities.

Proposal

With the exceptions identified below under the heading Commercial Insurance, it is proposed to expand the self-insurance program (now relating only to workmen's compensation) to provide for the administration and funding of workmen's compensation, public liability, and professional liability (malpractice) risks.

Outline of Program

The University will replace the funding of claims and the administrative services provided by the commercial insurance companies with a risk financing program which would include:

1. Retention of risk within financial capability by setting self-insurance limits as determined by the normal loss levels.
2. Solicitation of outside loss control and claim-adjusting services through insurance companies or from others on a "fixed fee" or a "cost-plus" basis.
3. Creation of a self-insured fund to stabilize the cost of risk.
4. Protection against "catastrophe" through the purchase of insurance in excess of self-insured limits, if economically feasible.

Administration

It is proposed that the Committee on Accident Compensation, which is appointed by the President, assume the responsibility of evaluating all hospital, medical malpractice, and all other types of tort claims against the University and its employees not covered by other insurance contracts. Under this proposal, the committee will include members as listed below.¹

The administration of risk management and of each of the three funds as described below is the responsibility of the Vice President for Administration who, on the advice of the Committee on Accident Compensation, will establish the amounts to be assessed and authorize expenditures from the funds for individual claims up to the limit of his authority to contract for the University, presently \$10,000. Expenditures in excess of the Vice President for Administration's authority will be submitted to the Board for approval.

Reserve Funds

Financing amounts will be assessed and deposited in three reserve funds. The amounts assessed for each type of exposure (public liability, professional liability, and workmen's compensation) will be designed to fund, to the extent feasible, the accrued liability and the cost of services which were previously provided by the insurance companies and the previous self-insurance program. This will require an increase in the charges to the accounts currently assessed the insurance premiums for public and professional liability insurance, which premiums are paid from funds other than State appropriations (except for the continuing automobile coverage). Given the anticipated substantial expenditures for claims and loss prevention services, an increase in the assessments from State and Federal contracts, auxiliary enterprise units, et al., will be necessary as well.

An illustration of the funding required, anticipated claim experience, and administrative expense is provided in an exhibit (filed with the Secretary).

Self-Insurance Funding and Commercial Insurance

A. Public Liability

The assessment for the Public Liability Reserve Fund will provide \$100,000 initially and will be increased annually as feasible.

B. Professional Liability

The Professional Liability Fund will provide an initial source of \$900,000 and will be increased annually as feasible. Representatives of the Medical Service Plan have agreed and recommended that an additional \$1,000,000 be made available from the Medical Service Plan for professional liability claims against participants in the Medical Service Plan, subject to the approval of the Board of Trustees, if the Professional Liability Reserve for malpractice

¹ The Committee on Accident Compensation will include a member of the University Counsel's Office; Vice Chancellor for Health Services, Medical Center campus; Executive Dean, College of Medicine, Medical Center campus; Administrator, University of Illinois Hospital, Medical Center campus; a member of a Medical Service Plan Review Committee, Medical Center campus; and other members as appointed by the President.

claims should be exhausted. Interest accruing on the additional \$1,000,000 or on the unexpended balance thereof shall revert to the Medical Service Plan Unassigned Account.

C. Workmen's Compensation Claims

1. State Appropriation:

Workmen's compensation and public liability claims against the University which are within the scope of operations covered by this appropriation will be charged to this source.

2. Workmen's Compensation Reserve Fund:

Workmen's compensation claims arising from the operations under State, Federal, and private grants and contract and auxiliary enterprises will be charged to the fund.

D. Commercial Insurance

The University will continue to be insured under the following liability insurance policies:

Aviation and Airport Liability

Automobile Liability

Directors and Officers Liability

Nuclear Reactor Liability

Specific excess insurance (stop loss) will be sought which will limit the exposure for the payment on any single liability or workmen's compensation claim paid from the Reserve Funds to a stipulated amount. Insurance (annual aggregate excess) will also be sought which would limit the University's total liability for all claims incurred during a year. The market for this insurance is very limited and may not be immediately available at a reasonable cost.

Loss Control Services

The existing resources within the University will be applied to promote loss prevention and loss control programs. The physical facilities should be under rigid inspection for fire prevention, public safety, sanitation, radiation hazards, etc. The health professions peer review committees will continue actively to monitor the handling of patients and the medical practices within the University.

The services of a professional loss prevention firm should be employed under a contract to audit the effectiveness of the University's loss control and loss prevention program.

Investigation and Negotiation of Claims

All incidents will be carefully reviewed to determine if there is any possibility of a future claim. Incidents which could result in any loss, even without apparent fault, will be thoroughly investigated to be certain an adequate defense can be maintained if the potential claimant should ever file a claim. All incidents which involve an error or negligence will be immediately investigated and the liability estimated.

It is recommended that a contract be entered into with:

Employers Self Insurance Service, Inc. (ESIS, Inc.)

Annual claims service fee: Minimum of \$21,735 plus \$295 for each claim after the first sixty-five claims.

Deposit premium to a trust fund of \$7,500.

Loss Control Service: \$9,475 — This fee includes twenty-five days of hospital malpractice services and six days facilities inspection service.

This contract should provide for the services specified effective August 1, 1976, to August 1, 1977. The firm could also serve in the negotiation of the settlement of claims. The authorization for settlements would be subject to the recommendation of the Accident Compensation Committee with the approval of the Vice President for Administration or the Board of Trustees as applicable.

Legal Defense

The selection and control of legal actions and attorney(s) representing the University or its employees is the responsibility of the University Counsel and the expenses involved, in consultation with the Vice President for Administration, would be charged to the reserve funds.

Claims against University Trustees, Officers, Employees, and Certain Students

Recommendations are being developed to define criteria for disposition or payment of claims asserted against University Trustees, officers, employees, and certain students for actions taken by them within the scope of their University duties, relationships, or employment. Pending further action by the Board of Trustees, it is proposed that the Public Liability Reserve Fund and the Professional Liability Fund be available to pay such claims, up to the total amount of the unobligated balances in those funds from time to time, on the same basis and subject to the terms, conditions, limitations, and exclusions contained in the following University public and professional liability policies which will expire on August 1, 1976:

Continental Insurance Company, Policy No. L6-29-63-91

<i>General Liability</i>	<i>Hospital Professional Liability</i>
Limits: \$1,000,000 per occurrence	\$100,000 per occurrence
	\$300,000 annual aggregate

*Glacier General Assurance Company, Policy No. XSS 220**Hospital Professional Liability Limits:*

Per occurrence \$400,000 excess over \$100,000

Annual aggregate \$200,000 excess over \$300,000

It is intended by the foregoing to provide the same coverages for claims against University Trustees, officers, employees, and certain students as are provided by said insurance policies, except that the coverages will be further limited by the amount of the unobligated balances in said funds.

Individuals against whom such claims are asserted by reason of their performance of duties within the scope of their University relationship or employment must promptly notify the University of all such claims, and of incidents which may result in such claims, and cooperate with the University in the investigation and disposition of all claims.

Recommendation

The Vice President for Administration has recommended that this proposal for a risk financing and management program be established and that the contract for services as outlined be awarded.

I concur.

On motion of Mr. Howard, these recommendations were approved, and this contract was awarded.

SECRETARY'S REPORT

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

ANNOUNCEMENTS FROM THE PRESIDENT OF THE BOARD

President Neal called attention to the schedule of regular meetings for the remainder of the calendar year: September 15, Medical Center; October 20, Chicago Circle; November 19, Urbana; December 15, Medical Center.

REGULAR MEETING RECESSED FOR MEETING OF FINANCE COMMITTEE

At this point, the Board recessed to permit the Finance Committee to convene to deal with recommendations regarding the investment report and buy-sell lists.

OPEN MEETING RECONVENED

When the Board reconvened, on motion of Mr. Howard, the investment report (see below) was approved. In addition, on recommendation of Mr. Livingston, the Board approved the action of the Finance Committee to approve suggested changes in range limits of thirteen stocks on the buy-sell list.

Investment Report

May and June 1976

(47) The Comptroller presented the investment report for the months of May and June 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>
Purchases:				
6/14	\$ 152 000	Associates demand notes.....	6.05	\$ 152 000 00
6/14	24 000	Household Finance demand notes	6.05	24 000 00
6/14	7 000	International Harvester demand notes	6.05	7 000 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:				
6/23	\$ 124 000	Federal Land Banks 5% percent bonds due 7/20/76.....		\$ 123 922 50
Repurchase Agreements:				
6/3	\$2 000 000	U.S. Treasury 7% percent notes due 11/15/81 for 6 days with Continental Bank	5.13	\$2 000 000 00
6/9	2 100 000	U.S. Treasury bills due 12/2/76 for 1 day with A. G. Becker & Company	5.50	2 020 000 00
6/10	2 000 000	Federal National Mortgage As- sociation 8% percent notes due 10/10/79 for 13 days with A. G. Becker & Company.....	5.50	2 020 000 00
6/15	1 400 000	U.S. Treasury 6 percent notes due 11/15/78 for 14 days with The First Boston Corporation.....	5.45	1 300 000 00
6/23	3 000 000	U.S. Treasury 6½ percent notes due 10/31/76 for 15 days with The First National Bank of Chicago	5.05	3 000 000 00
6/25	1 000 000	U.S. Treasury 8% percent notes due 9/30/77 for 25 days with Bank of Illinois in Champaign..	5.38	1 000 000 00

<i>Date</i>	<i>Face Value or Number of Shares</i>	<i>Security</i>	<i>Yield (Percent)</i>	<i>Amount</i>
<i>Purchases:</i>				
5/3	\$ 59 000	Associates demand notes.....	5.26	\$ 59 000 00
5/3	41 000	Commercial Credit demand notes	5.39	41 000 00
5/6	65 000	U.S. Treasury bills due 4/5/77..	5.77	61 698 19
6/2	1 000 000	Champaign National 6.26 percent certificate of deposit due 9/2/76	6.26	1 000 000 00
6/2	1 000 000	First National Bank of Cham- paign 5.81 percent certificate of deposit due 9/2/76.....	5.81	1 000 000 00
6/3	3 000	Commercial Credit demand notes	6.05	3 000 00
6/8	105 000	U.S. Treasury bills due 9/23/76	5.53	103 302 15
6/15	1 000 000	Continental Bank 5.60 percent time deposit due 7/15/76.....	5.60	1 000 000 00
6/17	40 000	U.S. Treasury bills due 12/16/76	5.86	38 848 40
6/24	65 000	U.S. Treasury bills due 5/31/77	6.36	61 305 83
6/28	1 000 000	First National Bank of Chicago 6% percent certificate of deposit due 3/25/77	6.38	1 000 000 00
6/28	1 000 000	First National Bank of Chicago 6.80 percent certificate of deposit due 6/23/77	6.80	1 000 000 00
6/29	1 000 000	Continental Bank 5% percent time deposit due 9/28/76.....	5.63	1 000 000 00

On motion of Mr. Howard, this report was approved as presented.

There being no further business, the Board adjourned.

EARL W. PORTER
Secretary

EARL L. NEAL
President

LUNCHEON GUESTS

Guests of the Board at luncheon included the Trustees and staff of the State Universities Retirement System.