

MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

December 14, 1977



The December meeting of The Board of Trustees of the University of Illinois was held in Chicago Room C, Chicago Illini Union, Medical Center campus, Chicago, Illinois, on Wednesday, December 14, 1977, beginning at 10:00 a.m.

President George W. Howard III 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, Mrs. Jane Hayes Rader, Mrs. Nina T. Shepherd, Mr. Arthur R. Velasquez. Mr. Earl Langdon Neal and Governor James R. Thompson were absent. The following nonvoting student trustees were present: Miss Cathy Conlon, Medical Center campus; Mr. Cornele Overstreet, Urbana-Champaign campus; Miss Gretchen Winter, Chicago Circle campus.

Also present were President John E. Corbally; Dr. Peter E. Yankwich, vice president for academic affairs; Chancellor Joseph S. Begando, Medical Center campus; Chancellor Donald H. Riddle, Chicago Circle campus; Dr. Morton W. Weir, acting chancellor, Urbana-Champaign campus; Mr. David Landman, university director of public information; 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; and Dr. Earl W. Porter, secretary.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President's Reports

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

University Operating Budget Request for Fiscal Year (FY) 1979

President Corbally reported that the Illinois Board of Higher Education would consider its budget recommendations in January. He indicated that he expected there would be a recommendation regarding tuition, adding that he himself would be presenting to the trustees a recommendation concerning tuition at the University of Illinois in January. However, action would not be anticipated before February or possibly March.

Acceptance of Federal Capitation Funds, Medical Center¹

Chancellor Begando reported that amended legislation on this subject had now passed both houses of Congress and was awaiting signature by the president. It appears that institutional autonomy in the selection of students under this program would be restored, although a complete analysis of the new legislation has not been completed. It was made clear that, if the legislation is satisfactory and based on a favorable economic analysis, the University might apply for the capitation grants. The question of the involvement of the Board of Trustees in this judgment was again raised. The president expressed his belief that the matter was analogous to routine judgments made administratively concerning acceptance of outside money. He emphasized that, in this instance, there would be no change in policy, simply a change in federal regulations that would conform to existing, and preexisting, University policy. He pointed out that the deadline for application might make it essential that the application be made promptly.

REGULAR AGENDA

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

Appropriation by the Athletic Association

(1) The Board of Directors of the Athletic Association of the University of Illinois at Urbana-Champaign at their meeting on November 11, 1977, approved the following special appropriation:

*From Athletic
Association Reserve
for Stadium Renovation*

Replacement of hot water reclaimer system in west side of Stadium and repairs to air intake and exhaust system in Varsity Room area (southeast tower area of Stadium) \$ 35 000

The acting chancellor at Urbana-Champaign has recommended approval of this appropriation.

¹ See also minutes of November 18, 1977, p. 461.

I concur.

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

Award of Certified Public Accountant Certificates

(2) The Committee on Accountancy recommends that the certificate of certified public accountant be awarded, under Section 5 of the Illinois Accountancy Act of 1943, as amended, to seven 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.

The Committee on Accountancy, pursuant to Rule 16(d) of the Regulations, also recommends that the certificate of certified public accountant be awarded to twenty-four candidates who wish to transfer the examination credit earned by passing the standard written examination in some other state and who have fulfilled all other legal requirements under Sections 1, 2, and 3 of the Illinois Accountancy Act of 1943, as amended. The names of the candidates are filed with the secretary.

The committee also recommends that the certificate of certified public accountant be awarded to a candidate who passed the standard written examination in May 1977 in Illinois and who has fulfilled all other legal requirements under Sections 1, 2, and 3 of the Illinois Accountancy Act of 1943, as amended. The name of the candidate is filed with the secretary.

I concur in these recommendations.

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

Appointments to the Faculty

(3) The following new appointments to the faculty of the rank of assistant professor and above, and 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-month service basis
- 1-7 — Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Chicago Circle

1. DEBORAH A. HAWKINS, assistant professor of education, beginning September 1, 1977 (1), at an annual salary of \$16,500.

Medical Center

2. CRAIG W. BEATTIE, associate professor of pharmacology in surgery, Abraham Lincoln School of Medicine, beginning November 1, 1977 (AY), at an annual salary of \$30,000.

3. VIJAY CHANDRA, assistant professor of epidemiology, School of Public Health, beginning January 16, 1978 (1Y), at an annual salary of \$24,000.
4. LINDA L. GROETZINGER, assistant professor of medical social work, School of Associated Medical Sciences, beginning November 1, 1977 (WY), at an annual salary of \$17,400.
5. JUDI VICICH, assistant professor of occupational therapy, School of Associated Medical Sciences, beginning November 14, 1977 (1Y), at an annual salary of \$18,500.

Urbana-Champaign

6. HENRY GANS, professor of clinical sciences (surgery and pathology), School of Clinical Medicine, Urbana-Champaign, on 15 percent time, beginning November 1, 1977 (AY15), at an annual salary of \$7,000.
7. JEFFREY F. GARDNER, assistant professor of microbiology, beginning November 1, 1977 (1), at an annual salary of \$16,000.
8. RICHARD C. HALL, assistant professor in the School of Basic Medical Sciences, and also in the School of Associated Medical Sciences at the Medical Center, beginning November 21, 1977 (1Y;NY), at an annual salary of \$17,500.
9. RICHARD I. MASEL, assistant professor of chemical engineering, beginning January 21, 1978 (1), at an annual salary of \$17,500.

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

President's Report on Actions of the Senates

Education Policy Area of Specialization, Chicago Circle

(4) The Chicago Circle Senate has approved a recommendation from the Graduate College for the establishment of an area of specialization in education policy within the Ph.D. program in public policy analysis. Students will complete the core curriculum common to all students in the public policy analysis curriculum and then complete at least 30 quarter hours of 400-level courses, including required courses.

The goal of this specialization is to provide advanced professional training in education policy through concentration in two areas of study: education policy analysis and evaluation research. Such specialization is intended to prepare individuals for careers as research, planning, or administrative personnel in public or private education agencies or as university faculty.

Transportation Planning Area of Specialization, Chicago Circle

The Chicago Circle Senate has approved a recommendation from the College of Architecture, Art, and Urban Sciences for the establishment of an area of specialization in transportation planning in the Master of Urban Planning and Policy (MUPP) program, which currently offers five interdepartmental specializations. Students specializing in transportation planning must take a core of courses common to all MUPP students before taking course work in the transportation planning area. A quarter of research and a quarter of internship are also required for this specialty.

The purpose of this program is to prepare persons for management and planning positions in the transportation field.

Redesignation and Revision of the Master of Arts in Ethnic Studies: Spanish-American as the Master of Arts in Hispanic Studies

The Chicago Circle Senate has approved a recommendation from the College of Liberal Arts and Sciences that the Master of Arts in Ethnic Studies: Spanish-American be redesignated the Master of Arts in Hispanic Studies and that the curriculum be revised. The limitation imposed by the "Spanish-American" designa-

tion has been found to hinder students wishing to work toward a doctorate since there are no known Ph.D. programs in Spanish-American ethnic studies.

The changes will broaden the scope of the program by removing the artificial restrictions implied by the description on the study of Spanish influence on the history, language, and literature of Spanish-Americans. It will allow students to engage in Hispanic literary, linguistic, and interdisciplinary studies.

This report was received for record.

Special Tuition Rate, Linguistic Institute — Summer 1978, Urbana

(5) The Department of Linguistics at Urbana-Champaign will serve as host to the 1978 Linguistic Institute of the Linguistics Society of America during the summer of 1978. The institute is held at various institutions of higher education every summer and draws students and scholars from throughout the world.

The institute will be operated in conjunction with the regular 1978 summer session at Urbana. Institute courses will be offered for credit, and many of them will be taught by faculty members from cooperating language departments in the College of Liberal Arts and Sciences. These faculty members will be paid from the regular summer session budget; their time is, in essence, being donated by the University to the institute. Many of the regular students of these departments will remain on campus to enroll in these special courses or in others that will be a part of the institute. These regular University students will pay the usual summer session tuition and fees.

Since the courses and additional opportunities and programs offered by the institute will provide special service to practicing professional linguists, the acting chancellor at Urbana has recommended that a special tuition be approved for all other participants to provide the income necessary to meet the direct costs of the institute. Based on an estimated enrollment of 350 participants, a tuition rate of \$300 will be required. Participants will also pay the other general fees assessed to regular University students. Since institute participants will not be enrolling for a degree, it is also recommended that the \$20 application fee be waived.

The vice president for administration recommends approval.

I concur.

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

Contract with City of Chicago for Career Guidance Services, Chicago Circle

(6) The University, through its Educational Assistance Program at the Chicago Circle campus, has executed a contract with the City of Chicago, Department of Human Services, for a program entitled Developmental Education and Employment Program.

The program, under the general direction of the associate vice chancellor for outreach and public service, provides for qualified, but presently unemployed, professionals to be employed to furnish noncredit career guidance, education, and counselling services for the disadvantaged and unemployed or underemployed inner-city youth of the city. It is also expected that those persons engaged in career guidance will gain additional experience which will help them obtain future employment in private industry and public and private agencies.

The program began August 1 under a contract for \$37,500; however, additional funds, a total of \$510,675, have now been made available for an increased scope of activities through the contract termination date of July 31, 1978. The city of Chicago was the recipient of the funds under a contract with the U.S. Department of Labor, Employment and Training Administration, to provide manpower services pursuant to the Comprehensive Employment Training Act of 1973, Title VI.

I recommend that the secretary of the board report this contract to the executive director of the Illinois Board of Higher Education.

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

Contract for Professional Services, Productivity Improvement Program

(7) In an attempt to increase the operational effectiveness of units within the University, a contract proposal has been developed by staff members in cooperation with Work in America Institute, Inc., a nonprofit organization. A pilot program, the project would involve the University business affairs function at Urbana and the Urbana campus's Operation and Maintenance Division.

Work in America Institute, Inc., was established in 1975 to provide practical support to all sectors of the work community for improving performance and productivity. It has the support of both public and private sectors, including government, foundations, labor, and management. This will, however, be the first time its efforts have been directed toward a higher education institution.

Exploratory efforts, involving the administrators and personnel concerned, have been undertaken in the University project. Upon approval of the contract proposal, investigation will be conducted by means of survey techniques and sample interviews with individuals from the units involved. When these data are analyzed, they will be reported and discussed within functional areas to involve all personnel in definition of problems, development and implementation of corrective action, and establishment of measurement criteria. At the end of ten months, the effectiveness of the units will be measured against the criteria developed by survey of the units and, independently, by Urbana's Department of Business Administration.

Charges for the services of Work in America Institute, Inc., and other consultant staff whom they will employ, are estimated to be \$52,000, including authorized reimbursable expenses. The contract would be for the period January 1 through December 31, 1978. The Exxon Education Foundation has provided a grant of \$25,000 in support of the program. The remaining amount is available in the institutional funds budget.

The vice president for administration, with the concurrence of the executive officers, has recommended the employment of Work in America Institute, Inc. to provide the services stated at a cost not to exceed \$52,000.

I concur.

The student advisory vote was: Aye, Miss Conlon, Mr. Overstreet, Miss Winter; no, none.

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

Contracts for Remodeling, 1919 West Taylor Street, Medical Center

(8) The president of the University, with the concurrence of appropriate administrative officers, recommends award of the following contracts, the award in each case being to the low bidder, for the remodeling of the entire fourth floor of the 1919 West Taylor Street building for the physical therapy staff of the School of Basic Medical Sciences at the Medical Center campus.

<i>General Work</i>	
Mutual Contracting Co., Chicago.....	\$ 81 467
<i>Plumbing Work</i>	
Fullerton Plumbing & Heating Co., Inc., Elk Grove Village.....	10 795

Electrical Work

Midwest Interstate Electrical Construction Co., Chicago.....	\$ 31 078
<i>Total</i>	<u>\$123 340</u>

Funds for this project are available in the Physical Plant budget at the Medical Center campus.

A report from the Physical Plant Department, including a schedule of the bids received, has been filed with the secretary of the board for record.

The student advisory vote was: Aye, Miss Conlon, Mr. Overstreet, Miss Winter; no, none.

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

Establishment of Airport Operations Development Reserve Fund, Urbana

(9) On May 18, 1977, the Board of Trustees approved guidelines and definitions pertaining to the handling of locally held funds. Pursuant to those guidelines, the acting chancellor at the Urbana-Champaign campus, with the concurrence of the vice president for administration, has recommended the establishment of a "University of Illinois-Willard Airport Operations Development Reserve Fund" from the airport operations activity at the Urbana-Champaign campus. The fund would be established in the amount of \$47,000 for costs, including architectural and engineering costs, associated with the expansion and improvement of the Administration Building at the University of Illinois-Willard Airport.

I concur.

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

Application for Federal Assistance for FY 1978 Airport Development Aid Program

(10) The Illinois Department of Transportation, Division of Aeronautics, and the Federal Aviation Administration have indicated that the following projects are to be considered for funding in the current fiscal year:

1. Land acquisition and avigation easements for clear zones, Runway 4-22,
2. Overlay Runway 4-22 for strength and safety, and
3. Install air carrier apron security lights.

The intent of the projects is to bring existing facilities within Federal Aviation Administration standards.¹

The Division of Aeronautics has requested the University to apply for federal assistance of approximately \$2 million for 90 percent of the eligible costs of the program. The balance of the cost, which includes the University and state shares, will be borne by the Division of Aeronautics.

To prepare the application will require the assistance of an engineering consultant. The Division of Aeronautics has asked the University to identify a firm acceptable to it in order that the firm may be employed by the division with funds appropriated for FY 1978. The staff has identified the firm of Crawford, Murphy, and Tilly, Inc., 2750 West Washington, Springfield, Illinois.

The president of the University, with the concurrence of appropriate administrative officers, recommends that the University submit an application for a federal

¹ The improvement program described is limited to the objective indicated. It bears no relationship to the consultant's recommendations in the Airport Master Plan.

grant for the above projects for the Airport Development Aid Program, FY 1978, and that the comptroller and the secretary of the board be authorized to execute the necessary documents. It is further recommended that the board concur in the recommendation of the engineering consultant.

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

Amendment to Architectural/Engineering Contract,¹ Administration Building, University of Illinois—Willard Airport

(11) On April 14, 1976, the board authorized the employment of the firm of Simon, Rettberg, Garrison, Flom, Inc., Champaign, to provide the architectural and engineering services necessary for the design and construction of an addition to the Administration Building at the University of Illinois—Willard Airport at a fee based on 6 percent of the total construction cost. However, the firm was authorized to proceed only through preliminary studies and cost estimates, for which the University's obligation would be limited to \$5,000, until further action of the board.

The feasibility study has been completed and the project costs sufficiently estimated to permit the conclusion of preliminary financing procedures. The estimated cost of new construction is \$360,780, and the estimated cost of remodeling is \$82,080.

Accordingly, the president of the University, with the concurrence of appropriate administrative officers, recommends that the action of the board of April 14, 1976, be amended to approve a fee of 6 percent of the actual cost of new construction and 15 percent of the actual cost of remodeling construction, plus authorized reimbursements, less the amounts previously paid the firm during the preliminary study phase.

Funds are available from the Airport Operations Development Reserve Account.

This project is subject to approval as a noninstructional facility by the Illinois Board of Higher Education.

The student advisory vote was: Aye, Miss Conlon, Mr. Overstreet, Miss Winter; no, none.

On motion of Mrs. Rader, this recommendation was approved and the action of the Board of Trustees of April 14, 1976, was amended by the following vote: Aye, Mr. Forsyth, Mr. Lenz, Mr. Livingston, Mrs. Rader, Mrs. Shepherd, Mr. Velasquez; no, Mr. Howard; absent, Mr. Neal, Governor Thompson. Mr. Hahn asked to be recorded as not voting.

Lease of Space for Cooperative Extension Service, Benton

(12) The president of the University, with the concurrence of appropriate administrative officers, recommends the execution of an agreement by the comptroller and the secretary to lease 2,432 square feet of space at 700 West Washington Street, Benton, Illinois, for the Region 10 Office, Cooperative Extension Service. The period of the lease is from the time of completion of the facilities (estimated to be between April 1 and June 30, 1978) through June 30, 1983. The monthly rental is \$950.51, with options in the University for annual renewals upon the same terms and conditions.

Funds are available in the FY 1978 budget of the College of Agriculture.

The student advisory vote was: Aye, Miss Conlon, Mr. Overstreet, Miss Winter; no, none.

¹ This project is limited to the objectives indicated and goes back to initial board action in April 1976. It bears no relationship to the consultant's recommendations in the Airport Master Plan.

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

Purchases

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

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>From Appropriated Funds</i>	
Recommended	\$ 45 322 46
<i>From Institutional Funds</i>	
Recommended	637 709 89
<i>Grand Total</i>	<u>\$683 032 35</u>

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, Miss Conlon, Mr. Overstreet, Miss Winter; no, none.

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

Report of Purchases Approved by the Vice President for Administration

(14) 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

(15) 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: 42940	Perform services pertaining to housing, economic development, community facilities, and services	\$ 9 726
43296	Provide services for implementing the Summer Youth Employment Program	40 500
43297	Provide a planning study for the identification of human service planning and service boundaries	19 470

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
The National Dairy Council	Perform a field evaluation of the K-6 nutrition education curriculum	\$ 62 280
Northeastern Illinois Planning Commission 77C-194	Provide services related to the recruitment, evaluation, and accreditation of the student intern	6 000
United States Department of Justice 77NI-99-0073	Perform research for improved measures of correctional effectiveness and outcome; alternatives to recidivism measures	224 981
United States Department of Transportation DOT-OS-70048	Research conference for applying behavioral science to transportation policy, planning, and programming	43 449
United States Energy Research and Development Administration EE-77-C-02-4582	Conduct the Fifth Annual Energy Conference on energy policy options for Illinois	6 600
<i>Total</i>		<u>\$ 417 006</u>

Change Order

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
United States Office of Education 300-76-0353	Chicago early childhood education program for the severely handicapped	\$ 92 709
<i>Total</i>		<u>\$ 92 709</u>

Medical Center

New Contract

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
Purdue University	Analyze study area census tract populations and calculate adjusted cancer mortality rates for Indiana and Illinois	\$ 10 400
<i>Total</i>		<u>\$ 10 400</u>

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
MacNeal Memorial Hospital	Provide clinical training of American students from foreign medical schools	\$ 7 547
Mercy Hospital and Mercy Orphan Asylum	Provide clinical training of American students from foreign medical schools	7 547
<i>Total</i>		<u>\$ 15 094</u>

Contract Work Orders

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Certified Mechanical Contractors, Inc.	Cost-plus contract: Installation of a new tube bundle for Laundry Building	\$ 9 216
	Installation of an underground steam line crossing Paulina Street	24 924
William J. Scown Building Company	Cost-plus contract: Install new motor assembly for the Trane P. C. V. in Pharmacy Building	14 040
	Relocate the School of Public Health	10 024
	Remodel the third floor of the University of Illinois Hospital	13 175
<i>Total</i>		<u>\$ 71 379</u>

Urbana-Champaign

New Contracts

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid to the University</i>
Champaign Consortium 8-006	Labor Community Services Outreach Program Operate an employment and training subprogram	\$ 11 829 9 000
Institute for Law and Social Research	Analysis of female criminality in Washington, D.C.	8 620
Morris Animal Foundation	Induction of ovulation and estrus in the bitch	11 625

NALCO Chemical Company	Study the problem of paint adherence to cold-rolled and coil-annealed low carbon sheet steel	\$ 17 970
National Aeronautics and Space Administration NAS5-24275	Research in application and design refinement of the massively parallel processing computer	177 677
Illinois State Library IX-A FY77	Establish the Illinois Bibliographic Center for Cartographic Materials	8 092
United States Air Force F49620-77-C-0117	Ground-referenced visual orientation with imaging displays	98 111
United States Department of Agriculture IS-580	Benomyl residues on the hull and in the nutmeat of black walnuts sprayed for disease control	14 000
United States Department of Labor 91-17-77-47	Effectiveness of different approaches in the prediction of withdrawal behavior	9 970
United States Energy Research and Development Administration EE-77-S-05-5502	Traineeship program for graduate students in the energy research and development field in the discipline of conservation	14 000
United States Environmental Protection Agency 68-03-2597	Socioeconomic evaluation of implementation strategies for control of agricultural nonpoint source pollution	99 920
University of Arizona PI-8	Provide PLATO IV terminals and services	61 862
University of Oregon	Theory of solids	10 812
<i>Total</i>		\$ 553 489

Contract Work Order

<i>With Whom</i>	<i>Purpose</i>	<i>Amount to Be Paid by the University</i>
Barber and DeAtley, Inc.	Cost-plus contract: Erection of fuel oil storage tanks foam system enclosure	\$ 7 800
<i>Total</i>		\$ 7 800

Summary

Amount to be paid to the University:		
Chicago Circle.....		\$ 509 715
Medical Center.....		10 400
Urbana-Champaign.....		553 489
<i>Total</i>		\$1 073 604
Amount to be paid by the University:		
Medical Center.....		\$ 86 473
Urbana-Champaign.....		7 800
<i>Total</i>		\$ 94 273

This report was received for record.

Quarterly Report of the Comptroller

(16) The comptroller presented his quarterly report as of September 30, 1977.

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

Report of Investment Transactions through November 30, 1977

(17) The comptroller presented the investment report as of November 30, 1977.

Changes in Endowment Pool Investments (Under Finance Committee Guidelines)

<i>Date</i>	<i>Face Value or Number of Shares</i>	<i>Description</i>	<i>Cost or Yield (Percent)</i>	<i>Amount</i>
Purchases:				
10/5	\$ 5 000	Associates demand notes.....	6.32%	\$ 5 000 00
11/18	53 000	Ford Motor Credit demand notes.....	6.72	53 000 00
11/23	36 000	Associates demand notes.....	6.72	36 000 00

<i>Date</i>	<i>Face Value or Number of Shares</i>	<i>Description</i>	<i>Cost or Yield (Percent)</i>	<i>Amount</i>
11/23	\$ 30 000	Ford Motor Credit demand notes.....	6.72%	\$ 30 000 00
11/23	146 000	Household Finance demand notes.....	6.72	146 000 00

Changes in Other Investments
(Under Comptroller's Authority)

<i>Date</i>	<i>Face Value or Number of Shares</i>	<i>Description</i>	<i>Cost or Yield (Percent)</i>	<i>Amount</i>
Sales:				
11/1	\$1 101 169	First National Bank of Chicago 5 percent open-end time de- posit.....	\$1 101 168 87	\$1 101 168 87
11/4	55 shares	International Paper common stock.....	2 430 31	2 241 25
11/10	\$ 400 000	First National Bank of Chicago 5 percent open-end time de- posit.....	400 000 00	400 000 00
11/17	439 shares	American Express common stock.....	16 447 50	16 550 35
11/17	140 shares	Central Illinois Public Service \$4 preferred stock.....	7 140 00	6 475 00
11/17	100 shares	Gillette common stock.....	3 712 50	2 458 66
11/17	100 shares	Marathon Oil common stock.....	3 900 00	4 539 84
11/17	633 shares	Pepsico common stock.....	12 291 33	15 270 60
11/17	400 shares	Westinghouse Electric com- mon stock.....	17 125 00	6 899 76
11/23	\$ 300 000	First National Bank of Chicago 5 percent open-end time de- posit.....	300 000 00	300 000 00
11/23	5 000	Los Angeles, California, De- partment of Water Power 2¼ percent bonds due 5/1/90....	2 787 50	3 226 00
11/23	10 000	Saginaw, Michigan, Housing Authority 3½ percent bonds due 8/1/92.....	6 664 00	8 643 00
11/23	10 000	Chicago Regional Port 4 per- cent bonds due 7/1/95.....	3 200 00	7 503 00
11/23	5 000	Texas Turnpike 4 percent bonds due 1/1/05.....	3 625 00	4 760 50
11/25	60 000	New Jersey Transportation 5.40 percent bonds due 5/1/79	61 045 80	61 120 80
11/25	75 000	San Francisco Airport 5.40 percent bonds due 5/1/79....	76 970 25	76 475 25
11/25	5 000	Maricopa County, Arizona, 5¼ percent bonds due 7/1/84	5 000 00	5 166 05
11/25	15 000	Kentucky Turnpike 4.85 per- cent bonds due 7/1/00.....	12 112 50	14 175 00

11/25	\$ 10 000	New York Housing 3.60 percent bonds due 2/1/06.....	\$ 6 300 00	\$ 6 163 00
11/28	10 000	Kansas City Airport 3.80 percent bonds due 7/1/81.....	6 762 00	9 025 00
11/28	15 000	Illinois State Toll Highway 3¾ percent bonds due 1/1/95	11 709 38	13 842 00
11/28	5 000	Washington Public Power 3¾ percent bonds due 3/1/12....	3 100 00	3 350 00
11/29	700 000	First National Bank of Chicago 5 percent open-end time deposit.....	700 000 00	700 000 00
11/30	200 000	First National Bank of Chicago 5 percent open-end time deposit.....	200 000 00	200 000 00

Repurchase Agreement:

11/15	\$3 000 000	Pittsburgh National Bank 5¼ percent certificate of deposit due 12/30/77 dated 12/30/76 for three days with Blyth Eastman Dillon Capital Markets.....	6.40%	\$3 000 000 00
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Purchases:

11/1	\$1 000 000	American Fletcher Bank 6.85 percent certificate of deposit due 1/25/78 dated 10/27/77.....	6.75%	\$1 000 217 48
11/2	1 000 000	Industrial Valley Bank and Trust 6.90 percent certificate of deposit due 1/31/78	6.90	1 000 000 00
11/3	800 000	First National Bank in Champaign 7.10 percent certificate of deposit due 2/10/78	7.10	800 000 00
11/3	1 000 000	Springfield Marine 6.70 percent certificate of deposit due 2/1/78.....	6.70	1 000 000 00
11/7	2 000 000	Harris Trust & Savings Bank 6½ percent certificate of deposit due 1/18/78.....	6.63	2 000 000 00
11/7	100 000	Sangamon Bank 6.90 percent certificate of deposit due 2/6/78.....	6.90	100 000 00
11/9	1 000 000	Bloomington Federal Savings & Loan 7 percent certificate of deposit due 1/18/78	7.00	1 000 000 00
11/10	175 000	U.S. Treasury bills due 12/15/77.....	5.78	174 021 70
11/10	200 000	U.S. Treasury bills due 1/12/78.....	5.98	197 928 00
11/10	250 000	U.S. Treasury bills due 2/16/78.....	6.27	245 807 78
11/10	250 000	U.S. Treasury bills due 3/16/78.....	6.43	244 496 25
11/10	135 000	U.S. Treasury bills due 3/23/78.....	6.39	131 887 80
11/10	300 000	U.S. Treasury bills due 4/13/78.....	6.52	291 863 67
11/10	350 000	U.S. Treasury bills due 5/4/78.....	6.58	339 094 10
11/10	700 000	U.S. Treasury bills due 6/27/78.....	6.71	671 235 06
11/10	350 000	U.S. Treasury bills due 7/25/78.....	6.78	333 784 01
11/10	500 000	U.S. Treasury 7½ percent notes due 8/15/78.....	7.07	502 656 25
11/10	535 000	U.S. Treasury bills due 9/19/78.....	6.92	504 625 95
11/10	660 000	U.S. Treasury bills due 10/17/78.....	6.97	619 114 10
11/10	300 000	U.S. Treasury 6 percent notes due 11/15/78.....	7.09	297 468 75
11/10	40 000	U.S. Treasury 5½ percent notes due 2/28/79.....	6.75	39 500 00
11/14	300 000	First National Bank of Chicago 5 percent open-end time deposit.....	5.00	300 000 00

<i>Date</i>	<i>Face Value or Number of Shares</i>	<i>Description</i>	<i>Cost or Yield (Percent)</i>	<i>Amount</i>
11/15	\$ 88 054	First National Bank of Chicago 5 percent open-end time deposit.	5.00%	\$ 88 054 17
11/15	30 000	U.S. Treasury bills due 3/23/78.	5.83	29 390 80
11/15	171 000	U.S. Treasury 6 percent notes due 11/15/78.	6.61	169 984 69
11/16	10 000	U.S. Treasury bills due 9/19/78.	6.66	9 462 75
11/18	1 000 000	First National Bank of Springfield 6.65 percent certificate of deposit due 3/10/78.	6.65	1 000 000 00
11/18	1 000 000	Liberty National Bank of Oklahoma City 6.95 percent certificate of deposit due 2/16/78.	6.95	1 000 000 00
11/18	1 000 000	Mid-City National Bank 6.65 percent certificate of deposit due 2/16/78.	6.65	1 000 000 00
11/18	145 000	U.S. Treasury bills due 10/17/78.	6.87	136 335 53
11/21	213 782	First National Bank of Chicago 5 percent open-end time deposit.	5.00	213 782 26
11/22	500 000	First National Bank of Chicago 5 percent open-end time deposit.	5.00	500 000 00
11/29	500 000	Bank of Illinois in Champaign 6½ percent certificate of deposit due 2/10/78. ...	6.50	500 000 00
11/29	700 000	Palmer American 6.60 percent certificate of deposit due 3/17/78.	6.60	700 000 00
11/29	5 000	U.S. Treasury 6¼ percent notes due 2/15/78.	5.58	5 016 56

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

SECRETARY'S REPORT

The secretary presented for record appointments to the faculty and changes of status made by the president, resignations, and leaves of absence.

ANNOUNCEMENTS FROM THE PRESIDENT OF THE BOARD

President Howard called attention to the schedule of meetings for the first three months of 1978: January 18 (annual meeting), Urbana; February 15, Chicago Circle; March 15, Urbana.

He also announced that an executive session had been requested and would be convened after the meeting to consider reports on pending litigation.

RECESS AND EXECUTIVE SESSION

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

Litigation Initiated by Tyree Walker

(18) A complaint has been filed in the Circuit Court of Cook County, Illinois (Case No. 77L 22059), by Tyree Walker, a minor, seeking recovery of damages for injuries alleged to have been suffered under anesthesia as a patient at the University of Illinois Hospital. It is alleged that the injuries were inflicted on

September 28, 1976, which date is after expiration of the University's professional liability insurance coverage, and damages are claimed in "an amount in excess of \$15,000."

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 defend the suit.

I concur.

The student advisory vote was: Aye, Miss Conlon, Mr. Overstreet, Miss Winter; no, none.

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

Litigation Initiated by Jelica Nikolic

(19) A claim for injuries has been filed in the State of Illinois Court of Claims (Case No. 77-CC-2323) by Jelica Nikolic. The claim seeks recovery of \$30,000 in damages for injuries alleged to have been suffered on March 24, 1977, by reason of a defective sidewalk on the overhead walkway over Taylor Street at the Chicago Circle campus. On the date in question the University carried no insurance applicable to the alleged incident.

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 defend the claim.

I concur.

The student advisory vote was: Aye, Miss Conlon, Mr. Overstreet, Miss Winter; no, none.

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

There being no further business, the board adjourned.

EARL W. PORTER
Secretary

GEORGE W. HOWARD III
President